

# **FALLSCHASE**

## **COMMUNITY DEVELOPMENT DISTRICT**

**October 18, 2021**

**BOARD OF SUPERVISORS**

**CONTINUED REGULAR**

**MEETING AGENDA**

**Fallschase Community Development District**  
**OFFICE OF THE DISTRICT MANAGER**  
**2300 Glades Road, Suite 410W•Boca Raton, Florida 33431**  
**Phone: (561) 571-0010•Fax: (561) 571-0013•Toll-free: (877) 276-0889**

October 11, 2021

Board of Supervisors  
Fallschase Community Development District

**ATTENDEES:**  
Please identify yourself each  
time you speak to facilitate  
accurate transcription of  
meeting minutes.

Dear Board Members:

The Board of Supervisors of the Fallschase Community Development District will hold a Continued Regular Meeting on October 18, 2021 at 10:30 a.m., at 2810 Remington Green Circle, Tallahassee, Florida 32308. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Update/Status: Boundary Amendment
4. Presentation of Amended and Restated Engineer's Report on District Improvements and Estimated Probable Construction Cost
5. Presentation of Supplemental Report to the Amended and Restated Engineer's Report on District Improvements and Estimated Probable Construction Cost
6. Presentation of Amended and Restated Master Special Assessment Methodology Report
7. Presentation of Supplemental Special Assessment Methodology Report
8. Consideration of Resolution 2022-01, Authorizing the Issuance of its Fallschase Community Development District Special Assessment Bonds, Series 2021 (the "Series 2021 Bonds"); Determining Certain Details of the Series 2021 Bonds and Establishing Certain Parameters for the Sale Thereof; Approving the Form of and Authorizing the Execution and Delivery of a Master Trust Indenture and a First Supplemental Trust Indenture; Appointing a Trustee Under the Master Trust Indenture; Authorizing the Negotiated Sale of the Series 2021 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Contract with Respect to the Series 2021 Bonds and Awarding the Bonds to the Underwriter Named Therein; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum Relating to the Series 2021 Bonds and its Use by the Underwriter in Connection with the Offering for Sale of the Series 2021 Bonds; Approving the Execution and Delivery of a

Final Limited Offering Memorandum Relating to the Series 2021 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Continuing Disclosure Agreement; Providing for the Application of Series 2021 Bond Proceeds; Authorizing the Proper Officials to do all Things Deemed Necessary in Connection with the Issuance, Sale and Delivery of the Series 2021 Bonds; Making Certain Declarations; Providing for Severability and an Effective Date and for Other Purposes

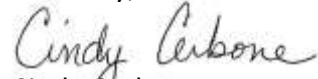
9. Consideration of Ancillary Financing Agreements
  - A. Completion Agreement
  - B. Collateral Assignment Agreement
  - C. Declaration of Consent
  - D. True-Up Agreement
10. Acceptance of Unaudited Financial Statements as of August 31, 2021
11. Approval of August 30, 2021 Public Hearing and Regular Meeting Minutes
12. Staff Reports
  - A. Attorney: *van Assenderp Law*
  - B. Engineer: *Moore Bass Consulting, Inc.*
  - C. Manager: *Wrathell, Hunt and Associates, LLC*
    - UPCOMING MEETING DATES:
      - I. November 1, 2021 Landowners’ Meeting [Board Members are not required to attend]
      - II. March 7, 2022 Regular Meeting at 10:30 A.M.
        - QUORUM CHECK

William Lamb	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Jeff Phipps	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Lewis Singletary	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Rick Singletary	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Richard Yates	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO

13. Audience Comments/Supervisors’ Requests
14. Adjournment

Should you have any questions and/or concerns, please feel free to contact me directly at (561) 346-5294.

Sincerely,

  
Cindy Cerbone

District Manager

**TO ATTEND BY TELEPHONE**

**CALL-IN NUMBER: 1-888-354-0094**

**PARTICIPANT PASSCODE: 801 901 3513**

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**4**

FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
AMENDED AND RESTATED  
ENGINEER'S REPORT ON  
DISTRICT IMPROVEMENTS AND  
ESTIMATED PROBABLE CONSTRUCTION COST

**April 23, 2007**

**Amended: July 20, 2007**

**Amended: December 1, 2017**

**Amended: August 29, 2021**

**Amended: October 18, 2021**



FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
P.O. Box 15887  
Tallahassee, Florida 32317

Prepared by



805 North Gadsden Street  
Tallahassee, Florida 32303  
(850) 222-5678  
(850) 681-2349 (Fax)

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## I. GENERAL DESCRIPTION

### A. Purpose:

This report (“Report”) will describe improvements proposed for funding and acquisition by the Fallschase Community Development District (“District”), established (technically under the law, Leon County’s old predecessor district was “reestablished” at the request of the Leon County Commission to constitute the Fallschase Community Development District) by Leon County Ordinance 97-18, and will give an opinion of the probable construction costs for these improvements or provide costs based on construction contract amounts for phases currently under construction, status of the project, and phasing of construction. A table of the anticipated ownership and maintenance of all the improvements described herein will also be included.

### B. Location:

The District is immediately south of Buck Lake Road, generally near the intersection of Buck Lake Road and Fred B. Mahan Drive (U.S. Highway 90, State Road 10), and Buck Lake Road intersection with Alban Stewart Way (see vicinity map). The property is east of the Weems Plantation subdivision (which fronts and has its vehicular access from Weems Road), north of Upper Lake Lafayette (the boundary previously included the major portion of Upper Lake Lafayette, but that has since been donated to Leon County), and the east boundary lies about 660 feet west of the west boundary of the Groveland Hills subdivision. See Location Map, Exhibit 1.

### C. Project:

The Fallschase Development of Regional Impact and Planned Unit Development (DRI/PUD) was approved as a 492-acre mixed-use development consisting of: 750,000 square-feet of commercial/office use, 35,000 square feet of office use, and 1,514 residential units in a mixture of single-family detached, single-family attached units, condominium, and multi-family structures. At the time of this writing, the District boundary is 401.9 acres and includes an area of 26.4 acres that is proposed for removal from the District. The contraction petition for removing the 26.4 acres is currently under review by Leon County. For the purposes of this Report, the District boundary contains 375.5 acres, such that once the contraction petition has been approved, the Report will reflect the accurate acreage of the District boundary. Approximately 116.5 acres of commercial use located at the Northwest corner of the overall development and included within the DRI/PUD was removed from the District through a boundary amendment authorized by Leon County Ordinance 2007-12 which amended Leon County Ordinance 97-18. Arbor Crossing is an



existing multi-family development project of 208 units located north of Buck Lake Road and south of Mahan Drive east of the intersection of the two (2) roads. These 208 units are part of the entitled 1,514 residential units, but this project site falls outside of the current District boundary. The entitlements remaining and available for development within the District boundary are 1,306 (1,514 – 208) residential units. Although not included in the original 492 acres, the Fallschase DRI/PUD required that approximately 218 acres of land at the southern portion of the property, including Upper Lake Lafayette (“ULL”), be deeded, fee simple, to Leon County.

Of the 375.5 acres within the District, 81.5 acres has been placed in conservation easements and approximately 294 acres has been planned for development. The 294 acres is comprised of six phases on the west portion of the development totaling 166.5 acres, and 127.5 acres of future phases on the east portion of the development. See Phasing Map, Exhibit 2. Phases I, II, III, and IA have been permitted, annexed into the City of Tallahassee and are currently under construction. Phases I, II, and III comprise 130 single-family detached units. Phase IA is an apartment complex that includes 288 multi-family units. Phases IV, V, and VI are currently being permitted and include 191 single-family detached lots and 60 single-family attached lots. A breakdown of lot sizes by phase is located in Table 1, Page 8, in the Phasing section of this report. In addition to phases I-VI, infrastructure for the Future Phases (See Phasing Map, Exhibit 2), located on the east side of conservation easement #2 (the existing ravine) are included in Table 2, the probable construction cost table. Preliminarily, the Future Phases have been estimated to be able to develop 411 lots. Costs for the Future Phases were computed based on the calculated cost per lot for Phases IV, V, and VI, plus the additional estimated cost of \$400,000 for a sewage pump station and force main which must be constructed to serve the future phases.

The proposed circulation system within the District is consistent with the PUD and consists of a roadway system as well as a bicycle / pedestrian network to encourage efficient multi-modal travel throughout the community and to surrounding areas. See Circulation Plan, Exhibit 3.

D. Offsite Improvements:

There are currently no offsite improvements that will be funded by the District. Three (3) roadway and intersection improvements that were required as part of the development agreement and PUD were constructed and are currently operational.

E. Permitting:

All development phases are subject to Leon County permitting (unless annexed into the City, and then subject to City of Tallahassee permitting) and are subject to the standards set forth within the Fallschase DRI/PUD and development agreement. Such standards control the development of the vested portions and the non-vested portions of the project. The vested portions of the project are governed solely by the development standards set out in the Fallschase DRI/PUD. These standards will be applied during site plan review, and environmental permitting of the project. In the event of a conflict between the standards in the development agreement and any applicable part of the County's Comprehensive Plan or Land Development Regulations, the standards set forth in the Fallschase Development Agreement shall prevail. As indicated above, Phases I, IA, II, and III have already been permitted and are under construction. Phases IV, V, and VI are currently being permitted. Future phases will be subject to the same development standards described herein. No issues are anticipated with permitting of future development phases.

F. Infrastructure:

All existing infrastructure within the limits of the proposed development, excluding those recently permitted and currently under construction (Phases I, IA, II, and III), and associated with previous projects will be abandoned in place or removed. New infrastructure meeting current standards will be designed and constructed for each phase of development. All infrastructure will be designed and constructed based on the demand placed on the system and will have adequate capacity to serve that demand.

G. District Funding:

RMDC, Inc., a Florida corporation, is developing the Fallschase development and is also constructing the infrastructure described in Section II A-D below. The District is managing the provision of infrastructure including financing, constructing, acquiring, operating and/or maintaining the infrastructure improvements that serve community development within the Fallschase community. Bonds are anticipated to be issued by the District to finance a portion of the Master Project (hereinafter defined) and the bonds are anticipated to be repaid through the accessing, imposing and levying of non-ad valorem special assessments on all assessable property within the development pursuant to law including Chapters 190, 170, and 197, Florida Statutes. The non-ad valorem special assessments are co-equal with ad valorem taxes and first liens on property enforceable upon identification and determination by the District Board that special benefits flow, as a logical connection, from the infrastructure serving

assessed property within the District. These improvements include, but may not be limited to, roadway, water distribution, sanitary sewer collection and conveyance systems, stormwater collection, conveyance, treatment, and detention facilities, (together, and as farther described herein, the “Master Project”). The estimated probable construction costs given later in this report includes the improvements anticipated to be financed by the District.

## II. DESCRIPTION OF DISTRICT IMPROVEMENTS

### A. Stormwater:

Stormwater conveyance throughout the development will be provided through a network of inlets, pipes, and ditches/swales. Water quality treatment will be provided for the development in several stormwater treatment facilities. Stormwater treatment will be primarily provided by wet detention facilities, however detention with sand filtration may also be utilized. As outlined in the development agreement, stormwater attenuation is provided in Upper Lake Lafayette, however, the treatment ponds provide a level of attenuation as well. All of the stormwater facilities will ultimately discharge into Upper Lake Lafayette.

### B. Roadway & Drainage:

The public roadway system will consist of approximately 42,900 linear feet of paved roadways, associated drainage structures, and stormwater conveyance facilities. Roadway construction will meet the requirements of both Leon County and the City of Tallahassee, as well as the PUD. All roadways will be constructed with curb and gutter, sidewalks and/or multi-use paths. Both roll-type mountable curb and standard raised 18-inch curb and gutter are utilized. Sidewalks are proposed for all roadway sections, except for alleys.

The roadway network is shown on the Circulation Plan, Exhibit 3, Sheet 3.0. There are currently four (4) typical roadway sections approved in the PUD for the development: a boulevard section, collector, local street, and alley. The alleys sections were modified to address utility and access concerns raised by Leon County during permit review. Narrow roads (modified alleys) are currently implemented only in Phases IV, V, and VI, but may be utilized in future phases.

### C. Sanitary Sewer:

The development will be served by a central sewer collection system and will be conveyed to existing City of Tallahassee infrastructure stubbed to the western boundary from the adjacent Weems Plantation development. The sanitary sewer collection system will consist of

approximately 37,300 linear feet of 8-inch, 3,830 linear feet of 15 inch and 520 linear feet of 18-inch gravity mains, 3000 linear feet of force main and one (1) pump station.

D. Water:

Potable water will be provided by looped connection to existing City of Tallahassee water mains at the intersection of Fallschase Parkway and Acadian Boulevard, Barnstaple Drive in Weems Plantation, and Buck Lake Road. The water distribution system consists of 42,700 linear feet of 8-inch water main, 3875 linear feet of 12-inch water main, hydrants and associated fittings.

### III. PHASING

All, or a portion, of the District infrastructure improvements will be initially funded by the developer and conveyed to the District with partial payment anticipated through the issuance of one series of bonds. As previously stated, construction is underway on Phases I, IA, II, and III. Construction is anticipated to be complete on Phases I, II, and III within 90 days of the date of this report. Phases IV, V, and VI are currently in permitting with Leon County. Permitting is anticipated to be complete within 90 days of the date of this report. Phases I-VI comprise all the development on the west side of the ravine.

A detailed development schedule has not been created for the future phases on the east side of the ravine, but development is generally anticipated to occur within a 5 to 10-year period.

Final configurations of the future development phases on the east side of the ravine, including phasing, is subject to change. No significant changes to either lot configuration or phasing is anticipated for phases I-VI.

As of the date of this report, lot breakdowns by phase and size are as outlined on the following page in Table 1:

A. Table 1 - Lot Distribution and Phasing

**Phase I – 9.98 acres**

**Total: 0 lots**

**Phase IA – 27.18 acres**

Multi-family - 288 units

**Phase II – 7.53 acres**

50' wide - 13 lots

60' wide - 17 lots

**Total: 30 lots**

**Phase III – 37.38 acres**

50' wide - 18 lots

60' wide - 42 lots

70' wide - 19 lots

90' wide - 21 lots

**Total: 100 lots**

**Phase IV – 9.89 acres**

Townhome - 42 lots (single-family attached)

40' wide - 8 lots

50' wide - 5 lots

**Total: 55 lots**

**Phase V – 40.16 acres**

Townhome - 18 lots (single-family attached)

30' wide - 36 lots

40' wide - 28 lots

60' wide - 3 lots

**Total: 85 lots**

**Phase VI – 34.37 acres**

50' wide - 94 lots

70' wide - 12 lots

90' wide - 5

**Total: 111 lots**

**Future Phases – 127.51 acres**

50' wide - 411

**Total: 411**

**Total Lots All Phases = 792, plus 288 multi-family units in Phase IA**

**Total Acreage All Phases = 294** (add 81.5 acres of conservation easement for total District boundary of 375.5 acres)

Note: All lots not identified as single-family attached, are single-family detached.

#### IV. OWNERSHIP AND MAINTENANCE

	<u>Improvement</u>	<u>Ownership</u>	<u>Maintenance</u>
1.	Primary Roadway system*	City of Tallahassee**	City of Tallahassee
2.	Secondary Roadway system*	District	District
3.	Stormwater Facilities	District	District
4.	Water System	City of Tallahassee**	City of Tallahassee
5.	Sewer System	City of Tallahassee**	City of Tallahassee
6.	Entrance Architectural Elements	District	District
7.	Common Area Facilities	District	District

\*Primary roads are differentiated from secondary roads by right of way and pavement width. Narrow right of way roads (secondary roads) are those that effectively function like alleys and are characterized by right of ways widths ranging from 25 feet to 35 feet and pavement widths between 16 feet and 18 feet. Primary roads are Fallschase Parkway, Acadian Boulevard, Rampart Drive, Loyola Street, Benoit Circle, Ursaline Street, Bienville Place, Tulane Way, Duhon Street, and Beauregard Way. Secondary roads are Catahoula Walk, Calcasieu Pass, Bossier Run, Landry Lane, Thibodeaux Trail, Kenyon Place, Zandaloo Road, Darte Court, Chicory Road, Slidell Circle, Conti Road, and Chesnay Circle.

\*\*The Developer will fund construction of these improvements and sell them to the CDD upon completion. The CDD will then transfer these improvements to the City for ownership, maintenance, and operation.

#### V. ENGINEER'S ESTIMATE OF PROBABLE CONSTRUCTION COST.

It is my estimate that the probable engineering and construction cost for potential District funded improvements will be **\$47,923,748**. [Table 2] Engineer's Estimate of Probable Construction Cost gives a tabulation of improvement and probable construction costs by phase.

#### VI. SUMMARY OPINION AND CONCLUSION

The Master Project Construction Costs are based on the following:

- Phases I, IA, II, and III – Construction contract between the developer and site contractor
- Phases IV, V, and VI – Quantities taken from current roadway, drainage, water, and sewer plans which are currently under review, with unit prices based on bid prices from development projects in the area.
- Future Phases – A unit cost per lot derived from the costs from Phases IV-VI and multiplied by the anticipated number of lots in future phases.

The above estimates are not a guaranteed minimum or maximum price. The labor market, future costs of equipment and materials, and the actual construction process are beyond the control of the certifying engineer. Due to this inherent opportunity for fluctuation in cost, the total final cost may be more or less than this estimate.

Based on the information provided in this report, I believe that the cost estimates herein are an accurate representation of the real and current construction costs.

Construction of the improvements for Phases I, IA, II, and III has been and will continue to be periodically monitored by the undersigned, the City of Tallahassee, and Leon County. In addition to periodic monitoring, video recording will be completed for the sanitary sewer and storm drain piping, pressure testing will be performed on the piping for the water distribution system and sanitary sewer system, and bacteria testing will be completed for the water distribution system. An as-built survey of the infrastructure installed, will also be completed by Moore Bass Consulting, and reviewed by me prior to acceptance of the constructed infrastructure. Based on this testing, review of the as-built survey, and periodic inspections conducted by me, the City and the County, the constructed infrastructure, including materials used, will be certified by me as being in substantial compliance with the approved construction plans prior to acceptance by the District.



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Roger V. Wynn, P.E.  
Moore Bass Consulting, Inc.  
Florida Reg. No. 49400

**TABLE 2**

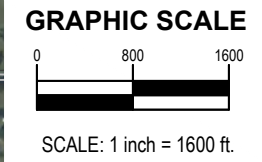
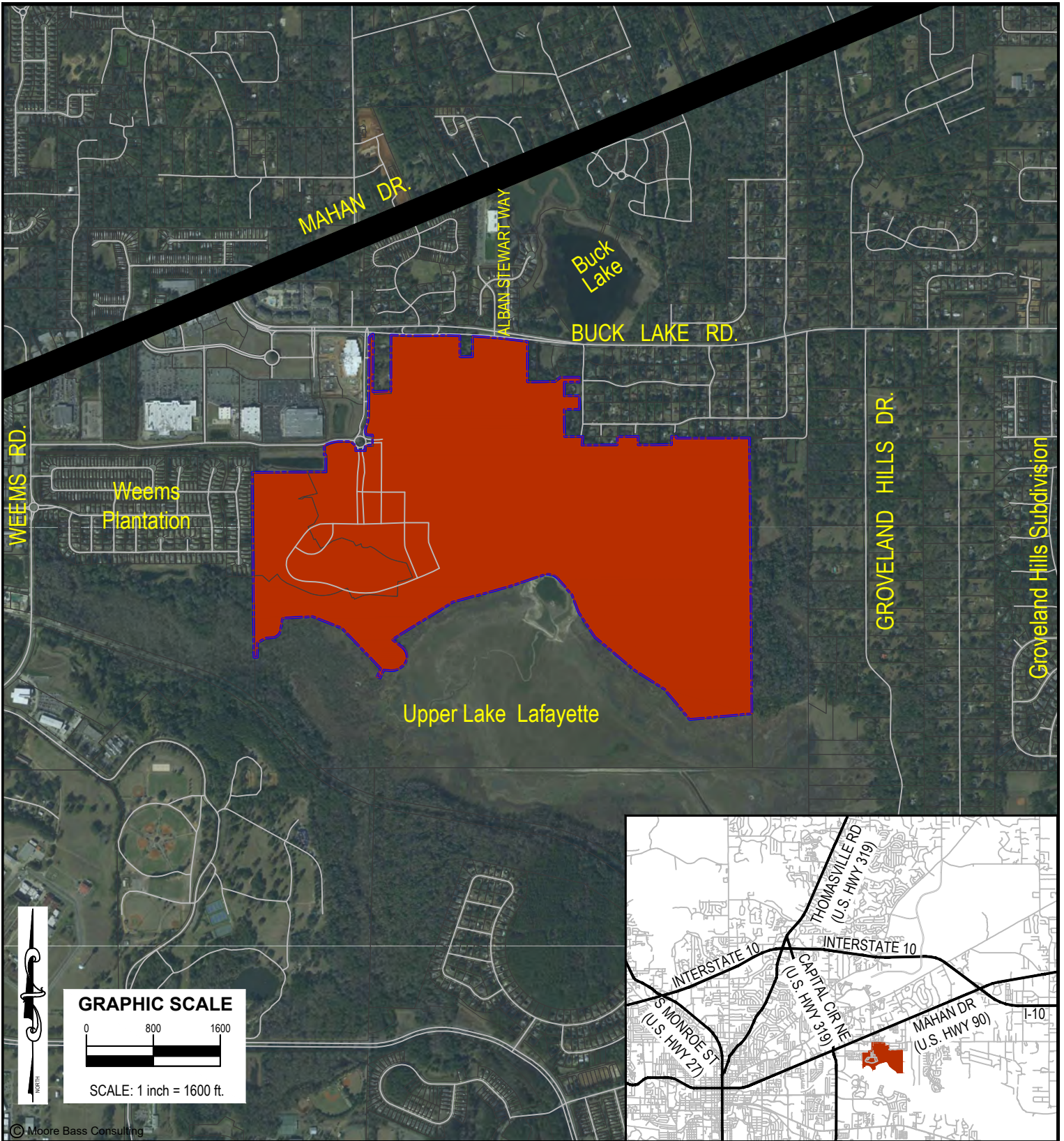
**SUMMARY OF ENGINEER'S ESTIMATE OF  
PROBABLE CONSTRUCTION COSTS**

**October 18, 2021**

PHASE	STORMWATER	ROADWAY AND DRAINAGE	SANITARY SEWER	WATER	TOTAL COST
<b>Construction:</b>					
1 - Residential Phase I, II, III <sup>(1)(2)</sup>	4,390,686.06	4,720,232.56	790,773.26	733,050.24	10,634,742.12
2 - Multi-Family Residential Phase IA <sup>(3)(4)</sup>	1,239,131.33	456,734.50	158,730.00	511,438.00	2,366,033.83
3 - Residential Phase IV	181,086.18	867,252.10	293,381.00	207,146.50	1,548,865.78
4 - Residential Phase V	992,068.88	2,118,791.40	558,415.00	460,938.50	4,130,213.78
5 - Residential Phase VI	1,370,622.88	1,926,057.10	749,732.50	481,041.00	4,527,453.48
6 - Residential Future Phases <sup>(5)</sup>	4,265,001.84	8,235,828.21	2,685,188.00	1,926,671.52	17,112,689.57
<i>Construction Subtotal<sup>(6)(7)(8)</sup>:</i>	<i>12,438,597.17</i>	<i>18,324,895.87</i>	<i>5,236,219.76</i>	<i>4,320,285.76</i>	<i>40,319,998.55</i>
<b>Professional Services:</b>					
Off-site Engineering					200,000.00
On-site Engineering (Roads, Utilities & Platting)					2,500,000.00
Engineering (CDD Reports)					35,000.00
<i>Professional Services Subtotal:</i>					<i>2,735,000.00</i>
<b>Other Fees and Expenses:</b>					
Future Application and Permitting Fees					600,000.00
Miscellaneous Contingency (10% of Construction, 5% Professional Services)					4,168,749.85
Miscellaneous Expenses <sup>(9)</sup>					100,000.00
<i>Other Fees and Expenses Subtotal:</i>					<i>4,868,749.85</i>
<b>TOTAL:</b>					<b>\$ 47,923,748.40</b>

(1) Costs for Phases I, II, and III are based on the executed contract between RMDC, Inc. and Longleaf Construction Services, LLC dated February 24, 2021.  
(2) Costs include landscaping, monument signage, and publicly accessible common area parking.  
(3) Multi-Family Residential costs shown represent offsite infrastructure needed to access the site or extend utilities to it and onsite infrastructure, excluding onsite paving, sidewalks, and landscaping. Costs provided by developer.  
(4) In addition to the costs identified above in line 2 for the multi-family project, \$1,516,876 of infrastructure in phases I, II, III, IV, V, and VI was identified as providing a benefit to the multi-family project. While these costs are incurred with the construction of the single-family phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the multi-family site. For assessment purposes, the total infrastructure cost for the multi-family project is \$2,366,033.83 + \$1,516,876 = \$3,882,909.83  
(5) The Total Cost for Future Phases is based on the average cost per lot for Phases IV, V, and VI. The total estimated cost for Phases IV, V, and VI was divided by the 251 lots in Phases IV, V, and VI and then multiplied by the estimated 411 lots within Future Phases. An additional \$400,000 has been added for a future pump station and force main to serve the future phases.  
(6) Dirt excavated from the stormwater facilities may be used as fill on lots. The cost for stormwater facility excavation is included, but any costs, for moving and placing fill on lots, or grading associated with building pads for lots, are not included. Street lighting, including poles and the underground conduit and wiring, will be provided by, installed (with the exception of conduit crossing roads - conduit is supplied by the City and installed by the developer), owned and maintained by the City of Tallahassee.  
(7) All financed improvements will be on land owned by, or subject to a permanent easement for the benefit of, the District or another governmental entity.  
(8) Fencing or walls, if any, are for buffer or safety purposes only.  
(9) Budget Item.





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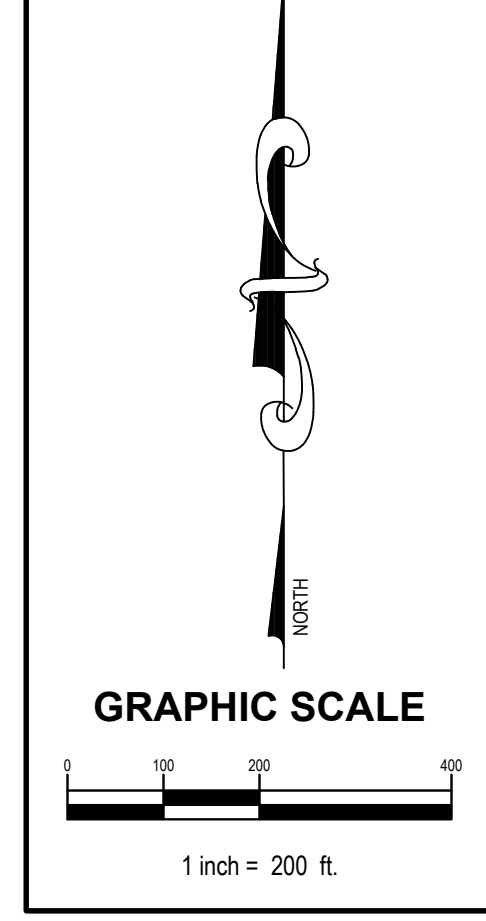
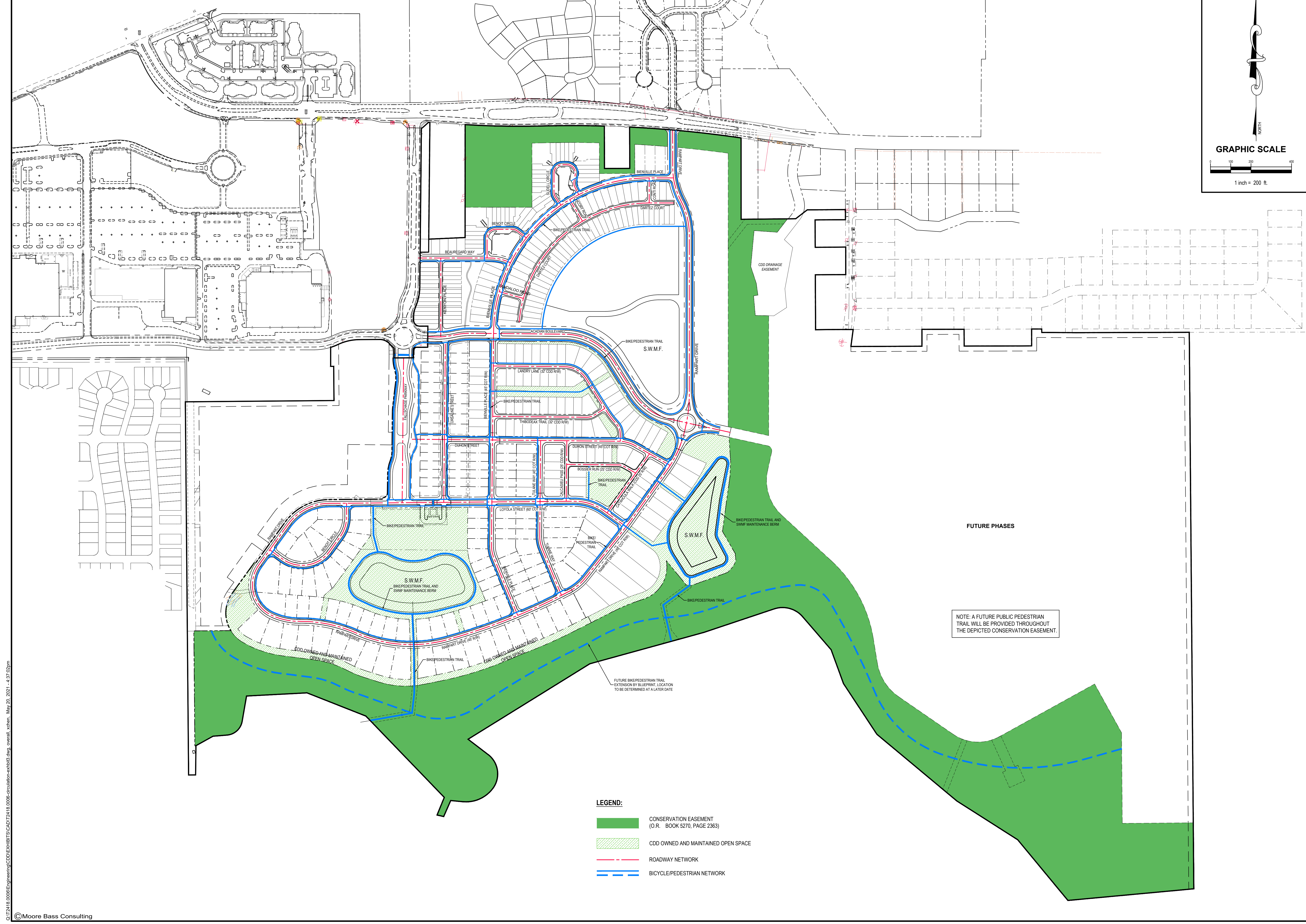
The Drawings, Specifications and other documents prepared by Moore Bass Consulting, Inc. (MB) for this Project are instruments of MB for use solely with respect to this Project and, unless otherwise provided, MB shall be deemed the author of these documents and shall retain all common law, statutory and other reserved rights, including the copyright.

FILE #	T2418.0006	T2418.0006-Exhibit-Location Map.dwg
CONTRACT #	T2418.0006	ARCHIVE
DATE	5/20/2021	DRAWN BY MB
CLIENT NAME	PROJECT NAME	SHEET TITLE
RMDC, INC. - 2810 REMINGTON GREEN CIRCLE TALLAHASSEE, FL 32308	FALLSCHASE RESIDENTIAL	LOCATION MAP (EXHIBIT 1)
		<b>1.0</b>









**MB**  
**30 YEARS**  
 EXPERIENCED WITH SUCCESS  
 1991 - 2021  
 www.moorebass.com  
 TALLAHASSEE • ATLANTA

**Moore Bass Consulting, Inc.**  
 805 North Gadsden Street  
 Tallahassee, FL 32303  
 850.222.5678

PROJECT NAME  
**FALLSCHASE RESIDENTIAL**

CLIENT NAME  
**RMDC, INC.  
 2810 REMINGTON GREEN CIRCLE  
 TALLAHASSEE, FL 32308**

REVISIONS	DATE	DESCRIPTION

T2418.0006-circulation-exhibit3  
 DATE 5/20/2021  
 CONTRACT # T2418.0006  
 DRAWN BY XCH

The Drawings, Specifications and other documents prepared by Moore Bass Consulting, Inc. (MB) for the Project are the property of MB. For use solely with respect to this project and, unless otherwise provided, MB shall be deemed the author of these documents and shall retain all common law, statutory and other reserved rights, including the copyright.

805 N. GADSDEN STREET  
 TALLAHASSEE, FL 32303  
 CERTIFICATE OF AUTHORIZATION NO. 00006103  
**SEAL**  
 Roger V. Wynn  
 State of Florida, Professional Engineer,  
 License No. 49400

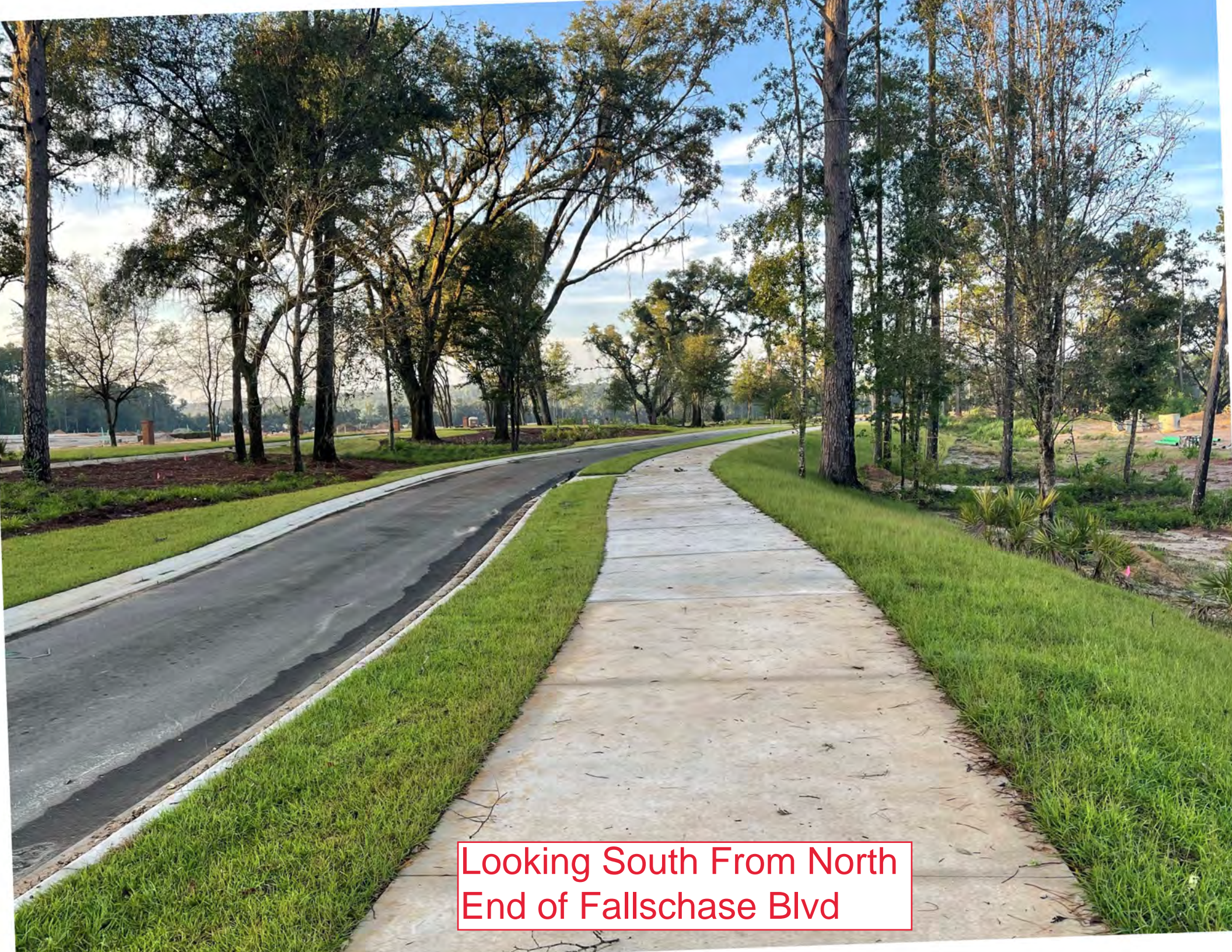
**PRELIMINARY, NOT FOR CONSTRUCTION**

SHEET TITLE  
**CIRCULATION PLAN (EXHIBIT 3)**

SHEET  
**3.0**

Q:\T2418.0006\Engineering\CDD\EXHIBITS\CADD\T2418.0006-circulation-exhibit3.dwg, overall, schorr, May 20, 2021 - 4:37:02pm  
 © Moore Bass Consulting





Looking South From North  
End of Fallschase Blvd





Looking South Toward Phase I Pond From Fallschase Blvd





Looking SE Toward Phases II and III  
from Fallschase Blvd





Looking South From Acadian  
Blvd Toward Multi-family Project

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**5**



SUPPLEMENTAL REPORT  
TO THE  
FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
AMENDED AND RESTATED  
ENGINEER'S REPORT ON  
DISTRICT IMPROVEMENTS AND  
ESTIMATED PROBABLE CONSTRUCTION COST

**October 18, 2021**



FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
P.O. Box 15887  
Tallahassee, Florida 32317

Prepared by



805 North Gadsden Street  
Tallahassee, Florida 32303  
(850) 222-5678  
(850) 681-2349 (Fax)



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Roger V. Wynn, P.E.  
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## **PURPOSE**

The purpose of this supplemental report is,

1. To clarify the assessment area within the District,
2. To clarify the specific improvements to which the proceeds of the bond issue will be applied.

### Assessment Area

At the time of this writing, the District boundary is 401.9 acres and includes an area of 26.4 acres that is proposed for removal from the District. The contraction petition for removing the 26.4 acres is currently under review by Leon County. The stated area of the District boundary in the Engineer's Report is 375.5 acres and reflects the removal of this 26.4 acres, such that once the contraction petition has been approved, the Engineer's report will reflect the accurate acreage of the District boundary.

Of the 375.5 acres comprising the District boundary, 81.5 acres is within a recorded conservation easement. Assessments will be based on an assessment area of 294.0 acres.

### Improvements Covered by Bond Proceeds

The District expects to issue only one series of bonds to fund a portion of the Master Project improvements as defined in the Engineer's Report. The bond proceeds will be applied first to acquisition of improvements in phases I, IA, II, and III. Proceeds that are left over, if any, will be applied in a lump sum to subsequent phases IV, V, VI and future phases as construction is completed. Infrastructure for phases I, II, and III is under construction and is anticipated to be complete by the time bonds are issued and will be conveyed to the District before or at the time that bond proceeds become available.

The following table outlines the specific improvements anticipated to be funded by the proceeds of the District's Series 2021 Bonds; provided however, that to the extent there are construction proceeds remaining after funding the improvements set forth in this table, eligible improvements in Phases IV - VI and future phases are anticipated to be funded with the remaining proceeds.

**SPECIFIC IMPROVEMENTS ANTICIPATED TO BE FINANCED WITH THE DISTRICT'S SERIES 2021 BONDS**

**October 18, 2021**

PHASE	STORMWATER	ROADWAY AND DRAINAGE	SANITARY SEWER	WATER	TOTAL COST
<b>Construction:</b>					
1 - Residential Phase I, II, III <sup>(1)(2)</sup>	4,390,686.06	4,720,232.56	790,773.26	733,050.24	10,634,742.12
2 - Multi-Family Residential Phase IA <sup>(3)(4)(5)</sup>	1,239,131.33	456,734.50	158,730.00	511,438.00	2,366,033.83
<i>Construction Subtotal<sup>(6)(7)</sup>:</i>	<i>5,629,817.39</i>	<i>5,176,967.06</i>	<i>949,503.26</i>	<i>1,244,488.24</i>	<i>13,000,775.95</i>
<b>Professional Services:</b>					
25% of Off-site Engineering					50,000.00
60% of On-site Engineering (Roads, Utilities & Platting)					1,500,000.00
Engineering (CDD Reports)					35,000.00
<i>Professional Services Subtotal:</i>					<i>1,585,000.00</i>
<b>TOTAL:</b>					<b>\$ 14,585,775.95</b>

- (1) Costs for Phases I, II, and III are based on the executed contract between RMDC, Inc. and Longleaf Construction Services, LLC dated February 24, 2021.
- (2) Costs include landscaping, monument signage, and publicly accessible common area parking.
- (3) Multi-Family Residential costs shown represent offsite infrastructure needed to access the site or extend utilities to it and onsite infrastructure, excluding onsite paving, sidewalks, and landscaping. Costs provided by developer.
- (4) In addition to the costs identified above in line 2 for the multi-family project, \$1,516,876 of infrastructure in phases I, II, III, IV, V, and VI was identified as providing a benefit to the multi-family project. While these costs are incurred with the construction of the single-family phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the multi-family site. **For assessment purposes, the total infrastructure cost for the multi-family project is \$2,366,033.83 + \$1,516,876 = \$3,882,909.83**
- (5) The multi-family project, Phase IA, is currently under construction. Site work is estimated to be complete within 12 months.
- (6) Dirt excavated from the stormwater facilities may be used as fill on lots. The cost for stormwater facility excavation is included, but any costs, for moving and placing fill on lots, or grading associated with building pads for lots, are not included. Street lighting, including poles and the underground conduit and wiring, will be provided by, installed (with the exception of conduit crossing roads - conduit is supplied by the City and installed by the developer), owned and maintained by the City of Tallahassee.
- (7) All financed improvements will be on land owned by, or subject to a permanent easement for the benefit of, the District or another governmental entity.

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**6**

# FALLSCHASE

## COMMUNITY DEVELOPMENT DISTRICT

### Amended and Restated Master Special Assessment Methodology Report

August 30, 2021  
Revised  
October 18, 2021



Provided by:

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## **1.0 Introduction**

### **1.1 Purpose**

This Amended and Restated Master Special Assessment Methodology Report (the “Amended and Restated Report”) was developed to provide a revision to the master financing plan and a master special assessment methodology described in the Master Special Assessment Methodology Report dated April 27, 2007 updated June 5, 2007 (the “Original Report”) as well as to the Updated Master Special Assessment Methodology Report (the “Updated Report”) dated December 6, 2017. The Amended and Restated Report was developed for the Fallschase Community Development District (the “District”), located in Leon County, Florida, as related to funding the costs of public infrastructure improvements (the “Capital Improvement Program”) contemplated to be provided by the District.

### **1.2 Scope of the Amended and Restated Report**

This Amended and Restated Report presents the projections for financing the District’s Capital Improvement Program described in the Amended and Restated Engineer’s Report dated April 23, 2007, amended July 20, 2007, December 1, 2017, August 29, 2021 and October 18, 2021 (the “Amended and Restated Engineer’s Report”) prepared by Moore Bass Consulting, Inc. (the “District Engineer”) as well as describes the method for the apportionment of special benefits and the allocation of special assessment debt resulting from the provision and funding of the Capital Improvement Program.

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

Improvements undertaken and funded by the District as part of the Capital Improvement Program create special and peculiar benefits, different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Amended and Restated Report, these general benefits are incidental in nature and are readily distinguishable from the special benefits which accrue to peculiar property within the District. The District’s Capital Improvement Program enables properties within its boundaries to be developed.

There is no doubt that the general public and property owners of property outside the District will benefit from the provision of the Capital Improvement Program. However, these benefits are only incidental since the Capital Improvement Program is designed solely

to provide special benefits peculiar to property within the District. Properties outside the District are not directly served by the Capital Improvement Program and do not depend upon the Capital Improvement Program to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District's boundaries.

The Capital Improvement Program will provide public infrastructure improvements which are all necessary in order to make the lands within the District developable, marketable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within the District to increase by more than the sum of the financed cost of the individual components of the Capital Improvement Program. Even though the exact value of the special benefits provided by the Capital Improvement Program is hard to estimate at this point, it is nevertheless greater than the costs associated with providing the same.

#### **1.4 Organization of the Amended and Restated Report**

*Section Two* describes the revised development program as proposed by the Developer, as defined below.

*Section Three* provides a summary of the revised Capital Improvement Program as determined by the District Engineer.

*Section Four* discusses the revised master financing program for the District.

*Section Five* introduces the revised master special assessment methodology for the District.

### **2.0 Development Program**

#### **2.1 Overview**

The District will serve the residential portion of the Fallschase development (the "Development"), a master planned, mixed-use development located partly in unincorporated Leon County, Florida and partly within the municipal boundaries of the City of Tallahassee. The land within the District currently consists of approximately 401.93 +/- acres, however, the District is in the process of petitioning Leon County to contract the boundaries of the District by removing an area of approximately 26.40 +/- acres, after which the District



boundary will encompass an area of approximately 375.53 +/- acres. The District is generally south of Buck Lake Road, north of the Upper Lake Lafayette, east of the Weems Plantation subdivision, and west of the Groveland Hills subdivision.

## **2.2 The Revised Development Program**

The development of Fallschase is anticipated to be conducted by RMDC, Inc. or its affiliates (the “Developer”) over a multi-year period. Based upon the revised information provided by the Developer, the revised development plan envisions a total of 1,080 Multi-Family, Townhome and Single-Family residential dwelling units developed in multiple phases, although land use types and unit numbers may change throughout the development period. Table 1 in the *Appendix* illustrates the revised development plan for the Development.

## **3.0 The Capital Improvement Program**

### **3.1 Overview**

The public infrastructure costs to be funded by the District are described by the District Engineer in the Amended and Restated Engineer's Report. Only public infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes and under the Internal Revenue Code of 1986, as amended, was included in these estimates. The installation of such improvements has already commenced.

### **3.2 Capital Improvement Program**

The Capital Improvement Program needed to serve the Development is projected to consist of stormwater management, roadways and drainage, sanitary sewer, and potable water, all projected to be constructed in multiple infrastructure construction phases over multiple years.

According to the Amended and Restated Engineer's Report, the costs of the Capital Improvement Program are estimated to total \$47,923,748.40. Of the construction cost estimates prior to the inclusion of the professional services, fees, permit costs and contingencies in the amount of \$40,319,998.55, the costs directly attributable to the Multi-Family residential units projected to be developed within Phase IA will total \$2,366,033.83, while another \$1,516,876.00 in costs related to construction of capital

improvements within Phases I, II, III, IV, V, and VI were identified by the District Engineer as providing a benefit to the Multi-Family units.

Table 2 in the *Appendix* illustrates the specific components of the Capital Improvement Program, separated into costs related to capital improvements constructed within Phase IA and capital improvements constructed within all other phases (the “Remaining Phases”), as well as the proposed method of apportionment of the major cost categories identified in the Amended and Restated Engineer's Report.

## **4.0 Financing Program**

### **4.1 Overview**

As noted above, the District is embarking on a program of public infrastructure improvements which will facilitate the development of lands within the District. Generally, construction of public infrastructure improvements is either funded by the Developer and then acquired by the District or funded directly by the District. The choice of the exact mechanism for providing public infrastructure improvements has not yet been made at the time of this writing, and the District may either acquire the public infrastructure improvements from the Developer or construct it, or even partly acquire it and partly construct it.

Even though the actual financing plan may change to include multiple series of bonds, it is likely that in order to fully fund the costs of the Capital Improvement Program as described in *Section 3.2* in one financing transaction, the District would have to issue approximately \$56,880,000 in par amount of special assessment bonds (the “Bonds”).

**Please note that the purpose of this Amended and Restated Report is to apportion the special benefit of the Capital Improvement Program peculiar to the property in the District and based on such benefit apportionment to allocate the maximum debt necessary to fund the Capital Improvement Program. The discussion of the structure and size of the indebtedness is based on various estimates and is subject to change.**

## 4.2 Types of Bonds Proposed

The proposed revised master financing plan for the District provides for the issuance of the Bonds in the approximate principal amount of \$56,880,000 to finance Capital Improvement Program costs estimated at \$47,923,748.40. The Bonds as projected under this revised master financing plan would be structured to be amortized in 30 annual installments following a 24-month capitalized interest period. Interest payments on the Bonds would be made every May 1 and November 1, and principal payments on the Bonds would be made either every May 1 or November 1.

In order to finance all public infrastructure improvement costs described in *Section 4.1*, the District would need to borrow more funds and incur indebtedness in the total amount of \$56,880,000. The difference is comprised of debt service reserve, capitalized interest, and costs of issuance, including the underwriter's discount. Preliminary sources and uses of funding for the Bonds are presented in Table 3 in the *Appendix*.

**Please note that the structure of the Bonds as presented in this Amended and Restated Report is preliminary and may change due to changes in the development program, market conditions, timing of infrastructure installation as well as for other reasons. The District maintains complete flexibility as to the structure of the Bonds and reserves the right to modify it as necessary.**

## 5.0 Assessment Methodology

### 5.1 Overview

The issuance of the Bonds provides the District with funds necessary to construct/acquire the public infrastructure improvements which are part of the Capital Improvement Program outlined in *Section 3.2* and described in more detail by the District Engineer in the Amended and Restated Engineer's Report. The improvements funded with proceeds of the Bonds lead to special and general benefits, with special benefits accruing peculiar to properties within the boundaries of the District and general benefits accruing to areas outside the District and to the public at large, which general benefits are only incidental in nature. The debt incurred in financing the cost of the Capital Improvement Program will be paid off by assessing properties that derive special and peculiar benefits from the Capital Improvement Program funded with the Bonds issued by the District specifically to fund such costs. All properties that receive special

benefits from the Capital Improvement Program will be assessed for their fairly and reasonably apportioned share of the debt issued in order to finance the Capital Improvement Program.

## **5.2 Special Benefit Apportionment**

The most current, revised development plan for the land within the District envisions a total of 1,080 Multi-Family, Townhome and Single-Family residential dwelling units developed in multiple phases, although land use types and unit numbers may change throughout the development period.

As already stated in *Section 3.2* herein, according to the Amended and Restated Engineer's Report, \$2,366,033.83 in costs of the Capital Improvement Program are related to construction of capital improvements within Phase IA and thus directly attributable to the Multi-Family residential units, while another \$1,516,876.00 in costs related to construction of capital improvements within Phases I, II, III, IV, V, and VI were identified by the District Engineer as providing a benefit to the Multi-Family units. Consequently, when separating costs of capital improvements that benefit the Multi-Family residential units projected to be developed within Phase IA from those that benefit the Single-Family and Townhome residential units projected to be developed within the Remaining Phases, a total of \$3,882,909.83 (\$2,366,033.83 plus \$1,516,876.00) can be attributed to benefit the Multi-Family residential units projected to be developed within Phase IA, while the balance in the amount of \$36,437,088.73 (\$37,953,964.73 less \$1,560,666.00) can be attributed to benefit the Single-Family and Townhome residential units projected to be developed within the Remaining Phases. Table 4 in the *Appendix* illustrates the derivation of costs of capital improvements benefitting Phase IA and Remaining Phases as well as the proposed method of apportionment of the major cost categories identified in the Amended and Restated Engineer's Report.

The sum of all public infrastructure improvements as described in the Amended and Restated Engineer's Report will comprise interrelated systems of improvements, separately for the Phase IA and separately for the Remaining Phases, which means the public infrastructure improvements will serve, separately Phase IA and separately the Remaining Phases, and improvements will be interrelated such that they will reinforce one another, and their combined special benefits will be greater than the sum of their individual benefits. All property within, separately Phase IA and separately the Remaining Phases, will receive special benefits from the public infrastructure improvements, as the public infrastructure

improvements provide basic infrastructure to all property within, separately Phase IA and separately the Remaining Phases, as integrated systems of improvements from which special benefits flow to all property within, separately Phase IA and separately the Remaining Phases, apportioned fairly and reasonably peculiar to the properties.

Special benefits flow as a logical connection from the public infrastructure improvements described in the District Engineer's Capital Improvement Program peculiar to the property within the District, as without such public infrastructure improvements, the development of the property within the District would not be possible. Based upon the special benefits flowing as a logical connection from the public infrastructure improvements apportioned peculiar to the properties within the District, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments, to the property receiving such special benefits allocating the dollar amount of the assessments per parcel. Even though these special and peculiar benefits are real and ascertainable (for example added use of the property, added enjoyment of the property, decreased insurance premiums, and increased marketability and value of the property), the precise amount of the special benefit cannot yet be calculated with mathematical certainty. However, such special benefit is more valuable than the cost of, or the actual non-ad valorem assessment amount levied on that parcel.

The special benefit resulting from the provision of the public infrastructure improvements described in the Amended and Restated Engineer's Report is proposed to be apportioned peculiar to the property within the District in proportion to the density of development and intensity of use of the public infrastructure improvements as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Such apportionment identifies special benefits peculiar to different property types based on the determination of special benefits received by each property type from different public infrastructure improvement categories. Table 4 in the *Appendix* identifies major public infrastructure improvement categories and the proposed method of apportionment of special benefits flowing to property within the District from such improvements. As shown in Table 4, special benefits of stormwater management are proposed to be apportioned based on parcel size (for Phase IA) or average lot area (for Remaining Phases), a measure referred to herein as "Acre", special benefits of roadways and drainage are proposed to be apportioned based on trip generation (Trip), and special benefits of sanitary sewer and potable

water are proposed to be apportioned based on a measure called Equivalent Residential Connection (ERC).

Table 5 in the *Appendix* illustrates the Acre, Trip and ERC factors proposed to be assigned to different property types to estimate each property types' peculiar use of that infrastructure and also to apportion each property type's peculiar amount of special benefit flowing from each type of infrastructure. Table 6 in the *Appendix* illustrates the proposed updated development plan for the District, as well as the apportionment of special benefits peculiar to different property types as expressed by the ERU derived as the product of factor weights from Table 5 and cost weights from Table 4.

Table 7 in the *Appendix* presents the allocation of the special assessments levied by the District in connection with proposed issuance of the Bonds (the "Bond Assessments") to the different property types in the District in accordance with the ERU benefit apportionment method presented in Table 6. Table 7 also presents the projected annual debt service assessments per unit.

### **5.3 Assigning Bond Assessments**

As the land in the District is not yet platted for its intended final use and the precise location of the different property types by lot or parcel is unknown, the Bond Assessments will be assessed and imposed on the property in the District based on determination made in the Supplemental Methodology of flow of special benefits peculiar to property.

When the land is platted, Bond Assessments will be allocated to each platted parcel on a first platted-first assigned basis based on the planned use for that platted parcel as reflected in Table 7 in the *Appendix*. Such allocation of Bond Assessments from unplatted gross acres to platted parcels will reduce the amount of Bond Assessments levied on unplatted gross acres within the District.

Further, to the extent that any parcel of land which has not been platted is sold to another developer or builder, the Bond Assessments will be assigned to such parcel at the time of the sale based upon the development rights associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

#### **5.4 Assessment Validity Test: Special Benefit Flows to the Property as a Logical Connection from the Improvement Infrastructure**

As first discussed in *Section 1.3*, Special Benefits and General Benefits, improvements undertaken by the District and funded with proceeds of the Bonds create special benefits peculiar to properties within the District. The District's improvements benefit properties within the District and accrue to all properties within the District on an ERU basis.

Improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within the District. The special and peculiar benefits resulting from each improvement are:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums; and
- d. increased marketability and value of the property.

The improvements which are part of the Capital Improvement Program make the land in the District developable and saleable and when implemented jointly as parts of the Capital Improvement Program, provide special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value; however, such benefits are more valuable than either the cost of, or the actual assessment levied for, the improvement or debt allocated to the parcel of land.

#### **5.5 Assessment Validity Test: Reasonable and Fair Apportionment of the Special Benefits Peculiar to the Property**

A reasonable estimate of the proportion of special and peculiar benefits received from the improvements is delineated in Table 6 (expressed as ERU factors) in the *Appendix*.

The apportionment of the assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2* across all assessable property within the District according to reasonable estimates of the special and peculiar benefits derived from the Capital Improvement Program by different parcels classified as specific property types.

Accordingly, no acre or parcel of property within the District will be liened for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property.

## 5.6 True-Up Mechanism

The Assessment Methodology described herein is based on conceptual information obtained from the Developer prior to construction. As development occurs, it is possible that the development plan as signified by number of ERUs may change. The mechanism for maintaining the methodology over the changes is referred to as true-up.

This mechanism is to be utilized to ensure that the Bond Assessments within District on a per ERU basis never exceed the initially allocated assessments as contemplated in the adopted assessment methodology. Bond Assessments per ERU preliminarily equal \$39,190.25 (\$56,880,000 in Bond Assessments divided by 1,451.3814 ERUs) and may change based on the final bond sizing. If such changes occur, the Methodology is applied to the land based on the number of and property types within each and every parcel as signified by the number of ERUs.

As the land in the District is platted, the Bond Assessments are allocated to platted parcels based on the figures in Table 7 in the *Appendix*. If as a result of platting and allocation of the Bond Assessments to the platted parcels, the Bond Assessments per ERU for land that remains unplatted remains equal to \$39,190.25, then no true-up adjustment will be necessary.

If as a result of platting and allocation of the Bond Assessments to the platted parcels, the Bond Assessments per ERU for land that remains unplatted equals less than \$39,190.25 (either as a result of a larger number of units, different units or both), then the per ERU Bond Assessments for all parcels within the District will be lowered if that state persists at the conclusion of platting of all land within the District.

If, in contrast, as a result of platting and allocation of the Bond Assessments to the platted parcels, the Bond Assessments per ERU for land that remains unplatted<sup>1</sup> equals more than \$39,190.25 (either

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<sup>1</sup> For example, if the first platting includes 19 SF 70' lots (which equates to 38.1900 ERUs), then the remaining unplatted land within the District would be required to absorb 1,411.1814 ERUs, or approximately \$55,383,324.36 in debt. If the remaining unplatted land would only be able to absorb 1,411.1814 ERUs, or approximately \$55,304,551.96 in debt, then a true-up, payable by the owner of the



as a result of a smaller number of units, different units or both), taking into account any future development plans for the unplatted lands – in the District’s sole discretion and to the extent such future development plans are feasible, consistent with existing entitlements and governmental requirements, and reasonably expected to be implemented, then the difference in Bond Assessments plus accrued interest will be collected by the District from the owner of the property which platting caused the increase of assessment per ERU to occur, in accordance with the assessment resolution and/or a true-up agreement to be entered into between the District and the Developer, which will be binding on assignees.

The owner(s) of the property will be required to immediately remit to the Trustee for redemption a true-up payment equal to the difference between the actual Bond Assessments per ERU and \$39,190.25, multiplied by the actual number of ERUs plus accrued interest to the next succeeding interest payment date on the Bonds, unless such interest payment date occurs within 45 days of such true-up payment, in which case the accrued interest shall be paid to the following interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of Bonds secured by the Bond Assessments).

In addition to platting of property within the District, any planned sale of an unplatted parcel to another builder or developer will cause the District to initiate a true-up test as described above to test whether the amount of the Bond Assessments per ERU for land that remains unplatted within the District remains equal to \$39,190.25. The test will be based upon the development rights as signified by the number of ERUs associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

## **5.7 Preliminary Assessment Roll**

The Bond Assessments of \$56,880,000 are proposed to be levied on an equal gross acre basis over the land described in Exhibit “A”. Excluding any capitalized interest period, debt service assessment shall be paid in thirty (30) annual installments.

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land subject to the initial plat, would be due in the amount of approximately \$78,772.40, calculated as 2.0100 ERUs times \$39,190.25.

## 6.0 Additional Stipulations

### 6.1 Overview

Wrathell, Hunt and Associates, LLC was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District's Capital Improvement Program. Certain financing, development and engineering data was provided by members of District Staff and/or the Developer. The allocation Methodology described herein was based on information provided by those professionals. Wrathell, Hunt and Associates, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this Amended and Restated Report.

Wrathell, Hunt and Associates, LLC does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC does not provide the District with financial advisory services or offer investment advice in any form.

## 7.0 Appendix

Table 1

### Fallschase

#### Community Development District

#### Revised Development Program

Unit Type	Phase IA	Phase II	Phase III	Phase IV	Phase V	Phase VI	Future Phases	Total Number of Units
Multi-Family	288	0	0	0	0	0	0	288
Townhome	0	0	0	42	18	0	0	60
SF 30'	0	0	0	0	36	0	0	36
SF 40'	0	0	0	8	28	0	0	36
SF 50'	0	13	18	5	0	94	411	541
SF 60'	0	17	42	0	3	0	0	62
SF 70'	0	0	19	0	0	12	0	31
SF 90'	0	0	21	0	0	5	0	26
<b>Total</b>	<b>288</b>	<b>30</b>	<b>100</b>	<b>55</b>	<b>85</b>	<b>111</b>	<b>411</b>	<b>1,080</b>

Table 2

# Fallschase

## Community Development District

### Capital Improvement Program

Description	Phase IA Costs*	Remaining Phases Costs	Total Estimated Cost	Benefit	
				Apportionment Method	Apportionment Rate
Stormwater	\$1,239,131.33	\$11,199,465.84	\$12,438,597.17	Acre	30.8497%
Roadway and Drainage	\$456,734.50	\$17,868,161.37	\$18,324,895.87	Trip	45.4487%
Sanitary Sewer	\$158,730.00	\$5,077,489.76	\$5,236,219.76	ERC	12.9867%
Water	\$511,438.00	\$3,808,847.76	\$4,320,285.76	ERC	10.7150%
	<u>\$2,366,033.83</u>	<u>\$37,953,964.73</u>	<u>\$40,319,998.55</u>		
<b>Share of CIP</b>	<b>5.8681%</b>	<b>94.1319%</b>	<b>100.0000%</b>		
Professional Services			\$2,735,000.00		
Fees/Permitting Costs			\$600,000.00		
Contingencies			\$4,268,749.85		
<b>Total</b>			<b>\$47,923,748.40</b>		<b>100.0000%</b>

\* According to the District Engineer, Multi-Family Residential (Phase IA) costs are only those representing infrastructure needed to access the site, or extend utilities to it. It does not include any infrastructure within the Multi-Family project site itself. In addition to the costs identified herein for the Multi-Family project, \$1,516,876 of infrastructure in Phases I, II, III, IV, V, and VI were identified as providing a benefit to the Multi-Family project. While these costs are incurred with the construction of the Single-Family and Townhome Phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the Multi-Family site.

Table 3

# Fallschase

## Community Development District

### Preliminary Sources and Uses of Funds

<u>Sources:</u>		Amount
Bond Proceeds:		
Par Amount		\$56,880,000.00
<b>Total Sources</b>		<b>\$56,880,000.00</b>
<u>Uses:</u>		
Project Fund Deposit:		
Project Fund		\$47,923,748.42
Other Funds Deposits:		
Debt Service Reserve Fund		\$3,584,951.34
Capitalized Interest Fund		<u>\$4,031,370.00</u>
		\$7,616,321.34
Delivery Date Expenses:		
Costs of Issuance		\$1,337,600.00
Rounding		<u>\$2,330.24</u>
		\$1,339,930.24
<b>Total Uses</b>		<b>\$56,880,000.00</b>

Table 4

# Fallschase

## Community Development District

### Derivation of Costs of Capital Improvements Benefitting Phase IA and Remaining Phases

Description	Phase IA Costs	Additional Phase IA Allocation*	Total Phase IA Allocation	Remaining Phases Costs Less Additional	
				Phase IA Allocation	Total Estimated Cost
Stormwater	\$1,239,131.33	\$0.00	\$1,239,131.33	\$11,199,465.84	\$12,438,597.17
Roadway and Drainage	\$456,734.50	\$1,516,876.00	\$1,973,610.50	\$16,351,285.37	\$18,324,895.87
Sanitary Sewer	\$158,730.00	\$0.00	\$158,730.00	\$5,077,489.76	\$5,236,219.76
Water	\$511,438.00	\$0.00	\$511,438.00	\$3,808,847.76	\$4,320,285.76
<b>Total</b>	<b>\$2,366,033.83</b>	<b>\$1,516,876.00</b>	<b>\$3,882,909.83</b>	<b>\$36,437,088.72</b>	<b>\$40,319,998.55</b>
	Share of CIP		9.6302%	90.3698%	

Description	Benefit Apportionment Method	Total Phase IA Allocation	Apportionment Rate	Remaining Phases Costs Less Additional	
				Phase IA Allocation	Apportionment Rate
Stormwater	Acre	\$1,239,131.33	31.9124%	\$11,199,465.84	30.7364%
Roadway and Drainage	Trip	\$1,973,610.50	50.8281%	\$16,351,285.37	44.8754%
Sanitary Sewer	ERC	\$158,730.00	4.0879%	\$5,077,489.76	13.9349%
Water	ERC	\$511,438.00	13.1715%	\$3,808,847.76	10.4532%
<b>Total</b>		<b>\$3,882,909.83</b>	<b>100.0000%</b>	<b>\$36,437,088.72</b>	<b>100.0000%</b>

\* According to the District Engineer, Multi-Family Residential (Phase IA) costs are only those representing infrastructure needed to access the site, or extend utilities to it. It does not include any infrastructure within the Multi-Family project site itself. In addition to the costs identified herein for the Multi-Family project, \$1,516,876 of infrastructure in Phases I, II, III, IV, V, and VI were identified as providing a benefit to the Multi-Family project. While these costs are incurred with the construction of the Single-Family and Townhome Phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the Multi-Family site.

Table 5

# Fallschase

## Community Development District

### Benefit Factors

Unit Type	Share of CIP	Acre	Trip	ERC
Multi-Family	9.6302%	0.09	6.72	0.80
Townhome	90.3698%	0.05	5.86	0.80
SF 30'		0.06	5.86	0.80
SF 40'		0.07	9.57	0.80
SF 50'		0.13	9.57	1.00
SF 60'		0.17	9.57	1.00
SF 70'		0.19	9.57	1.00
SF 90'		0.31	9.57	1.20

Table 6

## Fallschase

### Community Development District

#### Benefit Apportionment

Unit Type	Total Number of		Total ERU
	Units	ERU per Unit	
Multi-Family	288	0.4853	139.7714
Townhome	60	0.9500	57.0000
SF 30'	36	1.0000	36.0000
SF 40'	36	1.3400	48.2400
SF 50'	541	1.7000	919.7000
SF 60'	62	1.9100	118.4200
SF 70'	31	2.0100	62.3100
SF 90'	26	2.6900	69.9400
<b>Total</b>	<b>1,080</b>		<b>1,451.3814</b>

Table 7

## Fallschase

### Community Development District

#### Bond Assessments Allocation

Unit Type	Total Number of Units	Total Bond Assessments Allocation	Bond	Annual Bond
			Assessments Allocation per Unit	Assessments Payment per Unit*
Multi-Family	288	\$5,477,676.56	\$19,019.71	\$1,288.98
Townhome	60	\$2,233,844.23	\$37,230.74	\$2,523.15
SF 30'	36	\$1,410,848.99	\$39,190.25	\$2,655.94
SF 40'	36	\$1,890,537.65	\$52,514.93	\$3,558.96
SF 50'	541	\$36,043,272.67	\$66,623.42	\$4,515.10
SF 60'	62	\$4,640,909.37	\$74,853.38	\$5,072.85
SF 70'	31	\$2,441,944.46	\$78,772.40	\$5,338.45
SF 90'	26	\$2,740,966.07	\$105,421.77	\$7,144.49
<b>Total</b>	<b>1,080</b>	<b>\$56,880,000.00</b>		

\* Includes County costs of collection and 4% early payment discount - amounts as if paid in **March**

## Exhibit "A"

Bond Assessments of \$56,880,000 are proposed to be levied on an equal gross acre basis over the land described below:

A PARCEL OF LAND LYING IN SECTIONS 26 AND 27, TOWNSHIP 1 NORTH, RANGE 1 EAST, LEON COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF SWMF #2, FALLSCHASE COMMERCIAL A SUBDIVISION AS PER MAP OR PLAT THEREOF RECORDED IN PLAT BOOK 20, PAGES 95-104 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA THENCE NORTHERLY ALONG THE EASTERLY BOUNDARY OF SAID SWMF #2 AS FOLLOWS: NORTH 00 DEGREES 29 MINUTES 59 SECONDS WEST 202.30 FEET, THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST 17.82 FEET, THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST 112.62 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR ACADIAN BOULEVARD AND A CURVE CONCAVE NORTHWESTERLY, THENCE NORTHEASTERLY ALONG SAID RIGHT OF WAY BOUNDARY AND SAID CURVE HAVING A RADIUS OF 330.00 FEET THROUGH A CENTRAL ANGLE OF 08 DEGREES 07 MINUTES 57 SECONDS FOR AN ARC LENGTH OF 46.84 FEET (CHORD BEARS NORTH 68 DEGREES 38 MINUTES 35 SECONDS EAST 46.80 FEET) TO A POINT OF REVERSE CURVE, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 295.84 FEET THROUGH A CENTRAL ANGLE OF 25 DEGREES 01 MINUTES 20 SECONDS FOR AN ARC LENGTH OF 129.20 FEET (CHORD BEARS NORTH 77 DEGREES 05 MINUTES 16 SECONDS EAST 128.17 FEET), THENCE NORTH 89 DEGREES 35 MINUTES 56 SECONDS EAST 120.84 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE SOUTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 80.00 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 29 MINUTES 03 SECONDS FOR AN ARC LENGTH 63.51 FEET (CHORD BEARS SOUTH 67 DEGREES 39 MINUTES 32 SECONDS EAST 61.85 FEET), THENCE SOUTH 44 DEGREES 55 MINUTES 00 SECONDS EAST 40.92 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR FALLSCHASE PARKWAY, THENCE SOUTH 00 DEGREES 16 MINUTES 24 SECONDS EAST 56.82 FEET, THENCE LEAVING SAID WESTERLY RIGHT OF WAY BOUNDARY RUN NORTH 89 DEGREES 43 MINUTES 36 SECONDS EAST 112.00 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR SAID FALLSCHASE PARKWAY, THENCE ALONG SAID EASTERLY RIGHT OF WAY BOUNDARY AS FOLLOWS: NORTH 00 DEGREES 16 MINUTES 24 SECONDS WEST 47.44 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 15.00 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 05 MINUTES 49 SECONDS FOR AN ARC LENGTH OF 23.59 FEET (CHORD BEARS NORTH 44 DEGREES 46 MINUTES 31 SECONDS EAST 21.23 FEET), THENCE NORTH 89 DEGREES 49 MINUTES 25 SECONDS EAST 71.70 FEET, THENCE NORTH 00 DEGREES 33 MINUTES 52 SECONDS EAST 125.01 FEET, THENCE SOUTH 89 DEGREES 49 MINUTES 25 SECONDS WEST 49.41 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE NORTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 35.00 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 44 MINUTES 27 SECONDS FOR AN ARC LENGTH OF 55.43 FEET (CHORD BEARS NORTH 44 DEGREES 48 MINUTES 21 SECONDS WEST 49.82 FEET), THENCE

NORTH 00 DEGREES 33 MINUTES 52 SECONDS EAST 26.02 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 131.00 FEET THROUGH A CENTRAL ANGLE OF 22 DEGREES 42 MINUTES 00 SECONDS FOR AN ARC LENGTH OF 51.90 FEET (CHORD BEARS NORTH 11 DEGREES 54 MINUTES 52 SECONDS EAST 51.56 FEET) TO A POINT OF REVERSE CURVE, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 319.00 FEET THROUGH A CENTRAL ANGLE OF 22 DEGREES 42 MINUTES 00 SECONDS FOR AN ARC LENGTH OF 126.38 FEET (CHORD BEARS NORTH 11 DEGREES 54 MINUTES 52 SECONDS EAST 125.56 FEET), THENCE NORTH 00 DEGREES 33 MINUTES 52 SECONDS EAST 934.36 FEET, THENCE NORTH 48 DEGREES 30 MINUTES 45 SECONDS EAST 6.72 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR BUCK LAKE ROAD, THENCE EASTERLY ALONG SAID SOUTHERLY RIGHT OF WAY BOUNDARY AS FOLLOWS: NORTH 48 DEGREES 02 MINUTES 17 SECONDS EAST 49.16 FEET, THENCE SOUTH 87 DEGREES 04 MINUTES 20 SECONDS EAST 4.91 FEET TO A POINT LYING ON A CURVE CONCAVE SOUTHERLY, THENCE SOUTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 14960.00 FEET THROUGH A CENTRAL ANGLE OF 00 DEGREES 00 MINUTES 53 SECONDS FOR AN ARC LENGTH OF 3.88 FEET (CHORD BEARS SOUTH 86 DEGREES 57 MINUTES 56 SECONDS EAST 3.88 FEET), THENCE LEAVING SAID SOUTHERLY RIGHT OF WAY BOUNDARY RUN SOUTH 00 DEGREES 33 MINUTES 52 SECONDS WEST 690.53 FEET, THENCE NORTH 87 DEGREES 27 MINUTES 22 SECONDS EAST 215.59 FEET, THENCE NORTH 00 DEGREES 01 MINUTES 55 SECONDS EAST 668.40 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR BUCK LAKE ROAD AND A CURVE CONCAVE NORTHERLY, THENCE SOUTHEASTERLY ALONG SAID RIGHT OF WAY BOUNDARY AND SAID CURVE HAVING A RADIUS OF 5040.00 FEET THROUGH A CENTRAL ANGLE OF 05 DEGREES 04 MINUTES 41 SECONDS FOR AN ARC LENGTH OF 446.68 FEET (CHORD BEARS SOUTH 88 DEGREES 57 MINUTES 52 SECONDS EAST 446.54 FEET) TO A POINT OF REVERSE CURVE, THENCE NORTHWESTERLY ALONG SAID RIGHT OF WAY BOUNDARY AND SAID CURVE HAVING A RADIUS OF 6960.00 FEET THROUGH A CENTRAL ANGLE OF 03 DEGREES 06 MINUTES 27 SECONDS FOR AN ARC LENGTH OF 377.47 FEET (CHORD BEARS SOUTH 89 DEGREES 56 MINUTES 56 SECONDS EAST 377.43 FEET), THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 00 DEGREES 12 MINUTES 37 SECONDS EAST 251.44 FEET, THENCE NORTH 89 DEGREES 44 MINUTES 31 SECONDS EAST 149.81 FEET, THENCE NORTH 00 DEGREES 14 MINUTES 13 SECONDS WEST 244.96 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR BUCK LAKE ROAD AND A CURVE CONCAVE SOUTHWESTERLY, THENCE SOUTHEASTERLY ALONG SAID RIGHT OF WAY AND SAID CURVE HAVING A RADIUS OF 6960.00 FEET THROUGH A CENTRAL ANGLE OF 05 DEGREES 27 MINUTES 37 SECONDS FOR AN ARC LENGTH OF 663.27 FEET (CHORD BEARS SOUTH 84 DEGREES 25 MINUTES 54 SECONDS EAST 663.02 FEET), THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 00 DEGREES 01 MINUTES 16 SECONDS EAST 481.92 FEET, THENCE NORTH 89 DEGREES 28 MINUTES 38 SECONDS EAST 322.86 FEET, THENCE NORTH 52 DEGREES 27 MINUTES 53 SECONDS EAST 86.76 FEET, THENCE NORTH 89 DEGREES 38 MINUTES 57 SECONDS EAST 225.98 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR DAVIS ROAD, THENCE SOUTH 00 DEGREES 00 MINUTES 45 SECONDS

WEST ALONG SAID RIGHT OF WAY BOUNDARY A DISTANCE OF 59.85 FEET, THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 89 DEGREES 43 MINUTES 34 SECONDS WEST 179.71 FEET, THENCE SOUTH 00 DEGREES 18 MINUTES 20 SECONDS EAST 162.55 FEET, THENCE NORTH 89 DEGREES 31 MINUTES 14 SECONDS EAST 180.49 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR DAVIS ROAD, THENCE SOUTH 00 DEGREES 03 MINUTES 34 SECONDS EAST ALONG SAID RIGHT OF WAY BOUNDARY A DISTANCE OF 163.15 FEET, THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 89 DEGREES 42 MINUTES 18 SECONDS WEST 180.17 FEET, THENCE SOUTH 00 DEGREES 17 MINUTES 14 SECONDS EAST 162.14 FEET, THENCE SOUTH 00 DEGREES 16 MINUTES 09 SECONDS EAST 162.97 FEET, THENCE NORTH 89 DEGREES 30 MINUTES 15 SECONDS EAST 162.26 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR DAVIS ROAD, THENCE SOUTH 89 DEGREES 58 MINUTES 21 SECONDS EAST 60.43 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR SAID DAVIS ROAD, THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 07 DEGREES 36 MINUTES 18 SECONDS WEST 101.82 FEET, THENCE NORTH 89 DEGREES 47 MINUTES 07 SECONDS EAST 420.33 FEET, THENCE NORTH 00 DEGREES 02 MINUTES 08 SECONDS EAST 100.01 FEET TO A POINT LYING ON THE SOUTHERLY BOUNDARY OF UNIT NO. 1 OF MEADOW HILLS, A SUBDIVISION AS PER MAP OR PLAT THEREOF RECORDED IN PLAT BOOK 4, PAGE 55 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA, THENCE NORTH 89 DEGREES 51 MINUTES 28 SECONDS EAST ALONG SAID SOUTHERLY BOUNDARY A DISTANCE OF 249.69 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR THRUSH DRIVE, THENCE LEAVING SAID SOUTHERLY AND SAID EASTERLY BOUNDARIES RUN SOUTH 00 DEGREES 16 MINUTES 32 SECONDS EAST 99.63 FEET, THENCE NORTH 89 DEGREES 53 MINUTES 15 SECONDS EAST 199.78 FEET, THENCE NORTH 89 DEGREES 49 MINUTES 16 SECONDS EAST 199.66 FEET, THENCE NORTH 00 DEGREES 03 MINUTES 27 SECONDS WEST 99.95 FEET TO A POINT LYING ON THE SOUTHERLY BOUNDARY OF SAID UNIT NO. 1 OF MEADOW HILLS AND THE WESTERLY RIGHT OF WAY BOUNDARY FOR IBIS DRIVE, THENCE NORTH 89 DEGREES 54 MINUTES 38 SECONDS EAST ALONG SAID SOUTHERLY BOUNDARY A DISTANCE OF 59.94 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR IBIS DRIVE, THENCE LEAVING SAID EASTERLY RIGHT OF WAY BOUNDARY CONTINUE ALONG THE SOUTHERLY BOUNDARY OF SAID UNIT NO. 1 OF MEADOW HILLS AS FOLLOWS: SOUTH 00 DEGREES 23 MINUTES 31 SECONDS EAST 20.33 FEET, THENCE SOUTH 89 DEGREES 38 MINUTES 06 SECONDS EAST 199.80 FEET, THENCE NORTH 89 DEGREES 50 MINUTES 38 SECONDS EAST 673.61 FEET, THENCE LEAVING SAID SOUTHERLY BOUNDARY RUN SOUTH 00 DEGREES 28 MINUTES 01 SECONDS EAST 3294.79 FEET TO A POINT LYING ON THE NORTHERLY BOUNDARY OF SOUTHLANDS LAKE LAFAYETTE BASIN AS DESCRIBED IN OFFICIAL RECORD BOOK 3474, PAGE 968 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA, THENCE WESTERLY ALONG SAID NORTHERLY BOUNDARY AS FOLLOWS: SOUTH 84 DEGREES 42 MINUTES 15 SECONDS WEST 748.52 FEET, THENCE NORTH 39 DEGREES 34 MINUTES 52 SECONDS WEST 466.31 FEET, THENCE NORTH 57 DEGREES 29 MINUTES 01 SECONDS WEST 427.33 FEET, THENCE NORTH 50 DEGREES 10 MINUTES 45 SECONDS WEST 616.93 FEET, THENCE NORTH 33 DEGREES 22 MINUTES



00 SECONDS WEST 358.94 FEET, THENCE NORTH 20 DEGREES 03 MINUTES 13 SECONDS WEST 213.46 FEET, THENCE NORTH 40 DEGREES 45 MINUTES 22 SECONDS WEST 257.89 FEET TO A POINT OF CURVE TO THE LEFT, THENCE NORTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 157.44 FEET THROUGH A CENTRAL ANGLE OF 70 DEGREES 22 MINUTES 13 SECONDS FOR AN ARC LENGTH OF 193.37 FEET (CHORD BEARS NORTH 75 DEGREES 56 MINUTES 27 SECONDS WEST 181.44 FEET), THENCE SOUTH 71 DEGREES 31 MINUTES 54 SECONDS WEST 432.21 FEET, THENCE SOUTH 74 DEGREES 37 MINUTES 22 SECONDS WEST 699.55 FEET, THENCE SOUTH 58 DEGREES 12 MINUTES 16 SECONDS WEST 847.94 FEET, THENCE SOUTH 52 DEGREES 32 MINUTES 49 SECONDS EAST 149.42 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE SOUTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 144.02 FEET THROUGH A CENTRAL ANGLE OF 88 DEGREES 48 MINUTES 58 SECONDS FOR AN ARC LENGTH OF 223.25 FEET (CHORD BEARS SOUTH 08 DEGREES 08 MINUTES 22 SECONDS EAST 201.56 FEET) TO A POINT OF COMPOUND CURVE, THENCE SOUTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 197.17 FEET THROUGH A CENTRAL ANGLE OF 59 DEGREES 16 MINUTES 23 SECONDS FOR AN ARC LENGTH OF 203.97 FEET (CHORD BEARS SOUTH 65 DEGREES 54 MINUTES 19 SECONDS WEST 195.00 FEET), THENCE NORTH 84 DEGREES 27 MINUTES 27 SECONDS WEST 72.19 FEET, THENCE SOUTH 23 DEGREES 45 MINUTES 58 SECONDS WEST 103.47 FEET, THENCE NORTH 77 DEGREES 06 MINUTES 37 SECONDS WEST 40.16 FEET, THENCE NORTH 22 DEGREES 16 MINUTES 32 SECONDS EAST 112.72 FEET, THENCE NORTH 43 DEGREES 56 MINUTES 53 SECONDS WEST 668.92 FEET, THENCE NORTH 68 DEGREES 29 MINUTES 10 SECONDS WEST 374.52 FEET, THENCE SOUTH 87 DEGREES 01 MINUTES 24 SECONDS WEST 358.69 FEET, THENCE SOUTH 09 DEGREES 49 MINUTES 05 SECONDS WEST 151.99 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE SOUTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 98.80 FEET THROUGH A CENTRAL ANGLE OF 75 DEGREES 37 MINUTES 18 SECONDS FOR AN ARC LENGTH OF 130.40 FEET (CHORD BEARS SOUTH 47 DEGREES 37 MINUTES 45 SECONDS WEST 121.14 FEET), THENCE SOUTH 85 DEGREES 26 MINUTES 25 SECONDS WEST 83.28 FEET, THENCE SOUTH 60 DEGREES 57 MINUTES 03 SECONDS WEST 115.66 FEET, THENCE SOUTH 00 DEGREES 39 MINUTES 22 SECONDS WEST 173.12 FEET, THENCE SOUTH 89 DEGREES 30 MINUTES 01 SECONDS WEST 41.39 FEET, THENCE LEAVING THE NORTHERLY BOUNDARY FOR SAID SOUTHLANDS LAKE LAFAYETTE BASIN RUN NORTH 00 DEGREES 29 MINUTES 59 SECONDS WEST 2209.57 FEET TO THE SOUTHWEST CORNER OF SAID SWMF #2, THENCE NORTH 89 DEGREES 30 MINUTES 01 SECONDS EAST ALONG THE SOUTHERLY BOUNDARY OF SAID SWMF #2 A DISTANCE OF 880.09 FEET TO THE POINT OF BEGINNING, CONTAINING 375.53 ACRES, MORE OR LESS.

LESS AND EXCEPT CONSERVATION EASEMENTS #1, #2, AND #3 AS RECORDED IN OFFICIAL RECORDS BOOK 5270, PAGE 2363 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA.

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**7**

# FALLSCHASE

## COMMUNITY DEVELOPMENT DISTRICT

### Supplemental Special Assessment Methodology Report

October 18, 2021



Provided by:

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## **1.0 Introduction**

### **1.1 Purpose**

This Supplemental Special Assessment Methodology Report (the “Supplemental Report”) was developed to supplement the Amended and Restated Master Special Assessment Methodology Report dated August 30, 2021 revised October 18, 2021 (the “Master Report”) and to provide a supplemental financing plan and a supplemental apportionment methodology for the Fallschase Community Development District (the “District”), located in Leon County, Florida, related to funding a portion of the costs of the acquisition and construction of public infrastructure improvements (the “Capital Improvement Program”) contemplated to be provided by the District.

### **1.2 Scope of the Supplemental Report**

This Supplemental Report presents the projections for financing the construction/acquisition by the District of a portion of the District's Capital Improvement Program described in the Amended and Restated Engineer's Report dated April 23, 2007, amended July 20, 2007, December 1, 2017, August 29, 2021 and October 18, 2021 (the “Amended and Restated Engineer's Report”) as well as in the Supplemental Report to the Amended and Restated Engineer's Report dated October 18, 2021 (the “Supplemental Engineer's Report”), both prepared by Moore Bass Consulting, Inc. (the “District Engineer”), as well as describes the method for the apportionment of special benefits and the allocation of special assessment debt resulting from the provision and funding of the Capital Improvement Program.

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

Improvements undertaken and funded in part by the District as part of the Capital Improvement Program create special and peculiar benefits, different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Supplemental Report, these general benefits are incidental in nature and are readily distinguishable from the special benefits which accrue to peculiar property within the District. The District's Capital Improvement Program enables properties within its boundaries to be developed.

There is no doubt that the general public and property owners of property outside the District will benefit from the provision of the

Capital Improvement Program. However, these benefits are only incidental since the Capital Improvement Program is designed solely to provide special benefits peculiar to property within the District. Properties outside the District are not directly served by the Capital Improvement Program and do not depend upon the Capital Improvement Program to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District's boundaries.

The Capital Improvement Program will provide public infrastructure improvements which are all necessary in order to make the lands within the District developable, marketable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within the District to increase by more than the sum of the financed cost of the individual components of the Capital Improvement Program. Even though the exact value of the special benefits provided by the Capital Improvement Program is hard to estimate at this point, it is nevertheless greater than the costs associated with providing the same.

#### **1.4 Organization of the Supplemental Report**

*Section Two* describes the revised development program as proposed by the Developer, as defined below.

*Section Three* provides a summary of the revised Capital Improvement Program as determined by the District Engineer.

*Section Four* discusses the financing program for the District.

*Section Five* introduces the supplemental special assessment methodology for the District.

### **2.0 Development Program**

#### **2.1 Overview**

The District will serve the residential portion of the Fallschase development (the "Development"), a master planned, mixed-use development located partly in unincorporated Leon County, Florida and partly within the municipal boundaries of the City of Tallahassee. The land within the District currently consists of approximately 401.93 +/- acres, however, the District is in the

process of petitioning Leon County to contract the boundaries of the District by removing an area of approximately 26.40 +/- acres, after which the District boundary will encompass an area of approximately 375.53 +/- acres. The District is generally south of Buck Lake Road, north of the Upper Lake Lafayette, east of the Weems Plantation subdivision, and west of the Groveland Hills subdivision.

## **2.2 The Development Program**

The development of Fallschase is anticipated to be conducted by RMDC, Inc. or its affiliates (the "Developer") over a multi-year period. Based upon the information provided by the Developer, the development plan envisions a total of 1,080 Multi-Family, Townhome and Single-Family residential dwelling units developed in multiple phases, although land use types and unit numbers may change throughout the development period. Table 1 in the *Appendix* illustrates the development plan for the Development.

## **3.0 The Capital Improvement Program**

### **3.1 Overview**

The public infrastructure costs to be funded by the District are described by the District Engineer in the Amended and Restated Engineer's Report. Only public infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes and under the Internal Revenue Code of 1986, as amended, was included in these estimates. The installation of such improvements has already commenced.

### **3.2 Capital Improvement Program**

The Capital Improvement Program needed to serve the Development is projected to consist of stormwater management, roadways and drainage, sanitary sewer, and potable water, all projected to be constructed in multiple infrastructure construction phases over multiple years.

According to the Amended and Restated Engineer's Report and the Supplemental Engineer's Report, the costs of the Capital Improvement Program are estimated to total \$47,923,748.40. Of the construction cost estimates prior to the inclusion of the professional services, fees, permit costs and contingencies in the amount of \$40,319,998.55, the costs directly attributable to the

Multi-Family residential units projected to be developed within Phase IA will total \$2,366,033.83, while another \$1,516,876.00 in costs related to construction of capital improvements within Phases I, II, III, IV, V, and VI were identified by the District Engineer as providing a benefit to the Multi-Family units.

Table 2 in the *Appendix* illustrates the specific components of the Capital Improvement Program, separated into costs related to capital improvements constructed within Phase IA and capital improvements constructed within all other phases (the “Remaining Phases”), as well as the proposed method of apportionment of the major cost categories identified in the Amended and Restated Engineer's Report. Please note that at this time, the District expects that it will finance an estimated amount of \$14,984,836\* with proceeds of bonds it will issue, while the balance in the estimated amount of \$32,938,912.40\* will be funded by the Developer and contributed to the District at no cost. Please note that of the estimated amount of \$14,984,836\* projected to be funded with proceeds of bonds, the District Engineer in his Supplemental Engineer's Report identified specific improvements in the total amount of \$14,585,775.95. Additional improvements in Phases IV, V, VI as well as in the Future Phases may also be funded based on the exact amount of proceeds available from bonds issued by the District.

## **4.0 Financing Program**

### **4.1 Overview**

As noted above, the District is embarking on a program of public infrastructure improvements which will facilitate the development of lands within the District. Generally, construction of public infrastructure improvements is either funded by the Developer and then acquired by the District or funded directly by the District. The choice of the exact mechanism for providing public infrastructure improvements has not yet been made at the time of this writing, and the District may either acquire the public infrastructure improvements from the Developer or construct it, or even partly acquire it and partly construct it.

The District intends to issue Special Assessment Bonds, Series 2021 (the “Bonds”) in the estimated amount of \$16,515,000\* to funds an estimated \$14,984,836\* in costs of the Capital

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\* estimated and subject to change



Improvement Program. Additional public infrastructure improvements will be contributed to the District at no cost to the District under a Completion Agreement that will be entered into by the Developer and the District.

## **4.2 Types of Bonds Proposed**

The financing plan for the District provides for the issuance of the Bonds in the estimated principal amount of \$16,515,000\* to finance the construction/acquisition of a portion of the public infrastructure improvements that comprise the Capital Improvement Program in the estimated amount of \$14,984,836\*. The Bonds will be structured to be amortized in 30 annual installments following a 12-month capitalized interest period. Interest payments on the Bonds will be made every May 1 and November 1, with principal payments on the Bonds made either every May 1 or November 1.

In order to finance part of the public infrastructure improvement costs described in *Section 4.1*, the District will need to borrow more funds and incur indebtedness in the total amount estimated at \$16,515,000\*. The difference is comprised of debt service reserve, capitalized interest, and costs of issuance, including the underwriter's discount. Preliminary sources and uses of funding for the Bonds are presented in Table 3 in the *Appendix*.

## **5.0 Assessment Methodology**

### **5.1 Overview**

The issuance of the Bonds provides the District with a portion of the funds necessary to construct/acquire the public infrastructure improvements which are part of the Capital Improvement Program outlined in *Section 3.2* and described in more detail by the District Engineer in the Amended and Restated Engineer's Report and the Supplemental Engineer's Report. The improvements funded with proceeds of the Bonds lead to special and general benefits, with special benefits accruing peculiar to properties within the boundaries of the District and general benefits accruing to areas outside the District and to the public at large, which general benefits are only incidental in nature. The debt incurred in financing a portion of the cost of the Capital Improvement Program will be paid off by assessing properties that derive special and peculiar benefits from the Capital Improvement Program funded with the Bonds

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\* estimated and subject to change

that receive special benefits from the Capital Improvement Program will be assessed for their fairly and reasonably apportioned share of the debt issued in order to finance the Capital Improvement Program.

## **5.2 Special Benefit Apportionment**

The most current, development plan for the land within the District envisions a total of 1,080 Multi-Family, Townhome and Single-Family residential dwelling units developed in multiple phases, although land use types and unit numbers may change throughout the development period.

As already stated in *Section 3.2* herein, according to the Amended and Restated Engineer's Report, \$2,366,033.83 in costs of the Capital Improvement Program are related to construction of capital improvements within Phase IA and thus directly attributable to the Multi-Family residential units, while another \$1,516,876.00 in costs related to construction of capital improvements within Phases I, II, III, IV, V, and VI were identified by the District Engineer as providing a benefit to the Multi-Family units. Consequently, when separating costs of capital improvements that benefit the Multi-Family residential units projected to be developed within Phase IA from those that benefit the Single-Family and Townhome residential units projected to be developed within the Remaining Phases, a total of \$3,882,909.83 (\$2,366,033.83 plus \$1,516,876.00) can be attributed to benefit the Multi-Family residential units projected to be developed within Phase IA, while the balance in the amount of \$36,437,088.73 (\$37,953,964.73 less \$1,560,666.00) can be attributed to benefit the Single-Family and Townhome residential units projected to be developed within the Remaining Phases. Table 4 in the *Appendix* illustrates the derivation of costs of capital improvements benefitting Phase IA and Remaining Phases as well as the proposed method of apportionment of the major cost categories identified in the Amended and Restated Engineer's Report.

The sum of all public infrastructure improvements as described in the Amended and Restated Engineer's Report will comprise interrelated systems of improvements, separately for the Phase IA and separately for the Remaining Phases, which means the public infrastructure improvements will serve, separately Phase IA and separately the Remaining Phases, and improvements will be interrelated such that they will reinforce one another, and their combined special benefits will be greater than the sum of their individual benefits. All property within, separately Phase IA and

separately the Remaining Phases, will receive special benefits from the public infrastructure improvements, as the public infrastructure improvements provide basic infrastructure to all property within, separately Phase IA and separately the Remaining Phases, as integrated systems of improvements from which special benefits flow to all property within, separately Phase IA and separately the Remaining Phases, apportioned fairly and reasonably peculiar to the properties.

Special benefits flow as a logical connection from the public infrastructure improvements described in the District Engineer's Capital Improvement Program peculiar to the property within the District, as without such public infrastructure improvements, the development of the property within the District would not be possible. Based upon the special benefits flowing as a logical connection from the public infrastructure improvements apportioned peculiar to the properties within the District, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments, to the property receiving such special benefits allocating the dollar amount of the assessments per parcel. Even though these special and peculiar benefits are real and ascertainable (for example added use of the property, added enjoyment of the property, decreased insurance premiums, and increased marketability and value of the property), the precise amount of the special benefit cannot yet be calculated with mathematical certainty. However, such special benefit is more valuable than the cost of, or the actual non-ad valorem assessment amount levied on that parcel.

The special benefit resulting from the provision of the public infrastructure improvements described in the Amended and Restated Engineer's Report is proposed to be apportioned peculiar to the property within the District in proportion to the density of development and intensity of use of the public infrastructure improvements as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Such apportionment identifies special benefits peculiar to different property types based on the determination of special benefits received by each property type from different public infrastructure improvement categories. Table 4 in the *Appendix* identifies major public infrastructure improvement categories and the proposed method of apportionment of special benefits flowing to property within the District from such improvements. As shown in Table 4, special benefits of general construction, which includes earthwork ponds, sodding, seeding, and mulching are proposed to be apportioned based on average lot area, a measure referred to herein as "Acre", special benefits of

roadways are proposed to be apportioned based on trip generation (Trip), special benefits of utilities are proposed to be apportioned based on a measure called Equivalent Residential Connection (ERC), and special benefits of miscellaneous are proposed to be apportioned based on parcel size (for Phase IA) or average lot area (for Remaining Phases) (Acre).

Table 5 in the *Appendix* illustrates the Acre, Trip and ERC factors proposed to be assigned to different property types to estimate each property types' peculiar use of that infrastructure and also to apportion each property type's peculiar amount of special benefit flowing from each type of infrastructure. Table 6 in the *Appendix* illustrates the proposed development plan for the District, as well as the apportionment of special benefits peculiar to different property types as expressed by the ERU derived as the product of factor weights from Table 5 and cost weights from Table 4.

As the District will not fund the entire cost of the Capital Improvement Program with proceeds of the Bonds and the balance of the costs in the estimated amount of \$32,938,912.40\* will be funded by the Developer and contributed to the District at no cost, the Developer requested that the District allocate the costs of such public infrastructure improvements contributed by the Developer (the "Infrastructure Contributed by Developer") in a way that when credited against the amounts of the Capital Improvement Program Cost allocated based on ERU factors, the resulting public infrastructure improvements financed with proceeds of the Bonds (the "Infrastructure Financed with Bonds") and when grossed up for the costs of financing, results in the annual special assessments for debt service on the Bonds at certain predetermined levels. Table 7 in the *Appendix* presents the allocation of the costs of the Capital Improvement Program based on the ERU benefit apportionment factors present in Table 6 in the *Appendix*. Further, Table 7 illustrates the allocation of the Infrastructure Contributed by Developer and the resulting allocation of the Infrastructure Financed with Bonds.

Finally, Table 8 in the *Appendix* presents the allocation of the special assessments associated with the Bonds (the "Bond Assessments") to the different property types in the District in accordance with the ERU benefit allocation method presented in Table 6 in the *Appendix* as modified by the effects of Developer's contributions of public infrastructure improvements. Table 8 in the *Appendix* also presents the annual levels of the projected annual

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\* estimated and subject to change

debt service assessments per unit for the different property types in the District.

### **5.3 Assigning Bond Assessments**

As the land in the District is not yet platted for its intended final use and the precise location of the different property types by lot or parcel is unknown, the Bond Assessments are proposed to be levied initially on approximately 375.53 +/- gross acres within the boundaries of the District (after the conclusion of the boundary amendment is successfully accomplished) reduced by an approximately 81.50 +/- gross acres area of a recorded conversation easement, for a total assessment area of approximately 294.03 +/- gross acres (the "Assessment Area" to be defined later in "Exhibit A") at a rate of approximately \$56,167.74\* per gross acre.

When the land is platted, Bond Assessments will be allocated to each platted parcel on a first platted-first assigned basis based on the planned use for that platted parcel as reflected in Table 8 in the *Appendix*. Such allocation of Bond Assessments from unplatted gross acres within the Assessment Area to platted parcels will reduce the amount of Bond Assessments levied on unplatted gross acres within the Assessment Area. Such allocation of Bond Assessments from gross acres to platted parcels will continue until the entire amount of the Bond Assessments has been allocated to platted parcels.

Further, to the extent that any parcel of land which has not been platted is sold to another developer or builder, the Bond Assessments will be assigned to such parcel at the time of the sale based upon the development rights associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

### **5.4 Assessment Validity Test: Special Benefit Flows to the Property as a Logical Connection from the Improvement Infrastructure**

As first discussed in *Section 1.3*, Special Benefits and General Benefits, improvements undertaken by the District and funded with proceeds of the Bonds create special benefits peculiar to properties within the District. The District's improvements benefit properties

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\* estimated and subject to change

within the District and accrue to all properties within the District on an ERU basis.

Improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within the District. The special and peculiar benefits resulting from each improvement are:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums; and
- d. increased marketability and value of the property.

The improvements which are part of the Capital Improvement Program make the land in the District developable and saleable and when implemented jointly as parts of the Capital Improvement Program, provide special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value; however, such benefits are more valuable than either the cost of, or the actual assessment levied for, the improvement or debt allocated to the parcel of land.

#### **5.5 Assessment Validity Test: Reasonable and Fair Apportionment of the Special Benefits Peculiar to the Property**

A reasonable estimate of the proportion of special and peculiar benefits received from the improvements is delineated in Table 6 (expressed as ERU factors) in the *Appendix*.

The apportionment of the assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2* across all assessable property within the District according to reasonable estimates of the special and peculiar benefits derived from the Capital Improvement Program by different parcels classified as specific property types.

Accordingly, no acre or parcel of property within the District will be liened for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property.

#### **5.6 True-Up Mechanism**

The Assessment Methodology described herein is based on conceptual information obtained from the Developer prior to construction. As development occurs, it is possible that the

development plan may change. The mechanism for maintaining the methodology over the changes is referred to as true-up.

This mechanism is to be utilized to ensure that the Bond Assessments within District on a unit basis never exceed the initially allocated assessments as contemplated in this Supplemental Report. Bond Assessments per unit are illustrated in Table 8 in the *Appendix* and may change based on the final bond sizing. If such changes occur, the methodology is applied to the land based on the number of and unit types within each and every parcel.

As the land in the District is platted, the Bond Assessments are allocated to platted parcels based on the figures in Table 8 in the *Appendix*. If as a result of platting and allocation of the Bond Assessments to the platted parcels, the Bond Assessments for land that remains unplatted remain equal to the levels illustrated in Table 8, then no true-up adjustment will be necessary.

If as a result of platting and allocation of the Bond Assessments to platted parcels, the Bond Assessments for land that remains unplatted equal less than the levels illustrated in Table 8 in the *Appendix* (either as a result of a larger number of units, different units or both), then the per unit Bond Assessments for all parcels within the District will be lowered if that state persists at the conclusion of platting of all land within the District.

If, in contrast, as a result of platting and allocation of the Bond Assessments to the platted parcels, the Bond Assessments land that remains unplatted<sup>1</sup> equals more than the levels illustrated in Table 8 in the *Appendix* (either as a result of a smaller number of units, different units or both), taking into account any future development plans for the unplatted lands – in the District’s sole discretion and to the extent such future development plans are feasible, consistent with existing entitlements and governmental

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<sup>1</sup> For example, if the first platting includes 19 SF 70’ lots, then the remaining unplatted land within the District would be required to absorb approximately \$16,186,394.91\* in Bond Assessments based on 288 Multi-Family, 60 Townhome, 36 SF 30’, 36 SF 40’, 130 SF 50’ – Phases II – VI, 411 SF 50’ – Future Phases, 62 SF 60’, 12 SF 70’, and 26 SF 90’ units. If the remaining unplatted land would only be able to absorb 288 Multi-Family, 60 Townhome, 36 SF 30’, 36 SF 40’, 130 SF 50’ – Phases II – VI, 411 SF 50’ – Future Phases, 62 SF 60’, 12 SF 70’, and 25 SF 90’ units, or approximately \$16,167,370.41\* in Bond Assessments, then a true-up, payable by the owner of the land whose platting cause the loss of Bond Assessments, would be due in the amount of approximately \$19,024.51\*, calculated as 1 SF 90’ unit times \$19,024.51\*.

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\* estimated and subject to change

requirements, and reasonably expected to be implemented, then the difference in Bond Assessments plus accrued interest will be collected by the District from the owner of the property which platting caused the increase of assessment per unit to occur, in accordance with the assessment resolution and/or a true-up agreement to be entered into between the District and the Developer, which will be binding on assignees.

The owner(s) of the property will be required to immediately remit to the Trustee for redemption a true-up payment equal to the difference between the actual Bond Assessments per unit and the levels illustrated in Table 8 in the *Appendix*, multiplied by the actual number of units plus accrued interest to the next succeeding interest payment date on the Bonds, unless such interest payment date occurs within 45 days of such true-up payment, in which case the accrued interest shall be paid to the following interest payment date (or such other time as set forth in the supplemental indenture for the Bonds).

In addition to platting of property within the District, any planned sale of an unplatted parcel to another builder or developer will cause the District to initiate a true-up test as described above to test whether the amount of the Bond Assessments per unit for land that remains unplatted within the District remains equal to the levels illustrated in Table 8 in the *Appendix*. The test will be based upon the development rights associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

## **5.7 Assessment Roll**

The Bond Assessments in the estimated amount of \$16,515,000\* are proposed to be levied on the Assessment Area described in Exhibit A. Excluding any capitalized interest period, debt service assessment shall be paid in thirty (30) annual installments.

## **6.0 Additional Stipulations**

### **6.1 Overview**

Wrathell, Hunt and Associates, LLC was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District's Capital Improvement Program. Certain financing, development and engineering data was provided by



members of District Staff and/or the Developer. The allocation Methodology described herein was based on information provided by those professionals. Wrathell, Hunt and Associates, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this Supplemental Report.

Wrathell, Hunt and Associates, LLC does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC does not provide the District with financial advisory services or offer investment advice in any form.

## 7.0 Appendix

Table 1

### Fallschase

#### Community Development District

#### Development Program

Unit Type	Phase IA	Phase II	Phase III	Phase IV	Phase V	Phase VI	Future Phases	Total Number of Units
Multi-Family	288	0	0	0	0	0	0	288
Townhome	0	0	0	42	18	0	0	60
SF 30'	0	0	0	0	36	0	0	36
SF 40'	0	0	0	8	28	0	0	36
SF 50'	0	13	18	5	0	94	411	541
SF 60'	0	17	42	0	3	0	0	62
SF 70'	0	0	19	0	0	12	0	31
SF 90'	0	0	21	0	0	5	0	26
<b>Total</b>	<b>288</b>	<b>30</b>	<b>100</b>	<b>55</b>	<b>85</b>	<b>111</b>	<b>411</b>	<b>1,080</b>

Table 2

# Fallschase

## Community Development District

### Capital Improvement Program

Description	Phase IA Costs*	Remaining Phases Costs	Total Estimated Cost	Benefit	
				Apportionment Method	Apportionment Rate
Stormwater	\$1,239,131.33	\$11,199,465.84	\$12,438,597.17	Acre	30.8497%
Roadway and Drainage	\$456,734.50	\$17,868,161.37	\$18,324,895.87	Trip	45.4487%
Sanitary Sewer	\$158,730.00	\$5,077,489.76	\$5,236,219.76	ERC	12.9867%
Water	\$511,438.00	\$3,808,847.76	\$4,320,285.76	ERC	10.7150%
	<u>\$2,366,033.83</u>	<u>\$37,953,964.73</u>	<u>\$40,319,998.55</u>		
<b>Share of CIP</b>	<b>5.8681%</b>	<b>94.1319%</b>	<b>100.0000%</b>		
Professional Services			\$2,735,000.00		
Fees/Permitting Costs			\$600,000.00		
Contingencies			\$4,268,749.85		
<b>Total</b>			<b>\$47,923,748.40</b>		<b>100.0000%</b>

\* According to the District Engineer, Multi-Family Residential (Phase IA) costs are only those representing infrastructure needed to access the site, or extend utilities to it. It does not include any infrastructure within the Multi-Family project site itself. In addition to the costs identified herein for the Multi-Family project, \$1,516,876 of infrastructure in Phases I, II, III, IV, V, and VI were identified as providing a benefit to the Multi-Family project. While these costs are incurred with the construction of the Single-Family and Townhome Phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the Multi-Family site.

Table 3

# Fallschase

## Community Development District

### Preliminary Sources and Uses of Funds

<u>Sources:</u>		Amount
Bond Proceeds:		
Par Amount		\$16,515,000.00
<b>Total Sources</b>		<b>\$16,515,000.00</b>
<u>Uses:</u>		
Project Fund Deposit:		
Project Fund		\$14,984,836.00
Other Funds Deposits:		
Debt Service Reserve Fund		\$463,126.50
Capitalized Interest Fund		\$619,312.50
		<u>\$1,082,439.00</u>
Delivery Date Expenses:		
Costs of Issuance		\$200,000.00
Underwriter's Discount		\$247,725.00
		<u>\$447,725.00</u>
<b>Total Uses</b>		<b>\$16,515,000.00</b>

Table 4

# Fallschase

## Community Development District

### Derivation of Costs of Capital Improvements Benefitting Phase IA and Remaining Phases

Description	Phase IA Costs	Additional Phase IA Allocation*	Total Phase IA Allocation	Remaining Phases Costs Less Additional	
				Phase IA Allocation	Total Estimated Cost
Stormwater	\$1,239,131.33	\$0.00	\$1,239,131.33	\$11,199,465.84	\$12,438,597.17
Roadway and Drainage	\$456,734.50	\$1,516,876.00	\$1,973,610.50	\$16,351,285.37	\$18,324,895.87
Sanitary Sewer	\$158,730.00	\$0.00	\$158,730.00	\$5,077,489.76	\$5,236,219.76
Water	\$511,438.00	\$0.00	\$511,438.00	\$3,808,847.76	\$4,320,285.76
<b>Total</b>	<b>\$2,366,033.83</b>	<b>\$1,516,876.00</b>	<b>\$3,882,909.83</b>	<b>\$36,437,088.73</b>	<b>\$40,319,998.55</b>
	Share of CIP		9.6302%	90.3698%	

Description	Benefit Apportionment Method	Total Phase IA Allocation	Apportionment Rate	Remaining Phases Costs Less Additional	
				Phase IA Allocation	Apportionment Rate
Stormwater	Acre	\$1,239,131.33	31.9124%	\$11,199,465.84	30.7364%
Roadway and Drainage	Trip	\$1,973,610.50	50.8281%	\$16,351,285.37	44.8754%
Sanitary Sewer	ERC	\$158,730.00	4.0879%	\$5,077,489.76	13.9349%
Water	ERC	\$511,438.00	13.1715%	\$3,808,847.76	10.4532%
<b>Total</b>		<b>\$3,882,909.83</b>	<b>100.0000%</b>	<b>\$36,437,088.73</b>	<b>100.0000%</b>

\* According to the District Engineer, Multi-Family Residential (Phase IA) costs are only those representing infrastructure needed to access the site, or extend utilities to it. It does not include any infrastructure within the Multi-Family project site itself. In addition to the costs identified herein for the Multi-Family project, \$1,516,876 of infrastructure in Phases I, II, III, IV, V, and VI were identified as providing a benefit to the Multi-Family project. While these costs are incurred with the construction of the Single-Family and Townhome Phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the Multi-Family site.

Table 5

# Fallschase

## Community Development District

### Benefit Factors

Unit Type	Share of CIP	Acre	Trip	ERC
Multi-Family	9.6302%	0.09	6.72	0.80
Townhome	90.3698%	0.05	5.86	0.80
SF 30'		0.06	5.86	0.80
SF 40'		0.07	9.57	0.80
SF 50'		0.13	9.57	1.00
SF 60'		0.17	9.57	1.00
SF 70'		0.19	9.57	1.00
SF 90'		0.31	9.57	1.20

Table 6

## Fallschase

### Community Development District

#### Benefit Apportionment

Unit Type	Total Number of		
	Units	ERU per Unit	Total ERU
Multi-Family	288	0.4853	139.7714
Townhome	60	0.9500	57.0000
SF 30'	36	1.0000	36.0000
SF 40'	36	1.3400	48.2400
SF 50'	541	1.7000	919.7000
SF 60'	62	1.9100	118.4200
SF 70'	31	2.0100	62.3100
SF 90'	26	2.6900	69.9400
<b>Total</b>	<b>1,080</b>		<b>1,451.3814</b>

Table 7

## Fallschase

### Community Development District

#### Capital Improvement Program Cost Allocation

Unit Type	Capital Improvement Program Cost			Infrastructure Financed with Bonds
	Total Number of Units	Allocation Based on ERU	Infrastructure Contributed by Developer	
Multi-Family	288	\$4,615,168.65	\$1,451,546.35	\$3,163,622.30
Townhome	60	\$1,882,106.00	\$1,081,784.88	\$800,321.12
SF 30'	36	\$1,188,698.52	\$764,999.11	\$423,699.42
SF 40'	36	\$1,592,856.02	\$1,140,909.98	\$451,946.04
SF 50' - Phases II - VI	130	\$7,297,288.16	\$5,461,257.36	\$1,836,030.80
SF 50' - Future Phases	411	\$23,070,657.19	\$16,621,010.53	\$6,449,646.66
SF 60'	62	\$3,910,157.76	\$2,985,865.33	\$924,292.43
SF 70'	31	\$2,057,439.03	\$1,570,969.33	\$486,469.70
SF 90'	26	\$2,309,377.08	\$1,860,569.55	\$448,807.53
<b>Total</b>	<b>1,080</b>	<b>\$47,923,748.40</b>	<b>\$32,938,912.40</b>	<b>\$14,984,836.00</b>

Table 8

# Fallschase

## Community Development District

### Bond Assessments Allocation

Unit Type	Total Number of Units	Total Bond Assessments Allocation	Bond Assessments Allocation per Unit	Annual Bond Assessments Payment per Unit*
Multi-Family	288	\$3,486,672.95	\$12,106.50	\$730.11
Townhome	60	\$882,045.24	\$14,700.75	\$886.56
SF 30'	36	\$466,965.13	\$12,971.25	\$782.26
SF 40'	36	\$498,096.14	\$13,836.00	\$834.41
SF 50' - Phases II - VI	130	\$2,023,515.55	\$15,565.50	\$938.71
SF 50' - Future Phases	411	\$7,108,246.94	\$17,295.00	\$1,043.01
SF 60'	62	\$1,018,675.78	\$16,430.25	\$990.86
SF 70'	31	\$536,145.15	\$17,295.00	\$1,043.01
SF 90'	26	\$494,637.13	\$19,024.51	\$1,147.31
<b>Total</b>	<b>1,080</b>	<b>\$16,515,000.00</b>		

\* Includes County costs of collection and 4% early payment discount - amounts as if paid in March

## Exhibit A

Bond Assessments of \$16,515,000 are proposed to be levied on an equal gross acre basis over the land described below constituting the Assessment Area:

A PARCEL OF LAND LYING IN SECTIONS 26 AND 27, TOWNSHIP 1 NORTH, RANGE 1 EAST, LEON COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF SWMF #2, FALLSCHASE COMMERCIAL A SUBDIVISION AS PER MAP OR PLAT THEREOF RECORDED IN PLAT BOOK 20, PAGES 95-104 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA THENCE NORTHERLY ALONG THE EASTERLY BOUNDARY OF SAID SWMF #2 AS FOLLOWS: NORTH 00 DEGREES 29 MINUTES 59 SECONDS WEST 202.30 FEET, THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST 17.82 FEET, THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST 112.62 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR ACADIAN BOULEVARD AND A CURVE CONCAVE NORTHWESTERLY, THENCE NORTHEASTERLY ALONG SAID RIGHT OF WAY BOUNDARY AND SAID CURVE HAVING A RADIUS OF 330.00 FEET THROUGH A CENTRAL ANGLE OF 08 DEGREES 07 MINUTES 57 SECONDS FOR AN ARC LENGTH OF 46.84 FEET (CHORD BEARS NORTH 68 DEGREES 38 MINUTES 35 SECONDS EAST 46.80 FEET) TO A POINT OF REVERSE CURVE, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 295.84 FEET THROUGH A CENTRAL ANGLE OF 25 DEGREES 01 MINUTES 20 SECONDS FOR AN ARC LENGTH OF 129.20 FEET (CHORD BEARS NORTH 77 DEGREES 05 MINUTES 16 SECONDS EAST 128.17 FEET), THENCE NORTH 89 DEGREES 35 MINUTES 56 SECONDS EAST 120.84 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE SOUTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 80.00 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 29 MINUTES 03 SECONDS FOR AN ARC LENGTH 63.51 FEET (CHORD BEARS SOUTH 67 DEGREES 39 MINUTES 32 SECONDS EAST 61.85 FEET), THENCE SOUTH 44 DEGREES 55 MINUTES 00 SECONDS EAST 40.92 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR FALLSCHASE PARKWAY, THENCE SOUTH 00 DEGREES 16 MINUTES 24 SECONDS EAST 56.82 FEET, THENCE LEAVING SAID WESTERLY RIGHT OF WAY BOUNDARY RUN NORTH 89 DEGREES 43 MINUTES 36 SECONDS EAST 112.00 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR SAID FALLSCHASE PARKWAY, THENCE ALONG SAID EASTERLY RIGHT OF WAY BOUNDARY AS FOLLOWS: NORTH 00 DEGREES 16 MINUTES 24 SECONDS WEST 47.44 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 15.00 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 05 MINUTES 49 SECONDS FOR AN ARC LENGTH OF 23.59 FEET (CHORD BEARS NORTH 44 DEGREES 46 MINUTES 31 SECONDS EAST 21.23 FEET), THENCE NORTH 89 DEGREES 49 MINUTES 25 SECONDS EAST 71.70 FEET, THENCE NORTH 00 DEGREES 33 MINUTES 52 SECONDS EAST 125.01 FEET, THENCE SOUTH 89 DEGREES 49 MINUTES 25 SECONDS WEST 49.41 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE NORTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 35.00 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 44 MINUTES 27 SECONDS FOR AN ARC LENGTH OF 55.43 FEET (CHORD BEARS NORTH 44 DEGREES 48 MINUTES 21 SECONDS WEST 49.82 FEET), THENCE

NORTH 00 DEGREES 33 MINUTES 52 SECONDS EAST 26.02 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 131.00 FEET THROUGH A CENTRAL ANGLE OF 22 DEGREES 42 MINUTES 00 SECONDS FOR AN ARC LENGTH OF 51.90 FEET (CHORD BEARS NORTH 11 DEGREES 54 MINUTES 52 SECONDS EAST 51.56 FEET) TO A POINT OF REVERSE CURVE, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 319.00 FEET THROUGH A CENTRAL ANGLE OF 22 DEGREES 42 MINUTES 00 SECONDS FOR AN ARC LENGTH OF 126.38 FEET (CHORD BEARS NORTH 11 DEGREES 54 MINUTES 52 SECONDS EAST 125.56 FEET), THENCE NORTH 00 DEGREES 33 MINUTES 52 SECONDS EAST 934.36 FEET, THENCE NORTH 48 DEGREES 30 MINUTES 45 SECONDS EAST 6.72 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR BUCK LAKE ROAD, THENCE EASTERLY ALONG SAID SOUTHERLY RIGHT OF WAY BOUNDARY AS FOLLOWS: NORTH 48 DEGREES 02 MINUTES 17 SECONDS EAST 49.16 FEET, THENCE SOUTH 87 DEGREES 04 MINUTES 20 SECONDS EAST 4.91 FEET TO A POINT LYING ON A CURVE CONCAVE SOUTHERLY, THENCE SOUTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 14960.00 FEET THROUGH A CENTRAL ANGLE OF 00 DEGREES 00 MINUTES 53 SECONDS FOR AN ARC LENGTH OF 3.88 FEET (CHORD BEARS SOUTH 86 DEGREES 57 MINUTES 56 SECONDS EAST 3.88 FEET), THENCE LEAVING SAID SOUTHERLY RIGHT OF WAY BOUNDARY RUN SOUTH 00 DEGREES 33 MINUTES 52 SECONDS WEST 690.53 FEET, THENCE NORTH 87 DEGREES 27 MINUTES 22 SECONDS EAST 215.59 FEET, THENCE NORTH 00 DEGREES 01 MINUTES 55 SECONDS EAST 668.40 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR BUCK LAKE ROAD AND A CURVE CONCAVE NORTHERLY, THENCE SOUTHEASTERLY ALONG SAID RIGHT OF WAY BOUNDARY AND SAID CURVE HAVING A RADIUS OF 5040.00 FEET THROUGH A CENTRAL ANGLE OF 05 DEGREES 04 MINUTES 41 SECONDS FOR AN ARC LENGTH OF 446.68 FEET (CHORD BEARS SOUTH 88 DEGREES 57 MINUTES 52 SECONDS EAST 446.54 FEET) TO A POINT OF REVERSE CURVE, THENCE NORTHWESTERLY ALONG SAID RIGHT OF WAY BOUNDARY AND SAID CURVE HAVING A RADIUS OF 6960.00 FEET THROUGH A CENTRAL ANGLE OF 03 DEGREES 06 MINUTES 27 SECONDS FOR AN ARC LENGTH OF 377.47 FEET (CHORD BEARS SOUTH 89 DEGREES 56 MINUTES 56 SECONDS EAST 377.43 FEET), THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 00 DEGREES 12 MINUTES 37 SECONDS EAST 251.44 FEET, THENCE NORTH 89 DEGREES 44 MINUTES 31 SECONDS EAST 149.81 FEET, THENCE NORTH 00 DEGREES 14 MINUTES 13 SECONDS WEST 244.96 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR BUCK LAKE ROAD AND A CURVE CONCAVE SOUTHWESTERLY, THENCE SOUTHEASTERLY ALONG SAID RIGHT OF WAY AND SAID CURVE HAVING A RADIUS OF 6960.00 FEET THROUGH A CENTRAL ANGLE OF 05 DEGREES 27 MINUTES 37 SECONDS FOR AN ARC LENGTH OF 663.27 FEET (CHORD BEARS SOUTH 84 DEGREES 25 MINUTES 54 SECONDS EAST 663.02 FEET), THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 00 DEGREES 01 MINUTES 16 SECONDS EAST 481.92 FEET, THENCE NORTH 89 DEGREES 28 MINUTES 38 SECONDS EAST 322.86 FEET, THENCE NORTH 52 DEGREES 27 MINUTES 53 SECONDS EAST 86.76 FEET, THENCE NORTH 89 DEGREES 38 MINUTES 57 SECONDS EAST 225.98 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR DAVIS ROAD, THENCE SOUTH 00 DEGREES 00 MINUTES 45 SECONDS

WEST ALONG SAID RIGHT OF WAY BOUNDARY A DISTANCE OF 59.85 FEET, THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 89 DEGREES 43 MINUTES 34 SECONDS WEST 179.71 FEET, THENCE SOUTH 00 DEGREES 18 MINUTES 20 SECONDS EAST 162.55 FEET, THENCE NORTH 89 DEGREES 31 MINUTES 14 SECONDS EAST 180.49 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR DAVIS ROAD, THENCE SOUTH 00 DEGREES 03 MINUTES 34 SECONDS EAST ALONG SAID RIGHT OF WAY BOUNDARY A DISTANCE OF 163.15 FEET, THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 89 DEGREES 42 MINUTES 18 SECONDS WEST 180.17 FEET, THENCE SOUTH 00 DEGREES 17 MINUTES 14 SECONDS EAST 162.14 FEET, THENCE SOUTH 00 DEGREES 16 MINUTES 09 SECONDS EAST 162.97 FEET, THENCE NORTH 89 DEGREES 30 MINUTES 15 SECONDS EAST 162.26 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR DAVIS ROAD, THENCE SOUTH 89 DEGREES 58 MINUTES 21 SECONDS EAST 60.43 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR SAID DAVIS ROAD, THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 07 DEGREES 36 MINUTES 18 SECONDS WEST 101.82 FEET, THENCE NORTH 89 DEGREES 47 MINUTES 07 SECONDS EAST 420.33 FEET, THENCE NORTH 00 DEGREES 02 MINUTES 08 SECONDS EAST 100.01 FEET TO A POINT LYING ON THE SOUTHERLY BOUNDARY OF UNIT NO. 1 OF MEADOW HILLS, A SUBDIVISION AS PER MAP OR PLAT THEREOF RECORDED IN PLAT BOOK 4, PAGE 55 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA, THENCE NORTH 89 DEGREES 51 MINUTES 28 SECONDS EAST ALONG SAID SOUTHERLY BOUNDARY A DISTANCE OF 249.69 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR THRUSH DRIVE, THENCE LEAVING SAID SOUTHERLY AND SAID EASTERLY BOUNDARIES RUN SOUTH 00 DEGREES 16 MINUTES 32 SECONDS EAST 99.63 FEET, THENCE NORTH 89 DEGREES 53 MINUTES 15 SECONDS EAST 199.78 FEET, THENCE NORTH 89 DEGREES 49 MINUTES 16 SECONDS EAST 199.66 FEET, THENCE NORTH 00 DEGREES 03 MINUTES 27 SECONDS WEST 99.95 FEET TO A POINT LYING ON THE SOUTHERLY BOUNDARY OF SAID UNIT NO. 1 OF MEADOW HILLS AND THE WESTERLY RIGHT OF WAY BOUNDARY FOR IBIS DRIVE, THENCE NORTH 89 DEGREES 54 MINUTES 38 SECONDS EAST ALONG SAID SOUTHERLY BOUNDARY A DISTANCE OF 59.94 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR IBIS DRIVE, THENCE LEAVING SAID EASTERLY RIGHT OF WAY BOUNDARY CONTINUE ALONG THE SOUTHERLY BOUNDARY OF SAID UNIT NO. 1 OF MEADOW HILLS AS FOLLOWS: SOUTH 00 DEGREES 23 MINUTES 31 SECONDS EAST 20.33 FEET, THENCE SOUTH 89 DEGREES 38 MINUTES 06 SECONDS EAST 199.80 FEET, THENCE NORTH 89 DEGREES 50 MINUTES 38 SECONDS EAST 673.61 FEET, THENCE LEAVING SAID SOUTHERLY BOUNDARY RUN SOUTH 00 DEGREES 28 MINUTES 01 SECONDS EAST 3294.79 FEET TO A POINT LYING ON THE NORTHERLY BOUNDARY OF SOUTHLANDS LAKE LAFAYETTE BASIN AS DESCRIBED IN OFFICIAL RECORD BOOK 3474, PAGE 968 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA, THENCE WESTERLY ALONG SAID NORTHERLY BOUNDARY AS FOLLOWS: SOUTH 84 DEGREES 42 MINUTES 15 SECONDS WEST 748.52 FEET, THENCE NORTH 39 DEGREES 34 MINUTES 52 SECONDS WEST 466.31 FEET, THENCE NORTH 57 DEGREES 29 MINUTES 01 SECONDS WEST 427.33 FEET, THENCE NORTH 50 DEGREES 10 MINUTES 45 SECONDS WEST 616.93 FEET, THENCE NORTH 33 DEGREES 22 MINUTES



00 SECONDS WEST 358.94 FEET, THENCE NORTH 20 DEGREES 03 MINUTES 13 SECONDS WEST 213.46 FEET, THENCE NORTH 40 DEGREES 45 MINUTES 22 SECONDS WEST 257.89 FEET TO A POINT OF CURVE TO THE LEFT, THENCE NORTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 157.44 FEET THROUGH A CENTRAL ANGLE OF 70 DEGREES 22 MINUTES 13 SECONDS FOR AN ARC LENGTH OF 193.37 FEET (CHORD BEARS NORTH 75 DEGREES 56 MINUTES 27 SECONDS WEST 181.44 FEET), THENCE SOUTH 71 DEGREES 31 MINUTES 54 SECONDS WEST 432.21 FEET, THENCE SOUTH 74 DEGREES 37 MINUTES 22 SECONDS WEST 699.55 FEET, THENCE SOUTH 58 DEGREES 12 MINUTES 16 SECONDS WEST 847.94 FEET, THENCE SOUTH 52 DEGREES 32 MINUTES 49 SECONDS EAST 149.42 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE SOUTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 144.02 FEET THROUGH A CENTRAL ANGLE OF 88 DEGREES 48 MINUTES 58 SECONDS FOR AN ARC LENGTH OF 223.25 FEET (CHORD BEARS SOUTH 08 DEGREES 08 MINUTES 22 SECONDS EAST 201.56 FEET) TO A POINT OF COMPOUND CURVE, THENCE SOUTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 197.17 FEET THROUGH A CENTRAL ANGLE OF 59 DEGREES 16 MINUTES 23 SECONDS FOR AN ARC LENGTH OF 203.97 FEET (CHORD BEARS SOUTH 65 DEGREES 54 MINUTES 19 SECONDS WEST 195.00 FEET), THENCE NORTH 84 DEGREES 27 MINUTES 27 SECONDS WEST 72.19 FEET, THENCE SOUTH 23 DEGREES 45 MINUTES 58 SECONDS WEST 103.47 FEET, THENCE NORTH 77 DEGREES 06 MINUTES 37 SECONDS WEST 40.16 FEET, THENCE NORTH 22 DEGREES 16 MINUTES 32 SECONDS EAST 112.72 FEET, THENCE NORTH 43 DEGREES 56 MINUTES 53 SECONDS WEST 668.92 FEET, THENCE NORTH 68 DEGREES 29 MINUTES 10 SECONDS WEST 374.52 FEET, THENCE SOUTH 87 DEGREES 01 MINUTES 24 SECONDS WEST 358.69 FEET, THENCE SOUTH 09 DEGREES 49 MINUTES 05 SECONDS WEST 151.99 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE SOUTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 98.80 FEET THROUGH A CENTRAL ANGLE OF 75 DEGREES 37 MINUTES 18 SECONDS FOR AN ARC LENGTH OF 130.40 FEET (CHORD BEARS SOUTH 47 DEGREES 37 MINUTES 45 SECONDS WEST 121.14 FEET), THENCE SOUTH 85 DEGREES 26 MINUTES 25 SECONDS WEST 83.28 FEET, THENCE SOUTH 60 DEGREES 57 MINUTES 03 SECONDS WEST 115.66 FEET, THENCE SOUTH 00 DEGREES 39 MINUTES 22 SECONDS WEST 173.12 FEET, THENCE SOUTH 89 DEGREES 30 MINUTES 01 SECONDS WEST 41.39 FEET, THENCE LEAVING THE NORTHERLY BOUNDARY FOR SAID SOUTHLANDS LAKE LAFAYETTE BASIN RUN NORTH 00 DEGREES 29 MINUTES 59 SECONDS WEST 2209.57 FEET TO THE SOUTHWEST CORNER OF SAID SWMF #2, THENCE NORTH 89 DEGREES 30 MINUTES 01 SECONDS EAST ALONG THE SOUTHERLY BOUNDARY OF SAID SWMF #2 A DISTANCE OF 880.09 FEET TO THE POINT OF BEGINNING, CONTAINING 375.53 ACRES, MORE OR LESS.

LESS AND EXCEPT CONSERVATION EASEMENTS #1, #2, AND #3 AS RECORDED IN OFFICIAL RECORDS BOOK 5270, PAGE 2363 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA.

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**8**

**RESOLUTION NO. 2022-01**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF ITS FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2021 (THE “SERIES 2021 BONDS”); DETERMINING CERTAIN DETAILS OF THE SERIES 2021 BONDS AND ESTABLISHING CERTAIN PARAMETERS FOR THE SALE THEREOF; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER TRUST INDENTURE AND A FIRST SUPPLEMENTAL TRUST INDENTURE; APPOINTING A TRUSTEE UNDER THE MASTER TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2021 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT WITH RESPECT TO THE SERIES 2021 BONDS AND AWARDING THE BONDS TO THE UNDERWRITER NAMED THEREIN; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2021 BONDS AND ITS USE BY THE UNDERWRITER IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2021 BONDS; APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2021 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; PROVIDING FOR THE APPLICATION OF SERIES 2021 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2021 BONDS; MAKING CERTAIN DECLARATIONS; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE AND FOR OTHER PURPOSES.**

**WHEREAS**, Fallschase 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 and chartered by Section 190.004(4) of the Act and reestablished as authorized under Section 190.005(3) of the Act on the Fallschase property as a community development district by Ordinance No. 97-18 enacted by the Board of County Commissioners of Leon County, Florida (the “County”) effective on October 14, 1997, for the purpose, among other things, of financing and managing the acquisition and construction, maintenance, and operation of the major infrastructure within and without the boundaries of the premises to be governed by the District; and

**WHEREAS**, the premises to be governed by the Issuer (as further described in Exhibit A to the Master Indenture, the “District Lands”) originally consisted of approximately 490.17 acres

of land located entirely within the County, but have subsequently been reduced such that the current premises governed by the Issuer consist of approximately 375.53 acres, which include a conservation easement of 81.50 acres, leaving assessable lands within the District of 294.03 acres (the “Assessment Area”); and

**WHEREAS**, the District has determined to undertake, in one or more stages, the planning, financing, acquisition, construction, reconstruction, equipping and installation of certain infrastructure improvements including, but not limited to, roadway improvements, including entry signage and landscaping, stormwater management facilities, water and sanitary sewer facilities and sitework, pursuant to the Act for the special benefit of the District Lands or portions thereof (the “Project”), as described in the Amended and Restated Engineer's Report on District Improvements and Estimated Probable Construction Cost dated April 23, 2007, as amended July 20, 2007, December 1, 2017, September 4, 2020, August 29, 2021 and October 18, 2021, as supplemented as of October 18, 2021, prepared by Moore Bass Consulting, Inc. (the "Consulting Engineer") and approved by the District on October 18, 2021 (the “Engineer's Report”); and

**WHEREAS**, the District on May 1, 2007 adopted Resolution No. 2007-6 (the “Original Authorizing Resolution”), authorizing the issuance of not to exceed \$70,000,000 in aggregate principal amount of its Special Assessment Bonds (the “Bonds”) to finance all or a portion of the costs of planning, financing, acquisition, construction, reconstruction, equipping and installation in one or more stages, of the Project, 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 a Master Trust Indenture (the “Master Indenture”) between the District and Regions Bank, as Trustee (the “Prior Trustee”), and authorized the judicial validation of the Bonds ; and

**WHEREAS**, issuance of the Bonds was validated by judgment of the Circuit Court of the Second Judicial Circuit of Florida, in and for Leon County, Florida, rendered on July 2, 2007; and

**WHEREAS**, the District wishes to approve a more current form of the Master Indenture and to replace the Prior Trustee with U.S. Bank National Association, as Trustee (the “Trustee”); and

**WHEREAS**, the District approved an Amended and Restated Master Special Assessment Methodology Report dated August 30, 2021, revised as of October 18, 2021 (the “Master Assessment Methodology Report”), as supplemented as of October 18, 2021, prepared by Wrathell, Hunt and Associates, LLC setting forth the District’s methodology for allocating debt to property within the District; and

**WHEREAS**, the District duly adopted Resolution No. 2018-03 on December 6, 2017, 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. 2018-04 on December 6, 2017 setting a public hearing to be held on February 7, 2018, for the purpose of hearing public comment on imposing the Special Assessments; and

**WHEREAS**, the District duly adopted Resolution No. 2018-06 on February 7, 2018 authorizing the undertaking of the Project, the first portion of which (the “Series 2021 Project”) is to be financed with the proceeds of the Series 2021 Bonds (as hereinafter defined), as described more particularly in the Engineer’s Report and the Assessment Methodology Report and equalizing, approving, confirming and levying the Special Assessments on the property within the District benefited by the Project; and

**WHEREAS**, the District has determined it to be in the best interests of the District and its landowners for the District to issue, and the District has determined to issue its first Series of Bonds designated as the Fallschase Community Development District Special Assessment Bonds, Series 2021 (the “Series 2021 Bonds”) for the primary purpose of providing funds to pay a portion of the costs of the Project , as summarized in Schedule I, attached hereto (the “Series 2021 Project”); and

**WHEREAS**, the Series 2021 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 2021 Bonds and submitted to the Board:

- (i) a form of Master Trust Indenture between the Trustee and the District attached as Exhibit A hereto (the “Master Indenture”);
- (ii) a form of First Supplemental Trust Indenture between the Trustee and the District attached as Exhibit B hereto (the “First Supplemental Indenture” and, together with the Master Indenture, the “Indenture”);
- (iii) a form of Bond Purchase Contract with respect to the Series 2021 Bonds between FMSbonds, Inc. (the “Underwriter”) and the District attached as Exhibit C 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
- (iv) a form of Preliminary Limited Offering Memorandum relating to the Series 2021 Bonds, attached as Exhibit D hereto (the “Preliminary Limited Offering Memorandum”);
- (v) a form of Rule 15c2-12 Certificate of the District relating to the Preliminary Limited Offering Memorandum, attached as Exhibit E hereto (the “Rule 15c2-12 Certificate”); and
- (vi) 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 F 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 Fallschase Community Development District, as follows:

**Section 1. Authorization of Issuance of Series 2021 Bonds.** There are hereby authorized and directed to be issued the Series 2021 Bonds in an aggregate principal amount not to exceed \$18,000,000, 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 2021 Project, (ii) making a deposit to the Series 2021 Reserve Account in an amount equal to the Series 2021 Reserve Requirement, (iii) funding a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying certain costs of issuance in respect of the Series 2021 Bonds. The Series 2021 Bonds shall be issued under and secured by the Indenture, the form of which by reference is hereby incorporated into this resolution as if set forth in full herein.

**Section 2. Details of the Series 2021 Bonds.** The District hereby determines that the Series 2021 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 Chair of the Board of Supervisors of the District (the “Chair”) or any member of the Board of Supervisors designated by the Chair (a “Designated Member”), prior to the sale of said Series 2021 Bonds, all in a manner consistent with the requirements of the Bond Resolution and within the parameters set forth in Section 6 hereof.

**Section 3. Master Indenture.** The District hereby approves and authorizes the execution of the Master Indenture by the Chair or any Designated Member and the Secretary or any Assistant Secretary of the Board of Supervisors (the “Secretary”) and the delivery of the Master Indenture in substantially the form thereof attached as Exhibit A hereto, with such changes therein as shall be approved by the Chair 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 Master Indenture attached hereto.

**Section 4. First Supplemental Indenture.** The District hereby approves and authorizes the execution of the First Supplemental Indenture by the Chair or any Designated Member and the Secretary or the Secretary and the delivery of the First Supplemental Indenture in substantially the form thereof attached as Exhibit B hereto, with such changes therein as shall be approved by the Chair 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 5. Negotiated Sale.** The Series 2021 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 2021 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 2021 Bonds, including the pledge of Special Assessments as security for the Series 2021 Bonds, it is desirable to sell the Series 2021 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 2021 Bonds, it is in the best interests of the District to sell the Series 2021 Bonds by a negotiated sale;

(iii) the Underwriter has participated in structuring the issuance of the Series 2021 Bonds and can assist the District in attempting to obtain the most attractive financing for the District;

(iv) the Series 2021 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 2021 Bonds are not sold pursuant to a competitive sale.

**Section 6. Bond Purchase Contract.** The District hereby approves the form of the Bond Purchase Contract submitted by the Underwriter and attached as Exhibit C hereto, and the sale of the Series 2021 Bonds by the District upon the terms and conditions set forth in the Bond Purchase Contract is hereby approved. The Chair 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 C hereto with such changes, amendments, modifications, omissions and additions as may be approved by the Chair or the Designated Member; provided, however,

(i) If the Series 2021 Bonds are subject to optional redemption, which determination will be made on or before the sale date of the Series 2021 Bonds, the first optional call date and the redemption price shall be determined on or before the Bond Purchase Contract is executed;

(ii) The interest rate on the Series 2021 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 2021 Bonds shall not exceed \$18,000,000;

(iv) The Series 2021 Bonds shall have a final maturity not later than the maximum term allowed by Florida law, which includes payment of no more than thirty (30) yearly installments of assessments, excluding any capitalized interest period; and

(v) The price at which the Series 2021 Bonds shall be sold to the Underwriter shall not be less than 98% of the aggregate face amount of the Series 2021 Bonds, exclusive of original issue discount.

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

**Section 7. 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 D hereto and authorizes its distribution and use in connection with the limited offering for sale of the Series 2021 Bonds. The preparation of a final Limited Offering Memorandum relating to the Series 2021 Bonds (the “Limited Offering Memorandum”) is hereby approved and the Chair 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 2021 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 2021 Bonds. The Limited Offering Memorandum shall be substantially in the form of the Preliminary Limited Offering Memorandum attached as Exhibit D hereto, with such changes as shall be approved by the Chair or Designated Member as necessary to conform the details of the Series 2021 Bonds and such other insertions, modifications and changes as may be approved by the Chair or Designated Member. The execution and delivery of the Limited Offering Memorandum by the Chair 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 2021 Bonds. The Chair 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 form attached as Exhibit E hereto.

**Section 8. 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 Chair or a Designated Member substantially in the form presented to this meeting and attached as Exhibit F hereto, with such changes therein as shall be approved by the Chair 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 9. Application of Bond Proceeds.** The proceeds of the Series 2021 Bonds shall be applied in the manner required in the First Supplemental Indenture.



**Section 10. Further Official Action; Ratification of Prior and Subsequent Acts.**

The Chair, 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 2021 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 2021 Bonds and any agreements in connection with maintaining the exclusion of interest on the Series 2021 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 Chair 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 Chair or any Designated Member may, among other things, change the date of any document accompanying this Resolution as an exhibit. Execution by the Chair 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 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 2021 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. Assessment Methodology Reports.** The District hereby authorizes and approves further modifications and supplements to the Master Assessment Methodology Report in connection with the offering and sale of the Series 2021 Bonds.

**Section 16. Effective Date.** This Resolution shall take effect immediately upon its adoption.

**PASSED** in Public Session of the Board of Supervisors of Fallschase Community Development District, this 18th day of October, 2021.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Secretary or Assistant Secretary  
Board of Supervisors

\_\_\_\_\_  
Chair, Board of Supervisors

**SCHEDULE I**

**DESCRIPTION OF SERIES 2021 PROJECT**

The Series 2021 Project includes the costs of planning, financing, acquisition, construction, reconstruction, equipping and installation of certain infrastructure improvements pursuant to Chapter 190, Florida Statutes, as amended, including, without limitation, the following:

<b>SPECIFIC IMPROVEMENTS ANTICIPATED TO BE FINANCED WITH THE DISTRICT'S SERIES 2021 BONDS</b>					
<b>October 18, 2021</b>					
<b>PHASE</b>	<b>STORMWATER</b>	<b>ROADWAY AND DRAINAGE</b>	<b>SANITARY SEWER</b>	<b>WATER</b>	<b>TOTAL COST</b>
<b>Construction:</b>					
1 - Residential Phase I, II, III <sup>(1)(2)</sup>	4,390,686.06	4,720,232.56	790,773.26	733,050.24	10,634,742.12
2 - Multi-Family Residential Phase IA <sup>(3)(4)(5)</sup>	1,239,131.33	456,734.50	158,730.00	511,438.00	2,366,033.83
<i>Construction Subtotal<sup>(6)(7)</sup>:</i>	<i>5,629,817.39</i>	<i>5,176,967.06</i>	<i>949,503.26</i>	<i>1,244,488.24</i>	<i>13,000,775.95</i>
<b>Professional Services:</b>					
25% of Off-site Engineering					50,000.00
60% of On-site Engineering (Roads, Utilities & Platting)					1,500,000.00
Engineering (CDD Reports)					35,000.00
<i>Professional Services Subtotal:</i>					<i>1,585,000.00</i>
<b>TOTAL:</b>					<b>\$ 14,585,775.95</b>
<p>(1) Costs for Phases I, II, and III are based on the executed contract between RMDC, Inc. and Longleaf Construction Services, LLC dated February 24, 2021.</p> <p>(2) Costs include landscaping, monument signage, and publicly accessible common area parking.</p> <p>(3) Multi-Family Residential costs shown represent offsite infrastructure needed to access the site or extend utilities to it and onsite infrastructure, excluding onsite paving, sidewalks, and landscaping. Costs provided by developer.</p> <p>(4) In addition to the costs identified above in line 2 for the multi-family project, \$1,516,876 of infrastructure in phases I, II, III, IV, V, and VI was identified as providing a benefit to the multi-family project. While these costs are incurred with the construction of the single-family phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the multi-family site. <b>For assessment purposes, the total infrastructure cost for the multi-family project is \$2,366,033.83 + \$1,516,876 = \$3,882,909.83</b></p> <p>(5) The multi-family project, Phase IA, is currently under construction. Site work is estimated to be complete within 12 months.</p> <p>(6) Dirt excavated from the stormwater facilities may be used as fill on lots. The cost for stormwater facility excavation is included, but any costs, for moving and placing fill on lots, or grading associated with building pads for lots, are not included. Street lighting, including poles and the underground conduit and wiring, will be provided by, installed (with the exception of conduit crossing roads - conduit is supplied by the City and installed by the developer), owned and maintained by the City of Tallahassee.</p> <p>(7) All financed improvements will be on land owned by, or subject to a permanent easement for the benefit of, the District or another governmental entity.</p>					

**EXHIBIT A**

**FORM OF MASTER TRUST INDENTURE**

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**MASTER TRUST INDENTURE**

\_\_\_\_\_

between

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
(LEON COUNTY, FLORIDA)**

and

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

as Trustee

\_\_\_\_\_

**Dated as of [\_\_\_\_\_ 1, 2021]**

\_\_\_\_\_

**relating to**

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS**

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- EXHIBIT A- Legal Description of the District
- EXHIBIT B- Description of the Project
- EXHIBIT C- Form of Bond
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THIS **MASTER TRUST INDENTURE**, dated as of [\_\_\_\_ 1, 2021] (the “Master Indenture”), by and between **FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT** (together with its permitted 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 corporate trust office in Fort Lauderdale, Florida (said national banking association and any bank or trust company becoming successor trustee under this Master Indenture and all Supplemental Indentures (as hereinafter defined) being hereinafter referred to as the “Trustee”);

**W I T N E S S E T H:**

**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”), and created and chartered by Section 190.004(4) of the Act and reestablished as authorized under Section 190.005(3) of the Act on the Fallschase property as a community development district by Ordinance No. 97-18 enacted by the Board of County Commissioners of Leon County, Florida (the “County”) effective on October 14, 1997, for the purpose, among other things, of financing and managing the acquisition and construction, maintenance, and operation of the major infrastructure within and without the boundaries of the premises to be governed by the Issuer; and

**WHEREAS**, the premises to be governed by the Issuer (as further described in Exhibit A hereto, the “District Lands”) originally consisted of approximately 490.17 acres of land located entirely within the County, but have subsequently been reduced such that the current premises governed by the Issuer consist of approximately 375.53 acres, which include a conservation easement of 81.50 acres, leaving assessable lands within the District of 294.03 acres; and

**WHEREAS**, the Issuer on May 1, 2007 adopted Resolution No. 2007-6 (the “Original Authorizing Resolution”), authorizing the issuance of not to exceed \$70,000,000 in aggregate principal amount of its Special Assessment Bonds (the “Bonds”) to finance all or a portion of the costs of planning, financing, acquisition, construction, reconstruction, equipping and installation in one or more stages, of the Project, 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**, the Issuer has determined to undertake all or a portion of, in one or more stages or phases, the planning, financing, acquiring, constructing, reconstructing, equipping and installing of certain infrastructure improvements, which may include a stormwater management system, wastewater collection system, water distribution system, roadway improvements, landscaping, open space, lighting, streetscape improvements, signage and common area improvements, and together with associated professional fees and incidental costs related thereto (as further described in Exhibit B hereto, the “Project”), for the special benefit of the District Lands; and

**WHEREAS**, the Issuer proposes to finance or refinance, as the case may be, all or a portion of the costs of the Project by the issuance of one or more series of Bonds (as herein defined) pursuant to this Master Indenture;

**NOW, THEREFORE, THIS MASTER INDENTURE WITNESSETH**, that to provide for the issuance of Bonds (as hereinafter defined) under this Master Indenture, as supplemented from time to time by one or more Supplemental Indentures (as hereinafter defined), the security and payment of the principal, redemption or purchase price thereof (as the case may be) and interest thereon, any reimbursement due to a Credit Facility Issuer (hereinafter defined), if any, for any drawing on its Credit Facility (hereinafter defined), as required under the terms of the corresponding Credit Facility Agreement (hereinafter defined), the rights of the Owners of the Bonds of a Series (as hereinafter defined) and the performance and observance of all of the covenants contained herein and in said Bonds and in any Credit Facility Agreement for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Bonds of a Series by the Owners thereof, from time to time, the issuance by any Credit Facility Issuer of its Credit Facility, 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 hereby assigns, transfers, sets over and pledges to the Trustee and grants a lien on all of the right, title and interest of the Issuer in and to the Pledged Revenues (hereinafter defined) as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on Bonds of a Series issued hereunder and any reimbursement due to any Credit Facility Issuer for any drawing on its Credit Facility issued with respect to any such Bonds, as required under the terms of the corresponding Credit Facility Agreement, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

## **ARTICLE I DEFINITIONS**

In this Master Indenture and any indenture supplemental hereto (except as otherwise expressly provided or unless the context otherwise requires) terms defined in the recitals hereto shall have the same meaning throughout this Master Indenture and all Supplemental Indentures, and in addition, the following terms shall have the meanings specified below:

“Account” shall mean any account or subaccount established pursuant to this Master Indenture and all Supplemental Indentures.

“Acquisition Agreement” shall mean one or more improvement acquisition agreements between the Issuer and the Landowner, pursuant to which the Landowner agrees to provide, design, construct and sell to the Issuer, and the Issuer agrees to purchase from the Landowner, all or a portion of the Project.

“Act” shall mean the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended from time to time, and any successor statute thereto.

“Annual Budget” shall mean the Issuer’s budget of current operating and maintenance expenses for the Project for a Fiscal Year, as the same may be amended from time to time, adopted in accordance with the provisions hereof.

“Arbitrage Certificate” shall mean the certificate of the Issuer delivered at the time of issuance of a Series of Bonds setting forth the expectations of the Issuer with respect to the use of the proceeds of such Series and also containing certain covenants of the Issuer in order to achieve compliance with the Code relating to the tax-status of the Bonds.

“Authenticating Agent” shall mean the agent so described in, and appointed pursuant to, Section 2.03 of this Master Indenture.

“Authorized Denomination” shall mean, unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, \$5,000 if the Bonds bear an investment grade rating by a nationally recognized rating agency, and otherwise, initially in principal amounts of \$100,000 and any integral multiple of \$5,000 in excess thereof, and thereafter, in denominations of \$5,000 or any integral multiple thereof.

“Authorized Newspaper” shall mean a newspaper printed in English and customarily published at least once a day at least five days a week and generally circulated in New York, New York, or such other cities as the Issuer from time to time may determine by written notice provided to the Trustee. When successive publications in an Authorized Newspaper are required, they may be made in the same or different Authorized Newspapers.

“Beneficial Owner” shall mean the actual owner of Bonds while the Bonds are registered in the name of Cede & Co., as the nominee of DTC. The Trustee is authorized to recognize the Beneficial Owners of a Series of Bonds for purposes of approvals, consents or other actions taken hereunder or under a Supplemental Indenture if beneficial ownership is proven to the satisfaction of the Trustee.

“Board” shall mean the Board of Supervisors of the Issuer.

“Bond Counsel” shall mean Counsel of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations issued by states and their political subdivisions.

“Bondholder,” “Holder of Bonds,” “Holder,” or “Owner” or any similar term shall mean any Person or Persons who shall be the registered owner of any Outstanding Bond or Bonds, as evidenced on the Bond Register of the Issuer kept by the Registrar.

“Bond Redemption Fund” shall mean the Fund so designated which is established pursuant to Section 6.06 hereof.

“Bond Register” shall have the meaning specified in Section 2.04 of this Master Indenture.

“Bonds” shall mean the Fallschase Community Development District Special Assessment Bonds, issued in one or more Series pursuant to the provisions of this Master Indenture and one or more Supplemental Indentures, and Bonds subsequently issued to refund all or a portion of such aforementioned Bonds.

“Business Day” shall mean any day other than a Saturday or Sunday or legal holiday or a day on which the designated corporate office of the Trustee, the Registrar or any Paying Agent is closed, or any day on which the payment system of the U.S. Federal Reserve is not operational.

“Certified Public Accountant” shall mean a Person, who shall be Independent, appointed by the Board, actively engaged in the business of public accounting and duly certified as a certified public accountant under the laws of the State.

“Certified Resolution” or “Certified Resolution of the Issuer” shall mean a copy of one or more resolutions certified by the Secretary or an Assistant Secretary of the Issuer, under its seal, to have been duly adopted by the Board and to be in full force and effect as of the date of such certification.

“City” shall mean the City of Tallahassee, Florida.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Completion Date” shall have the meaning given to such term in Section 5.01 of this Master Indenture.

“Consultant” shall mean a Person, who shall be Independent, appointed by the Board, qualified to pass upon questions relating to municipal entities and having a favorable reputation for skill and experience in the financial affairs of municipal entities.

“Consultant’s Certificate” shall mean a certificate or a report prepared in accordance with then applicable professional standards duly executed by a Consultant.

“Consulting Engineer” shall mean the Independent engineer or engineering firm or corporation at the time employed by the Issuer under the provisions of Section 9.21 of this Master Indenture to perform and carry out duties imposed on the Consulting Engineer by this Master Indenture and any Supplemental Indentures. The Independent engineer or engineering firm or corporation at the time serving as the engineer to the Issuer may serve as Consulting Engineer under this Master Indenture and any Supplemental Indentures.

“Continuing Disclosure Agreement” shall mean a Continuing Disclosure Agreement, by and among the Issuer, the dissemination agent named therein and any Landowner that is the owner of at least twenty percent (20%) of the District Lands which have been determined by the Issuer to be lands benefited by the Project or portion thereof financed with the proceeds of a Series of Bonds or are responsible for payment of at least twenty percent (20%) of the Special Assessments levied and collected on all or a portion of the District Lands with respect to the Project or portion thereof financed by such Series of Bonds, and any other obligated person(s) under the Rule, in connection with the issuance of one or more Series of Bonds hereunder, pursuant to the requirements of the Rule.

“Cost” or “Costs,” in connection with the Project or any portion thereof, shall mean all expenses which are properly chargeable thereto under Generally Accepted Accounting Principles or which are incidental to the planning, financing, acquisition, construction, reconstruction, equipping and installation thereof, including, without limiting the generality of the foregoing:

- (a) expenses of determining the feasibility or practicability of acquisition, construction, or reconstruction of the Project;
- (b) cost of surveys, estimates, plans, and specifications;
- (c) cost of improvements;
- (d) engineering, architectural, fiscal, legal, accounting and other professional and advisory expenses and charges;
- (e) cost of all labor, materials, machinery, and equipment (including, without limitation, (i) amounts payable to contractors, builders and materialmen and costs incident to the award of contracts and (ii) the cost of labor, facilities and services furnished by the Issuer and its employees, materials and supplies purchased by the Issuer and permits and licenses obtained by the Issuer);
- (f) cost of all lands, properties, rights, easements, and franchises acquired;
- (g) financing charges;
- (h) creation of initial reserve and debt service funds;
- (i) working capital;
- (j) interest charges incurred or estimated to be incurred on money borrowed prior to and during construction and acquisition and for such reasonable period of time after completion of construction or acquisition as the Board may determine and as approved by Bond Counsel;
- (k) the cost of issuance of Bonds, including, without limitation, advertisements and printing;
- (l) the cost of any election held pursuant to the Act and all other expenses of issuance of bonds;
- (m) the discount, if any, on the sale or exchange of Bonds;
- (n) amounts required to repay temporary or bond anticipation loans made to finance any costs permitted under the Act;
- (o) costs of prior improvements performed by the Issuer in anticipation of the Project;
- (p) costs incurred to enforce remedies against contractors, subcontractors, any provider of labor, material, services, or any other Person, for a default or breach under the corresponding contract, or in connection with any other dispute;

(q) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

(r) payments, contributions, dedications, and any other exactions required as a condition to receive any government approval or permit necessary to accomplish any District purpose;

(s) administrative expenses;

(t) taxes, assessments and similar governmental charges during construction or reconstruction of the Project;

(u) expenses of Project management and supervision;

(v) costs of effecting compliance with any and all governmental permits relating to the Project;

(w) such other expenses as may be necessary or incidental to the acquisition, construction, or reconstruction of the Project or to the financing thereof; and

(x) any other “cost” or expense as provided by the Act.

In connection with the refunding or redeeming of any Bonds, “Cost” includes, without limiting the generality of the foregoing, the items listed in (d), (k), (l) and (m) above, and other expenses related to the redemption of the Bonds to be redeemed and the Redemption Price of such Bonds (and the accrued interest payable on redemption to the extent not otherwise provided for). Whenever Costs are required to be itemized, such itemization shall, to the extent practicable, correspond with the items listed above. Whenever Costs are to be paid hereunder, such payment may be made by way of reimbursement to the Issuer or any other Person who has paid the same in addition to direct payment of Costs.

“Counsel” shall mean an attorney-at-law or law firm (who may be counsel for the Issuer) not unsatisfactory to the Trustee.

“County” shall mean Leon County, Florida.

“Credit Facility” shall mean any credit enhancement mechanism such as an irrevocable letter of credit, a surety bond, a policy of municipal bond insurance, a corporate or other guaranty, a purchase agreement, a credit agreement or deficiency agreement or other similar facility applicable to the Bonds, as established pursuant to a Supplemental Indenture, pursuant to which the entity providing such facility agrees to provide funds to make payment of the principal of and interest on the Bonds. Notwithstanding anything to the contrary contained in this Master Indenture, the Bonds may be issued without a Credit Facility; the decision to provide a Credit Facility in respect of any Bonds shall be within the absolute discretion of the Issuer.

“Credit Facility Agreement” shall mean any agreement pursuant to which a Credit Facility Issuer issues a Credit Facility.



“Credit Facility Issuer” shall mean the issuer or guarantor of any Credit Facility.

“Debt Service Fund” shall mean the Fund so designated which is established pursuant to Section 6.04 hereof.

“Debt Service Requirements” with reference to a specified period, shall mean:

(a) interest payable on the Bonds during such period, subject to reduction for amounts held as capitalized interest in the Funds and Accounts established under this Master Indenture and any Supplemental Indentures;

(b) amounts required to be paid into any mandatory sinking fund account with respect to the Bonds during such period; and

(c) amounts required to pay the principal of the Bonds maturing during such period and not to be redeemed prior to or at maturity through any sinking fund account.

For any Bonds that bear interest at a variable rate, the interest payable for a specified period shall be determined as if such Bonds bear interest at the maximum rate provided for in the applicable Supplemental Indenture and if no maximum rate is provided for in the Supplemental Indenture, the maximum rate shall be 12% per annum.

“Debt Service Reserve Fund” shall mean the Fund so designated which is established pursuant to Section 6.05 hereof.

“Debt Service Reserve Insurance Policy” shall mean the insurance policy, surety bond or other evidence of insurance, if any, deposited to the credit of the Debt Service Reserve Fund or any Account or subaccount therein in lieu of or in partial substitution for cash or securities on deposit therein, which policy, bond or the evidence of insurance constitutes an unconditional senior obligation of the issuer thereof. The issuer thereof shall be a municipal bond insurer whose obligations ranking *pari passu* with its obligations under such policy, bond or other evidence of insurance are rated at the time of deposit of such policy, bond or other evidence of insurance to the credit of the Debt Service Reserve Fund or any Account or subaccount therein in one of the three highest rating categories, without regard to gradations, of both Moody’s and S&P, unless otherwise approved by the Credit Facility Issuer, if any, who has issued a Credit Facility with respect to the Bonds.

“Debt Service Reserve Letter of Credit” shall mean the irrevocable, transferable letter or line of credit, if any, deposited for the credit of the Debt Service Reserve Fund or any Account or subaccount therein in lieu of or in partial substitution for cash or securities on deposit therein, which letter or line of credit constitutes an unconditional senior obligation of the issuer thereof. The issuer of such letter or line of credit shall be a banking association, bank or trust company or branch thereof whose senior debt obligations ranking *pari passu* with its obligations under such letter or line of credit are rated at the time of deposit of the letter or line of credit to the credit of the Debt Service Reserve Fund or any Account or subaccount therein in one of the three highest rating categories (without regard to gradations) of both Moody’s and S&P, unless otherwise approved by the Credit Facility Issuer, if any, who has issued a Credit Facility with respect to the Bonds.

“Debt Service Reserve Requirement” shall mean, for each Series of Bonds, unless a different requirement shall be specified in a Supplemental Indenture, an amount equal to the lesser of (i) the maximum annual Debt Service Requirements for the Outstanding Bonds of such Series, (ii) 125% of the average annual Debt Service Requirements for the Outstanding Bonds of such Series, and (iii) 10% of the original proceeds (within the meaning of the Code) of the Bonds of such Series.

“Defeasance Securities” shall mean, to the extent permitted by law, (a) cash, or (b) non-callable Government Obligations.

“Developer” shall mean RMDC, Inc., a Florida corporation.

“District Lands” or “District” shall mean the premises governed by the Issuer, consisting of approximately [356.47] gross acres of land located entirely within the County, as more fully described in Exhibit A hereto.

“District Manager” shall mean the then District Manager or acting District Manager of the Issuer.

“Electronic Means” shall mean telecopy, facsimile transmission, email transmission or other similar electronic means of communicating providing evidence of transmission.

“Event of Default” shall mean any of the events described in Section 10.02 hereof.

“Fiscal Year” shall mean the period of twelve (12) months beginning October 1 of each calendar year and ending on September 30 of the following calendar year, and also shall mean the period from actual execution hereof to and including the next succeeding September 30; or such other consecutive twelve-month period as may hereafter be established pursuant to a Certified Resolution as the fiscal year of the Issuer for budgeting and accounting purposes as authorized by law.

“Fitch” shall mean Fitch Ratings, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer and acceptable to the Trustee.

“Fund” shall mean any fund established pursuant to this Master Indenture.

“Generally Accepted Accounting Principles” shall mean those accounting principles applicable in the preparation of financial statements of municipalities.

“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.

“Indenture” shall mean, with respect to any Series of Bonds, this Master Indenture as supplemented by the Supplemental Indenture pursuant to which such Series of Bonds is issued.

“Independent” shall mean a Person who is not a member of the Issuer’s Board, an officer or employee of the Issuer or Developer, or which is not a partnership, corporation or association having a partner, director, officer, member or substantial stockholder who is a member of the Issuer’s Board, or an officer or employee of the Issuer; provided, however, that the fact that such Person is retained regularly by or regularly transacts business with the Issuer or Developer shall not make such Person an employee within the meaning of this definition.

“Interest Account” shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 6.04 hereof.

“Interest Payment Date” shall mean, unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, each May 1 and November 1 commencing on the date specified in the Certified Resolution of the Issuer or in the Supplemental Indenture pursuant to which a Series of Bonds is issued.

“Interest Period” shall mean the period from and including any Interest Payment Date to and excluding the next succeeding Interest Payment Date; provided, however, that upon final payment of any Bond at maturity or upon redemption or mandatory purchase, the Interest Period shall extend to, but not include, the date of such final payment, which shall always be a Business Day.

“Investment Securities” shall mean and include any of the following securities:

- (i) Government Obligations;
- (ii) 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;
- (iii) commercial paper (having maturities of not more than 270 days) rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody’s and S&P;
- (iv) obligations of any state of the United States or political subdivision thereof or constituted authority thereof the interest on which is exempt from federal income taxation under Section 103 of the Code and rated in one of the top two rating categories by both Moody’s and S&P at the time of purchase;
- (v) both (A) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by both Moody’s and S&P, and (B) shares of money market mutual funds that invest only in Government Obligations and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody’s and S&P at the time of purchase;

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

(vii) 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);

"Issuer" shall mean the Fallschase Community Development District.

"Landowner" shall mean any owner of District Lands encumbered by Special Assessments.

"Majority Holder" shall mean the Beneficial Owners of more than 50% of the applicable principal amount of the respective Series of Bonds then Outstanding.

"Majority Landowner" shall mean, for purposes of this Master Indenture, any person or entity, including all affiliated persons and/or entities thereof, which individually or collectively own more than 50% of the District Lands.

"Major Non-Recurring Expense" shall mean the cost of major replacement or reconstruction of the Project, or any part thereof, the cost of major repairs, renewals or replacements, the provision of a reserve for the payment of insurance premiums not due on an annual or more frequent basis, and the cost of studies, surveys, estimates and investigations in connection with any of the foregoing.

"Master Indenture" shall mean, this Master Trust Indenture dated as of [\_\_\_\_ 1, 2021], by and between the Issuer and the Trustee, as amended and or supplemented in accordance with the provisions of Article XIII hereof.

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

"Officers' Certificate" or "Officer's Certificate" shall mean a certificate, duly executed by a Responsible Officer and delivered to the Trustee.

"Outstanding," in connection with a Series of Bonds, shall mean, as of the time in question, all Bonds of such Series authenticated and delivered under the Indenture, except:

(a) all Bonds theretofore cancelled or required to be cancelled under Section 2.07 hereof;

(b) Bonds for the payment, redemption or purchase of which moneys and/or Defeasance Securities, the principal of and interest on which, when due, will provide sufficient

moneys to fully pay such Bonds in accordance with Article XIV hereof, shall have been or shall concurrently be deposited with the Trustee; provided that, if such Bonds are being redeemed, the required notice of redemption shall have been given or provision shall have been made therefor, and that if such Bonds are being purchased, there shall be a firm commitment for the purchase and sale thereof; and

(c) Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to Article II hereof.

In determining whether the Holders of a requisite aggregate principal amount of Bonds Outstanding of a Series have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of the Indenture, Bonds of such Series which are actually known by a Responsible Officer of the Trustee to be held by or on behalf of the Issuer shall be disregarded for the purpose of any such determination, unless all of the Bonds of such Series are held by or on behalf of the Issuer; provided, however, this provision does not affect the right of the Trustee to deal in Bonds as set forth in Section 11.09 hereof.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Paying Agent” shall mean initially the Trustee, and thereafter any successor thereto appointed in accordance with Section 11.20 of this Master Indenture.

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

“Pledged Revenues” shall mean, unless otherwise provided by Supplemental Indenture with respect to a Series of Bonds, with respect to each Series of Bonds Outstanding, (a) all revenues received by the Issuer from Special Assessments levied and collected on all or a portion of the District Lands with respect to the Project or portion thereof financed by such Series of Bonds, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Special Assessments or from the issuance and sale of tax certificates with respect to such Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture for, or otherwise expressly allocated to, such Series of Bonds; provided, however, that Pledged Revenues shall not include (i) any moneys transferred to the Rebate Fund, or investment earnings thereon and (ii) “special assessments” levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or “maintenance special 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 Indenture shall not apply to any of the moneys described in the foregoing clauses (i) and (ii) of this provision).

“Prepayment” shall mean the payment by any owner of Property of the amount of Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date. A Landowner may make a Prepayment in kind pursuant to the provisions of Section 9.08 hereof.

“Project” shall mean with respect to any Series of Bonds, the portion or portions of certain infrastructure improvements including roadway, water, sewer, landscaping, irrigation, storm water

management, street lighting, entry features and recreational improvements to be acquired and/or constructed by the Issuer, whether within or outside the District Lands, all as more specifically described in the Supplemental Indenture relating to such Series of Bonds; provided that a Project shall specially benefit all of the District Lands on which Special Assessments to secure such Series of Bonds have been levied.

“Project Documents” shall mean all permits, drawings, plans and specifications, contracts and other instruments and rights relating to the Project and the development assigned by the developer(s) of the District Lands to the Issuer pursuant to one or more collateral assignment(s).

“Property Appraiser” shall mean the property appraiser of the County.

“Property Appraiser and Tax Collector Agreement” shall mean the Property Appraiser and Tax Collector Agreement described in Section 9.04 hereof.

“Rebate Fund” shall mean the Fund so designated, which is established pursuant to Section 6.11 of this Master Indenture.

“Record Date” shall mean, as the case may be, the applicable Regular or Special Record Date.

“Redemption Price” shall mean the principal amount of any Bond plus the applicable premium, if any, payable upon redemption thereof pursuant to the Indenture.

“Registered Owner” shall mean the person or entity in whose name or names any Bond is registered on the books maintained by the Registrar.

“Registrar” shall mean initially the Trustee, which entity shall have the responsibilities set forth in Section 2.04 of this Master Indenture, and thereafter any successor thereto appointed in accordance with Section 11.20 of this Master Indenture.

“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, unless otherwise provided in any Supplemental Indenture..

“Regulatory Body” shall mean and include (a) the United States of America and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the United States of America, (b) the State, any political subdivision thereof and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the State, (c) the City, the County and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the City or the County, and (d) any other public body, whether federal, state or local or otherwise having regulatory jurisdiction and authority over the Issuer.

“Responsible Officer” shall mean with respect to the Issuer, any member of the Board, the District Manager, or any other officer of the Issuer or other person designated by Certified Resolution of the Issuer, a copy of which shall be on file with the Trustee, to act for any of the foregoing, either generally or with respect to the execution of any particular document or other

specific matter, and when used with respect to the Trustee, any vice president, assistant vice president, senior associate or other officer of the Trustee within the corporate trust office specified in Section 15.06 (or any successor corporate trust office) having direct responsibility for the administration of this Indenture.

“Revenue Fund” shall mean the Fund so designated which is established pursuant to Section 6.03 hereof.

“Rule” shall mean Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as the same may be amended from time to time.

“S&P” shall mean Standard & Poor’s, a Standard & Poor’s Financial Services LLC business, a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer and acceptable to the Trustee.

“Series” shall mean all of the Bonds authenticated and delivered at one time on original issuance and pursuant to any Certified Resolution of the Issuer authorizing such Bonds as a separate Series of Bonds, or any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II hereof and the applicable Supplemental Indenture, regardless of variations in maturity, interest rate or other provisions; provided, however, two or more Series of Bonds may be issued simultaneously under the same Supplemental Indenture if designated as separate Series of Bonds by the Issuer upon original issuance. Two or more Series or sub-Series of Bonds may be issued simultaneously under separate Supplemental Indentures, but under this Master Indenture. As may be provided by subsequent proceedings of the Issuer, one or more Series of Bonds or sub-Series Bonds, whether issued at the same time or not, may be separately secured by Special Assessments imposed pursuant to separate assessment proceedings. Such Bonds or sub-Series of Bonds which are secured by separate Special Assessments will not be issued as parity bonds even if issued at the same time.

“Series Account” shall mean any Account established as to a particular Series of Bonds.

“Sinking Fund Account” shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 6.04 hereof.

“Special Assessments” shall mean (a) the net proceeds derived from the levy and collection of “special assessments,” as provided for in Sections 190.011(14) and 190.022 of the Act against District Lands that are subject to assessment as a result of a particular Project or any portion thereof or against one or more identified Assessment Areas, and (b) the net proceeds derived from the levy and collection of “benefit special assessments,” as provided for in Section 190.021(2) of the Act, against the lands within the District that are subject to assessment as a result of a particular Project or any portion thereof, and in the case of both “special assessments” and “benefit special assessments,” including the interest and penalties on such assessments, pursuant to all applicable provisions of the Act and Chapter 170, Florida Statutes, and Chapter 197, Florida Statutes (and

any successor statutes thereto), including, without limitation, any amount received from any foreclosure proceeding for the enforcement of collection of such assessments or from the issuance and sale of tax certificates with respect to such assessments, less (to the extent applicable) the fees and costs of collection thereof payable to the Tax Collector and less certain administrative costs payable to the Property Appraiser and Tax Collector pursuant to the Property Appraiser and Tax Collector Agreement. “Special Assessments” shall not include “special assessments” levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or “maintenance special assessments” levied and collected by the Issuer under Section 190.021(3) of the Act.

“Special Record Date” shall mean such date as shall be fixed for the payment of defaulted interest on the Bonds in accordance with Section 2.01 hereof.

“State” shall mean the State of Florida.

“Supplemental Indenture” and “indenture supplemental hereto” shall mean any indenture amending or supplementing this Master Indenture which may be entered into in accordance with the provisions of this Master Indenture.

“Tax Collector” shall mean the tax collector of the County.

“Trust Accounts” shall mean Funds and Accounts that the Trustee administers as trustee, including, but not limited to, the trusts created by the Indenture for a Series of Bonds.

The words “hereof,” “herein,” “hereto,” “hereby,” and “hereunder” (except in the form of Bond), refer to the entire Master 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 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.



## **ARTICLE II THE BONDS**

SECTION 2.01 Amounts and Terms of Bonds; Details of Bonds. The Issuer is hereby authorized to issue in one or more Series pursuant to the terms and conditions of this Master Indenture, its obligations to be known as “Fallschase Community Development District Special Assessment Bonds, Series \_\_\_\_\_” (the “Bonds”). The total principal amount of Bonds that may be issued and Outstanding under this Master Indenture is not expressly limited to a specific principal amount; provided, however, that the total principal amount of Bonds that may be issued and Outstanding under this Master Indenture shall be subject to any conditions and/or limitations (i) set forth in a Supplemental Indenture and (ii) under State law. The Bonds shall be issued in Authorized Denominations and within each Series shall be numbered consecutively from R-1 and upwards in each Series and in substantially the form attached hereto as Exhibit C, with such appropriate variations, omissions and insertions as are permitted or required by this Master Indenture or as otherwise provided in a Supplemental Indenture. All Bonds shall be issued only upon satisfaction of the conditions set forth in Article III hereof; and the Trustee shall, at the Issuer’s request, authenticate such Bonds and deliver them as specified in such request.

Each Bond shall be dated, shall have such Interest Payment Dates, shall bear interest from such date or dates and at such rate or rates until the maturity thereof, payable on such Interest Payment Dates, and shall be stated to mature (subject to the right of prior redemption), all as provided in, or pursuant to, a Supplemental Indenture.

Both the principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America which is legal tender on the respective dates of payment thereof for the payment of public and private debts. Unless otherwise provided in Section 2.11 hereof or in a Supplemental Indenture, the principal of all Bonds shall be payable at the designated corporate trust office of the Paying Agent upon the presentation and surrender of such Bonds as the same shall become due and payable.

Except to the extent otherwise provided in Section 2.11 hereof or in a Supplemental Indenture, interest on any Bond is payable on any Interest Payment Date by check or draft mailed on the Interest Payment Date to the person in whose name that Bond is registered at the close of business on the Regular Record Date for such Interest Payment Date, at his address as it appears on the Bond Register. The Bonds shall bear interest from the Interest Payment Date next preceding the date on which they are authenticated unless authenticated on an Interest Payment Date in which event they shall bear interest from such Interest Payment Date, or unless authenticated before the first Interest Payment Date in which event they shall bear interest from their date; provided, however, that if a Bond is authenticated between a Record Date and the next succeeding Interest Payment Date, such Bond shall bear interest from such succeeding Interest Payment Date; provided further, however, that if at the time of authentication of any Bond interest thereon is in default, such Bond shall bear interest from the date to which interest has been paid. Any interest on any 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 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 given by Electronic Means or mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to the giving of such notice, at its address as it appears in the Bond Register on the date of the giving of such notices. The foregoing notwithstanding, but subject to the procedures set forth in Section 2.11 hereof, any Owner of Bonds of a Series 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 Trustee and Paying Agent, upon requesting the same in a writing received by the Trustee and 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 Trustee and Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Trustee and Paying Agent at least fifteen (15) days prior to the relevant Record Date. Unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by such Bonds on the day before the default occurred.

The Trustee is hereby constituted and appointed as Paying Agent for the Bonds.

SECTION 2.02 Execution. The Bonds shall be executed by the manual or facsimile signature of the Chair or Vice Chair of the Issuer or by any other member of the Board designated by the Chair for such purpose, and the corporate seal of the Issuer shall appear thereon (which may be in facsimile) and shall be attested by the manual or facsimile signature of its Secretary or Assistant Secretary. Bonds executed as above provided may be issued and shall, upon request of the Issuer, be authenticated by the Trustee, notwithstanding that one or both of the officers of the Issuer whose signatures appear on such Bonds shall have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Bonds.

SECTION 2.03 Authentication; Authenticating Agent. No Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee, and such authentication shall be proof that the Bondholder is entitled to the benefit of the trust hereby created. The Trustee shall at all times serve as Authenticating Agent.

SECTION 2.04 Registration and Registrar. The Trustee is hereby constituted and appointed as the Registrar for the Bonds. The Registrar shall act as registrar and transfer agent for the Bonds. The Issuer shall cause to be kept at an office of the Registrar a register (herein sometimes referred to as the "Bond Register" or "Register") in which, subject to the provisions set forth in Section 2.08 below and such other regulations as the Issuer and Registrar may prescribe, the Issuer shall provide for the registration of the Bonds and for the registration of transfers and exchanges of such Bonds. The Trustee shall notify the Issuer in writing of the specific office location (which may be changed from time to time, upon similar notification) at which the Bond Register is kept. Initially, and until the Trustee provides notice to the Issuer as provided in the immediately preceding sentence, the Bond Register shall be kept at the Trustee's corporate trust office in Fort Lauderdale, Florida.

SECTION 2.05 Mutilated, Destroyed, Lost or Stolen Bonds. If any Bond shall become mutilated, the Issuer shall execute and the Trustee or Authenticating Agent, as the case may be, shall thereupon authenticate and deliver a new Bond of like Series, tenor and denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee or Authenticating Agent, as the case may be, of such mutilated Bond for cancellation, and the Issuer and the Trustee or Authenticating Agent, as the case may be, may require reasonable indemnity therefor. If any Bond shall be reported lost, stolen or destroyed, evidence as to the ownership and the loss, theft or destruction thereof shall be submitted to the Issuer and the Trustee or Authenticating Agent, as the case may be; and if such evidence shall be satisfactory to both and indemnity satisfactory to both shall be given, the Issuer shall execute, and thereupon the Trustee or Authenticating Agent, as the case may be, shall authenticate and deliver a new Bond of like Series, tenor and denomination. The cost of providing any substitute Bond under the provisions of this Section shall be borne by the Bondholder for whose benefit such substitute Bond is provided. If any such mutilated, lost, stolen or destroyed Bond shall have matured or be about to mature, the Issuer may, with the consent of the Trustee or Authenticating Agent, as the case may be, pay to the Owner the principal amount of and accrued interest on such Bond upon the maturity thereof and compliance with the aforesaid conditions by such Owner, without the issuance of a substitute Bond therefor.

Every substituted Bond issued pursuant to this Section 2.05 shall constitute an additional contractual obligation of the Issuer, whether or not the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Master Indenture and applicable Supplemental Indenture equally and proportionately with any and all other Bonds of such same Series duly issued hereunder and under such Supplemental Indenture.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies with respect to the replacement or payment of negotiable instruments, investments or other securities without their surrender.

SECTION 2.06 Temporary Bonds. Pending preparation of definitive Bonds, or by agreement with the original purchasers of all Bonds, the Issuer may issue and, upon its request, the Trustee shall authenticate in lieu of definitive Bonds one or more temporary printed or typewritten Bonds of substantially the tenor recited above. Upon request of the Issuer, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds. So long as Cede & Co., or any other nominee of DTC is the Registered Owner of the Bonds, the definitive Bonds shall be in typewritten form.

SECTION 2.07 Cancellation and Destruction of Surrendered Bonds. All Bonds surrendered for payment or redemption and all Bonds surrendered for exchange shall, at the time of such payment, redemption or exchange, be promptly transferred by the Registrar, Paying Agent or Authenticating Agent to, and cancelled and disposed of by, the Trustee in accordance with its then current procedures. The Trustee shall deliver to the Issuer a certificate of destruction (or other evidence of destruction) in respect of all Bonds destroyed in accordance with this Section.

SECTION 2.08 Registration, Transfer and Exchange. As provided in Section 2.04 hereof, the Issuer shall cause a Bond Register in respect of the Bonds to be kept at the designated office of the Registrar.

Upon surrender for requisition of transfer of any Bond at the designated office of the Registrar, and upon compliance with the conditions for the transfer of Bonds set forth in this Section 2.08, the Issuer shall execute and the Trustee (as Authenticating Agent and/or Registrar as described in Section 2.03 and Section 2.04 hereof) shall authenticate and deliver, in the name of the designated transferees, one or more new Bonds of a like aggregate principal amount and of the same Series and maturity.

At the option of the Bondholder, Bonds may be exchanged for other Bonds of a like aggregate principal amount and of the same Series and maturity, upon surrender of the Bonds to be exchanged at any such office or agency. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute and the Trustee (as Authenticating Agent and/or Registrar as described in Section 2.03 and Section 2.04 hereof) shall authenticate and deliver the Bonds which the Bondholder making the exchange is entitled to receive.

All Bonds issued upon any transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under this Master Indenture and applicable Supplemental Indenture as the Bonds of such Series surrendered upon such transfer or exchange.

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 Bonds.

Neither the Issuer nor the Registrar on behalf of the Issuer shall be required (i) to issue, transfer or exchange any Bond during a period beginning at the opening of business fifteen (15) days before the day of giving of a notice of redemption of Bonds selected for redemption and ending at the close of business on the day of giving such notice, or (ii) to transfer or exchange any Bond so selected for redemption in whole or in part.

SECTION 2.09 Persons Deemed Owners. The Issuer, the Trustee, any Paying Agent, the Registrar, or the Authenticating Agent shall deem and treat the person in whose name any Bond is registered as the absolute Owner thereof (whether or not such Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the Issuer, the Trustee, any Paying Agent, the Registrar or the Authenticating Agent) for the purpose of receiving payment of or on account of the principal or Redemption Price of and interest on such Bond, and for all other purposes, and the Issuer, the Trustee, any Paying Agent, the Registrar and the Authenticating Agent shall not be affected by any notice to the contrary. All such payments so made to any such Owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Bond.

SECTION 2.10 Limitation on Incurrence of Certain Indebtedness. The Issuer will not issue Bonds of any Series, except upon the conditions and in the manner provided or as otherwise permitted in the Indenture, provided that the Issuer may enter into agreements with issuers of Credit Facilities which involve liens on Pledged Revenues on a parity with that of the Bonds or portion thereof which is supported by such Credit Facilities.

SECTION 2.11 Qualification for The Depository Trust Company. To the extent provided in a Supplemental Indenture or authorized and directed by a Resolution of the Issuer authorizing the issuance of a Series of Bonds, the Trustee shall be authorized to enter into agreements with The Depository Trust Company, New York, New York (“DTC”) and other depository trust companies, including, but not limited to, agreements necessary for wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC, and other depository trust companies in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC and other depository trust companies (or any of their designees identified to the Trustee) by overnight delivery, courier service, telegram, telecopy or other similar means of communication.

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

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

Principal and interest on the Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC without the need for presentment of such Bonds.. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the Issuer.

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

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

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

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

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

### **ARTICLE III ISSUE OF BONDS**

SECTION 3.01 Issue of Bonds. Subject to the provisions of Section 2.01 hereof, the Issuer may issue one or more Series of Bonds hereunder and under Supplemental Indentures from time to time for the purpose of financing the Costs of acquisition or construction of the Project or to refund all or a portion of a Series of Bonds (and to pay the costs of the issuance of such Bonds and to pay the amounts required to be deposited with respect to such Bonds in the Funds and Accounts established under the Indenture). In connection with the issuance of a Series of Bonds the Trustee shall, at the written request of the Issuer, authenticate the Bonds and deliver or cause them to be authenticated and delivered, as specified in the request, but only upon receipt of:

(1) a Certified Resolution of the Issuer (a) approving a Supplemental Indenture under which the Series of Bonds are to be issued; (b) providing the terms of the Bonds and directing the payments to be made into the Funds and Accounts in respect thereof as provided in Article VI hereof; (c) authorizing the execution and delivery of the Series of Bonds to be issued; and (d) if the purpose is to effectuate a refunding, authorizing the redemption, if any, of the Bonds to be refunded and the defeasance thereof, and the execution and delivery of an escrow agreement, if applicable, and other matters contained in Article XIV hereof;

(2) a written opinion or opinions of Counsel to the Issuer, to the effect that (a) all conditions prescribed herein as precedent to the issuance of the Bonds have been fulfilled; (b) the Bonds have been validly authorized and executed and when authenticated and delivered pursuant to the request of the Issuer will be valid obligations of the Issuer entitled to the benefit of the trust created hereby and will be enforceable in accordance with their terms except as enforcement thereof may be affected by bankruptcy, reorganization, insolvency, moratorium and other similar laws relating to creditors' rights generally and subject to equitable principles, whether in a proceeding at law or in equity; (c) any consents of any Regulatory Bodies required in connection with the issuance of the Bonds have been obtained or can be reasonably expected to be obtained on or prior to the date such consents are required; (d) if the acquisition of any real property or interest therein is included in the purpose of such issue, (i) the Issuer has or can acquire good and marketable title thereto free from all liens and encumbrances except such as will not materially interfere with the proposed use thereof or (ii) the Issuer has or can acquire a valid, subsisting and enforceable leasehold, easement, right-of-way or other interest in real property sufficient to effectuate the purpose of the issue (which opinion may be stated in reliance on the opinion of other Counsel satisfactory to the signer or on a title insurance policy issued by a reputable title company); (clauses (c) and (d) shall not apply in the case of the issuance of a refunding Series of Bonds); and (e) whether a certificate described in Section 3.01(13) hereof is required to be delivered and that such certificate conforms to the requirements of such section;

(3) an opinion of Counsel to the Issuer, which shall also be addressed to the Trustee, to the effect that: (a) the Issuer has good right and lawful authority under the Act to undertake the 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; (b) the Special Assessment proceedings have been taken in accordance with Florida law and that the Issuer has taken all action necessary to levy and impose the Special Assessments; (c) the Special Assessments are legal, valid and binding liens upon the property against which the Special Assessments are made, coequal with the lien of all state, county, district and municipal ad valorem taxes and superior in priority to all other liens, titles and claims against said property then existing or thereafter created, until paid; (d) this Master Indenture and the applicable Supplemental Indenture have been duly and validly authorized, approved, and executed by the Issuer; (e) the issuance of the Series of Bonds has been duly authorized and approved by the Board; and (f) this Master Indenture and the applicable Supplemental Indenture (assuming due authorization, execution and delivery by the Trustee) constitutes a binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms except as enforcement thereof may be affected by bankruptcy, reorganization, insolvency, moratorium and other similar laws relating to creditors' rights generally and subject to equitable principles, whether in a proceeding at law or in equity;

(4) a Consulting Engineer's certificate addressed to the Issuer and the Trustee setting forth the estimated cost of the Project, and in the case of an acquisition by the Issuer of all or a portion of the Project that has been completed, stating, in the signer's opinion, (a) that the portion of the Project improvements to be acquired from the proceeds of such Bonds have been completed in accordance with the plans and specifications therefor; (b) to the best of his knowledge, the Project improvements are constructed in a sound workmanlike manner and in accordance with industry standards; (c) the purchase price to be paid by the Issuer for the Project improvements is no more than the lesser of (i) the fair market value of such improvements and (ii) the actual Costs of construction of such components of the Project; and (d) the plans and specifications for the Project improvements have been approved by all Regulatory Bodies required to approve them (specifying such Regulatory Bodies) or such approval can reasonably be expected to be obtained; provided, however, that in lieu of the information required in clause (a), there may be delivered to the Trustee satisfactory evidence of the acceptance of operational and maintenance responsibility of each component of the Project by one or more governmental entities (the foregoing shall not be applicable in the case of the issuance of a refunding Series of Bonds);

(5) a copy of the Supplemental Indenture for such Bonds, certified by the Secretary or Assistant Secretary of the Issuer as being a true and correct copy thereof;

(6) the proceeds of the sale of such Bonds together with any required equity deposit by a Landowner or other third party;

(7) any Credit Facility authorized by the Issuer in respect to such Bonds;

(8) one or more Certified Resolutions of the Issuer relating to the levy of Special Assessments in respect of the Project, and evidencing that the Issuer has undertaken and, to the extent then required under applicable law, completed all necessary proceedings, including, without limitation, the approval of assessment rolls, the holding of public hearings, the adoption of resolutions and the establishment of all necessary



collection procedures, in order to levy and collect Special Assessments upon the District Lands in an amount sufficient to pay the Debt Service Requirement on the Bonds to be issued;

- (9) an executed opinion of Bond Counsel;
- (10) a written direction of the Issuer to the Trustee to authenticate and deliver such Bonds;
- (11) a copy of a Final Judgment of validation and a Certificate of No Appeal with respect to the Bonds that are subject to validation;
- (12) one or more collateral assignment(s) from the developer(s) of the District Lands to the Issuer of the Project Documents;
- (13) if at the time of issuance of a Series of Bonds a majority of the members of the Board of Supervisors of the District are not elected by qualified electors pursuant to the Act, a certificate of the Majority Landowner and any other developer(s) of the District Lands in form and substance satisfactory to the Issuer and Bond Counsel (a “Developer’s Certificate”) which provides: (a) the number of residential units expected to be constructed and developed on the District Lands owned thereby, together with a representation to the effect that the person or entity executing the Developer’s Certificate expects to proceed with due diligence and all reasonable speed to construct and sell the residential units to members of the general public who are unrelated to the Majority Landowner or developer, as appropriate, including an estimate of the timing expected with respect to such construction and sale, (b) certifications that (i) the District was not organized and will not be operated to perpetuate private control by the Majority Landowner, any developer or other nongovernmental persons and (ii) upon completion of the relevant portion of the District Lands, it is expected that at least 250 of the owners or occupants of such residential units will qualify as a “qualified elector” within the meaning of Section 190.006 of the Act, and therefore will be eligible to vote for the members of the Board of Supervisors of the District, (c) a representation of the Majority Landowner that during the development period of the District Lands, and until such time as a majority of the members of the Board of Supervisors of the District are elected by qualified electors pursuant to the Act, the Majority Landowner expects to elect a majority of the members of the Board of Supervisors of the District, will require that all members of the Board of Supervisors elected thereby comply with all provisions of the Act, and that all members of the Board so elected by the Majority Landowner will act only in furtherance of the public purposes described in the Act, (d) a representation that the Project is and will continue to be facilities that: (i) are permitted to be financed under the Act, (ii) will be owned by the District or such other governmental entity, (iii) will carry out an essential governmental function for the benefit of the general public, including residents of the Development, and (iv) will be available to the general public either free of charge or at reasonable rates that are generally applicable and uniformly applied, and no portion of the Project will consist of commercial or industrial facilities, or improvements to property that will be owned by the Majority Landowner or developer or any other nongovernmental person, (e) as of the date of issuance of the Series of Bonds, the Majority Landowner or other developer(s) does

not expect to be required to make any payment under any applicable “true-up” agreement, and (f) a representation that the Majority Landowner or developer, as appropriate, executing the Developer’s Certificate understands that Bond Counsel will rely on the representations and certifications provided therein in giving its opinion that interest on the Series of Bonds is excluded from gross income for federal income tax purposes;

(14) in the case of the issuance of a refunding Series of Bonds, an Officer’s Certificate of the Issuer stating: (a) the intended use of the proceeds of the refunding Series of Bonds; (b) the Bonds to be refunded; (c) any other amounts available for such purpose; (d) that the proceeds of the issue plus the other amounts, if any, stated to be available for the purpose will be sufficient to refund the Bonds to be refunded in accordance with the refunding plan and in compliance with Article XIV of this Master Indenture, including, without limitation, to pay the Costs of issuance of such Bonds, and (e) that notice of redemption, if applicable, of the Bonds to be refunded has been duly given or that provision has been made therefor, as applicable;

(15) in the case of the issuance of a refunding Series of Bonds, a written opinion of Bond Counsel to the effect that the issuance of such Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Bonds issued pursuant to the Indenture (to the extent that upon original issuance thereof such Bonds were issued as Bonds the interest on which is excludable from gross income for federal income tax purposes); and

(16) such other documents, certifications and opinions as shall be required by the Supplemental Indenture, by the Participating Underwriter or the initial purchaser of a Series of Bonds or by the Issuer or the Trustee upon advice of counsel.

At the option of the Issuer, any or all of the matters required to be stated in the Certified Resolution described in (1) above may instead be stated in a Supplemental Indenture, duly approved by a Certified Resolution of the Issuer. Execution of a Series of the Bonds by the Issuer shall be conclusive evidence of satisfaction of the conditions precedent, set forth in this Article, as to the Issuer, the initial purchaser of the respective Series of Bonds and the Underwriter.

**ARTICLE IV**  
**ACQUISITION AND CONSTRUCTION OF PROJECT**

SECTION 4.01 Project to Conform to Plans and Specifications; Changes. The Issuer will proceed to complete any Project or portion thereof for which any Series of Bonds is being issued in accordance with the plans and specifications therefor, as such plans and specifications may be amended from time to time, and subject to the specific requirements of the Supplemental Indenture for such Series of Bonds.

SECTION 4.02 Compliance Requirements. The Issuer will comply with all present and future laws, acts, rules, regulations, orders and requirements lawfully made and applicable in fact to any acquisition or construction hereby undertaken and shall obtain all necessary approvals under federal, state and local laws, acts, rules and regulations necessary for the acquisition, completion and operation of any Project or portion thereof for which any Series of Bonds is being issued and shall complete any Project or portion thereof in conformity with such approvals, laws, rules and regulations. Prior to the completion of the Project, in the event that any developer of the District Lands shall fail to pay, when due, any Special Assessments levied against lands within the Issuer owned by the developer or any affiliated entity thereof, the Issuer shall immediately take all actions necessary, to the extent revenues of the Issuer are legally available for such purpose, to complete the Project including, without limitation, taking control of the Project Documents.

**ARTICLE V**  
**ACQUISITION AND CONSTRUCTION FUND**

SECTION 5.01 Acquisition and Construction Fund. The Trustee shall establish an Acquisition and Construction Fund into which shall be deposited the proceeds from each Series of Bonds issued under the Indenture (unless otherwise specified herein or in the applicable Supplemental Indenture for a Series of Bonds) and from which Costs may be paid as set forth herein and in the applicable Supplemental Indenture. Unless otherwise specified in the applicable Supplemental Indenture, a separate Series Account shall be established in the Acquisition and Construction Fund with respect to each Series of Bonds issued hereunder and the proceeds of each Series of Bonds (other than Bonds issued to refund all or a portion of the Bonds) shall be deposited into the corresponding Series Account in the Acquisition and Construction Fund. The amounts in any Series Account of the Acquisition and Construction Fund, until applied as hereinafter provided, shall be held for the security of the Series of Bonds hereunder in respect of which such Series Account was established. Separate subaccounts within any Series Account of the Acquisition and Construction Fund shall be maintained by the Trustee in respect of each Series of Bonds upon request of the Issuer whenever, in the opinion of the Issuer, it is appropriate to have a separate written accounting in respect of the Costs of any designated portion of the Project. Payments shall be made from the appropriate Series Account of the Acquisition and Construction Fund to pay any unpaid Costs of Issuance of the Series of Bonds in question, including without limitation, legal, engineering, and consultants' fees and to pay amounts to be reimbursed to the Issuer for Costs advanced, and thereafter to pay Costs of planning, financing, acquisition, construction, reconstruction, equipping and installation of the Project or portion thereof.

(a) *Deposits*. In addition to the deposit of amounts received by the Trustee on the date of issuance of each Series of Bonds, the Issuer shall pay or cause to be paid to the Trustee, for deposit into the Series Account of the Acquisition and Construction Fund, as promptly as practicable, the following amounts:

Subject to the provisions of Section 9.23 hereof, payments made to the Issuer from the sale, lease or other disposition of the Project or any portion thereof;

Subject to the provisions of Section 9.14 hereof, the balance of insurance proceeds with respect to the loss or destruction of the Project or any portion thereof;

Deposits made by any developer of the District Lands pursuant to the terms and provisions of a developer funding agreement; and

Amounts received from a governmental entity pursuant to an interlocal agreement or other similar agreement between the District and such governmental entity providing for the payment by such governmental entity of a portion of the Costs of the Project.

Amounts in the applicable Series Account of the Acquisition and Construction Fund shall be applied to pay the Cost of the Project or a portion thereof, as applicable, pertaining to the Series of Bonds in question; provided, however, that if any amounts remain in the Series Account of the Acquisition and Construction Fund after the Completion Date (as defined in paragraph (c) below) of the Project or portion thereof pertaining to the Series of Bonds in question, and if such amounts

are not reserved for payment of any remaining part of the Cost of the Project as directed in writing by the Issuer, such amounts shall be transferred to the applicable Series Account of the Bond Redemption Fund for application to the redemption of Bonds of the Series to which such proceeds relate, as set forth in Section 6.06 hereof or in the applicable Supplemental Indenture.

(b) *Disbursements.* Unless provided otherwise in a Supplemental Indenture, all payments from the Acquisition and Construction Fund shall be paid in accordance with the provisions of this subsection. Moneys in the appropriate Series Account of the Acquisition and Construction Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more officers or employees of the Trustee legally authorized to sign such items or by wire transfer to an account specified by the payee upon satisfaction of the conditions for disbursement set forth in this subsection (b). Before any such payment shall be made, the Issuer shall file with the Trustee a fully executed requisition in the form of Exhibit D attached hereto, signed by a Responsible Officer and, except for payments of cost of issuance, a certificate of the Consulting Engineer signed by a consulting engineer also in the form of Exhibit D attached hereto and as may be modified by terms of the related Supplemental Indenture. Upon receipt of each such requisition and accompanying certificate, the Trustee shall promptly withdraw from the appropriate Series Account of the Acquisition and Construction Fund and pay to the person, firm or corporation named in such requisition the amount designated in such requisition. The Trustee shall have no duty to investigate the accuracy or validity of the items delivered pursuant to this section. All requisitions and certificates received by the Trustee pursuant to this Section 5.01 shall be retained in the possession of the Trustee, subject at all reasonable times to the inspection of the Issuer, the Consulting Engineer, the Owner of any Bonds, and the agents and representatives thereof. The Trustee shall have no duty to verify that the disbursement of funds pursuant to a requisition is for a purpose for which payment may be made hereunder and the Trustee may conclusively rely that a properly signed requisition is, on its face, sufficient to disburse funds from the Acquisition and Construction Fund.

(c) *Completion of Project.* On the date of completion of the Project or if sufficient moneys are retained in the appropriate Series Account of the Acquisition and Construction Fund, to complete the Cost of the Project, in either case, as evidenced by the delivery of a Certificate of the Consulting Engineer to the Trustee and adoption of a resolution by the Board accepting the Project as provided by Section 170.09, Florida Statutes, as amended (the "Completion Date"), the balance in the appropriate Series Account of the Acquisition and Construction Fund not reserved by the Issuer for the payment of any remaining part of the Cost of the Project shall be transferred by the Trustee to, and deposited in, the applicable Series Account of the Bond Redemption Fund and applied as provided in Section 6.06 hereof and in the applicable Supplemental Indenture.

**ARTICLE VI  
SPECIAL ASSESSMENTS;  
APPLICATION THEREOF TO FUNDS AND ACCOUNTS**

SECTION 6.01 Special Assessments; Lien of Indenture on Pledged Revenues. The Issuer hereby covenants that it shall levy Special Assessments in the amount necessary to pay the Debt Service Requirement on Bonds issued and Outstanding hereunder and enforce such Special Assessments pursuant to the Act, Chapter 170 or Chapter 197, Florida Statutes, or any successor statutes, as applicable.

The Issuer shall, within five (5) Business Days of receipt thereof, pay to the Trustee for deposit in the Series Account of the Revenue Fund established under Section 6.03 hereof all Special Assessments received by the Issuer from the levy thereof on the District Lands subject to assessments for the payment of the related Series of Bonds; provided, however, that amounts received as Prepayments of Special Assessments shall be deposited directly into the applicable Series Account within the Bond Redemption Fund established hereunder or in any account thereof established pursuant to the applicable Supplemental Indenture. The Issuer shall notify the Trustee in writing at the time of deposit of any amounts received as Prepayments of Special Assessments and shall identify the related Series of Bonds. If necessary, the Issuer shall direct the Landowner making such prepayment to specify what Series of Bonds such prepayments relate.

There are hereby pledged for the payment of the principal or Redemption Price of and interest on all Bonds of each Series issued and Outstanding under the Indenture and all reimbursements due to any Credit Facility Issuer for any drawing with respect to such Series of Bonds on its Credit Facility, including, without limitation, interest thereon, as required under the terms of the applicable Credit Facility Agreement, the Pledged Revenues; provided, however, that unless otherwise specifically provided herein or in a Supplemental Indenture relating to a Series of Bonds with respect to the Pledged Revenues securing such Series of Bonds, the Pledged Revenues securing a Series of Bonds shall secure only such Series of Bonds and Bonds issued on a parity therewith and shall not secure any other Bonds or Series of Bonds. The Pledged Revenues shall immediately be subject to the lien and pledge of the Indenture without any physical delivery hereof or further act; provided, however, that the lien and pledge of the Indenture shall not apply to any moneys transferred by the Trustee to the Rebate Fund. The foregoing notwithstanding, to the extent provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, such Series of Bonds may be made payable from and secured by less than all of the Pledged Revenues, and any one or more of the provisions of this Master Indenture may be made inapplicable to such Series of Bonds, all as more specifically provided in the corresponding Supplemental Indenture; provided, however, that any such provisions shall apply only to the particular Series of Bonds authorized by such Supplemental Indenture and shall not affect in any manner whatsoever any Outstanding Series of Bonds.

SECTION 6.02 Funds and Accounts Relating to the Bonds. The Funds and Accounts specified in this Article VI shall be established under this Master Indenture and each Supplemental Indenture pursuant to which a Series of Bonds is issued for the benefit of the specific Series of Bonds issued pursuant to such Supplemental Indenture and any Series issued on a parity therewith and, unless expressly otherwise provided in said Supplemental Indenture, shall not apply to Bonds Outstanding hereunder issued under any other indenture supplemental hereto. Unless provided

otherwise by Supplemental Indenture, all moneys, including, without limitation, proceeds of a Series of Bonds, on deposit to the credit of the Funds and Accounts established hereunder and under a Supplemental Indenture (except for moneys transferred to the Rebate Fund) shall be pledged to the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Series of Bonds issued hereunder and under such Supplemental Indenture, and any Series issued on a parity therewith.

SECTION 6.03 Revenue Fund. The Trustee is hereby authorized and directed to establish a Revenue Fund and pursuant to a Supplemental Indenture a Series Account for each Series of Bonds issued hereunder, into which the Trustee shall immediately deposit any and all Special Assessments received from the levy thereof on the District Lands or any portion thereof (other than Prepayments) and any amounts received as the result of any foreclosure, sale of tax certificates or other remedial action for nonpayment of Special Assessments for the payment of the related Series of Bonds and other payments required hereunder or under the applicable Supplemental Indenture (unless such Special Assessments and/or other payments are specifically designated by the Issuer pursuant to a Supplemental Indenture for deposit into the Rebate Fund or any other Fund or Account established hereunder or under a Supplemental Indenture) and each Series Account therein shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. The Trustee shall transfer from amounts on deposit in the Series Account in the Revenue Fund to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority unless other times and/or priorities are established in a Supplemental Indenture with respect to a Series of Bonds:

FIRST, upon receipt but no later than the Business Day preceding the first May 1 for which there is an insufficient amount from Bond proceeds (or investment earnings thereon) on deposit in the applicable Series Interest Account of the Debt Service Fund to be applied to the payment of interest on the Bonds of a Series due on the next succeeding May 1, and no later than the Business Day next preceding each May 1 thereafter while Bonds of a Series issued under the Indenture remain Outstanding, to the applicable Series Interest Account of the Debt Service Fund, an amount equal to the interest on the related Series of Bonds becoming due on the next succeeding May 1, less any amount on deposit in such Interest Account not previously credited;

SECOND, upon receipt but no later than the Business Day preceding the first November 1 for which there remains an insufficient amount from Bond proceeds (or investment earnings thereon) on deposit in the applicable Series Interest Account to be applied to the payment of interest on the Bonds of a Series due on the next succeeding November 1, and no later than the Business Day next preceding each November 1 thereafter while Bonds of such Series issued under the Indenture remain Outstanding, to the applicable Series Interest Account of the Debt Service Fund, an amount equal to the interest on the Bonds of such Series becoming due on the next succeeding November 1, less any amount on deposit in the applicable Series Interest Account not previously credited;

THIRD, beginning on the date set forth in the related Supplemental Indenture, and no later than the Business Day next preceding each May 1 or November 1, as designated in the applicable Supplemental Indenture thereafter while Bonds of a Series issued under the Indenture remain Outstanding, to the applicable Series Principal Account of the Debt Service Fund, an amount equal to the principal amount of Bonds of such Series maturing on the next succeeding principal payment date, less any amount on deposit in the applicable Series Principal Account not previously credited;

FOURTH, beginning on the date set forth in the related Supplemental Indenture, and no later than the Business Day next preceding each May 1 or November 1, as so designated in the applicable Supplemental Indenture thereafter while Bonds of a Series issued under the Indenture remain Outstanding, to the applicable Series Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Bonds of such Series subject to mandatory sinking fund redemption on the next succeeding mandatory sinking fund redemption date, less any amount on deposit in the applicable Series Sinking Fund Account not previously credited;

FIFTH, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Bonds of a Series issued under the Indenture remain Outstanding, to the applicable Series Account of the Debt Service Reserve Fund, if any, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Debt Service Reserve Requirement;

SIXTH, subject to the following paragraph, the balance of any moneys remaining in a Series Account of the Revenue Fund after making the foregoing deposits shall remain therein.

Except as otherwise provided in a Supplemental Indenture, the Trustee shall retain any moneys held for the credit of the Revenue Fund which are not otherwise required to be deposited pursuant to this Section and apply such amounts on subsequent dates for the purposes and in the priority set forth above. Notwithstanding the foregoing, if pursuant to any Arbitrage Certificate it is necessary to make a deposit in the Rebate Fund, the Issuer shall direct the Trustee to make such deposit thereto. Prepayments pledged to a particular Series of Bonds shall be deposited directly into the applicable Series Account of the Bond Redemption Fund as provided herein.

SECTION 6.04 Debt Service Fund. The Trustee is hereby authorized and directed to establish a Debt Service Fund which shall consist of amounts deposited therein by the Trustee and any other amounts the Issuer may pay to the Trustee for deposit therein with respect to the related Series of Bonds. The Debt Service Fund shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. The Trustee shall establish within the Debt Service Fund pursuant to a Supplemental Indenture, a Series Principal Account, a Series Interest Account and, if applicable, a Series Sinking Fund Account for each Series of Bonds and a Series Capitalized Interest Account, which accounts shall be separate and apart from all other Funds and Accounts established under the Indenture and from all other moneys of the Trustee.



The Trustee at all times shall make available to any Paying Agent the funds in the Series Principal Account and the Series Interest Account of the Debt Service Fund to pay the principal of the applicable Series of Bonds as they mature upon surrender thereof and the interest on the applicable Series of Bonds as it becomes payable, respectively. When a Series of Bonds is redeemed, the amount, if any, in the Debt Service Fund representing interest thereon shall be applied to the payment of accrued interest in connection with such redemption.

The Trustee shall apply moneys in the Series Sinking Fund Account in the Debt Service Fund for purchase or redemption of the applicable Series of Bonds in amounts and maturities set forth in the Supplemental Indenture. Whenever Bonds of a Series are to be purchased out of such Series Sinking Fund Account, if the Issuer shall notify the Trustee in writing that the Issuer wishes to arrange for such purchase, the Trustee shall comply with the Issuer's arrangements provided they conform to the Indenture.

Except to the extent otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, purchases and redemptions out of the Series Sinking Fund Account shall be made as follows:

(a) The Trustee shall apply the amounts required to be transferred to the Series Sinking Fund Account (less any moneys applied to the purchase of Bonds of the applicable Series pursuant to the next sentence hereof) on the mandatory sinking fund redemption date in each of the years set forth in the Supplemental Indenture to the redemption of Bonds of the related Series in the amounts, manner and maturities and on the dates set forth in the Supplemental Indenture, at a Redemption Price of 100% of the principal amount thereof. At the written direction of the Issuer, the Trustee shall apply moneys from time to time available in the Series Sinking Fund Account to the purchase of Bonds of the applicable Series which mature in the aforesaid years, at prices not higher than the principal amount thereof, in lieu of redemption as aforesaid, provided that firm purchase commitments can be made before the notice of redemption would otherwise be required to be given. In the event of purchases at less than the principal amount thereof, the difference between the amount in the Series Sinking Fund Account representing the principal amount of the Bonds so purchased and the purchase price thereof (exclusive of accrued interest) shall be transferred to the related Series Interest Account of the Debt Service Fund.

(b) Accrued interest on purchased Bonds of a Series shall be paid from the related Series Interest Account of the Debt Service Fund.

(c) In lieu of paying the Debt Service Requirements necessary to allow any mandatory redemption of Bonds of a Series from the related Series Sinking Fund Account, the Issuer may present to the Trustee Bonds of such Series purchased by the Issuer pursuant to subparagraph (a) above and furnished for such purposes; provided, however, that no Bonds of such Series so purchased shall be credited towards the Debt Service Requirements in respect of the mandatory redemption of Bonds of such Series for which notice of redemption has been given pursuant to Section 8.02 of this Master Indenture. Any Bond so purchased shall be presented to the Trustee for cancellation. In such event, the Debt Service Requirements with respect to the Bonds of a Series for the period in which the purchased Bonds are presented to the Trustee shall, for all purposes hereunder, be reduced by an amount equal to the aggregate principal amount of any such Bonds so presented.

SECTION 6.05 Debt Service Reserve Fund. The Trustee is hereby authorized and directed to establish a Debt Service Reserve Fund and, if applicable, pursuant to a Supplemental Indenture a Series Account for each Series of Bonds issued hereunder. The Debt Service Reserve Fund and each Series Account therein shall be held by the Trustee solely for the benefit of each related Series of Bonds or sub-Series, as determined by the applicable Supplemental Indenture; provided, however, that notwithstanding anything to the contrary contained in this Master Indenture, the Supplemental Indenture authorizing the issuance of a Series of Bonds may provide that the Debt Service Reserve Fund is not applicable and no account therein shall secure such Series of Bonds. The Debt Service Reserve Fund and each Series Account therein shall constitute an irrevocable trust fund to be applied solely as set forth herein and shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, on the date of issuance and delivery of a Series of Bonds an amount of Bond proceeds or equity equal to the Debt Service Reserve Requirement in respect of such Series of Bonds, calculated as of the date of issuance and delivery of such Series of Bonds, shall be deposited in the related Series Account of the Debt Service Reserve Fund. Unless otherwise provided in the Supplemental Indenture with respect to a Series of Bonds, and as long as there exists no default under the Indenture and the amount in the Series Account of the Debt Service Reserve Fund is not reduced below the then applicable Debt Service Reserve Requirement with respect to such Series of Bonds, earnings on investments in the Series Account of the Debt Service Reserve Fund shall, prior to the Completion Date of a Project, be transferred to the applicable Series Account of the Acquisition and Construction Fund, and after the Completion Date, shall be transferred to the related Series Account of the Revenue Fund. Otherwise, earnings on investments in each Series Account of the Debt Service Reserve Fund shall be retained therein until applied as set forth herein. Unless otherwise provided in a Supplemental Indenture, in the event that the amount in a Series Account of the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement with respect to such Series of Bonds due to a decrease in the then applicable Debt Service Reserve Requirement as a result of a Prepayment of Special Assessments, which Special Assessments are pledged for the payment and security of such Series of Bonds, the excess amount shall be transferred from the Series Account or Subaccount of the Debt Service Reserve Fund to the applicable Series Account of the Bond Redemption Fund established for such Series of Bonds and shall constitute a credit against such Prepayment. In the event that the amount in a Series Account of the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement with respect to such Series of Bonds due to a decrease in the then applicable Debt Service Reserve Requirement for any other reason, the excess amount shall, unless otherwise provided in the Supplemental Indenture with respect to a Series of Bonds, be transferred from the Series Account of the Debt Service Reserve Fund to the related Series Account or subaccount of the Bond Redemption Fund.

Whenever for any reason on an Interest Payment Date, principal payment date or mandatory redemption date with respect to a related Series of Bonds secured by a Series Account of the Debt Service Reserve Fund the amount in the related Series Interest Account, the related Series Principal Account or the related Series Sinking Fund Account, as the case may be, is insufficient to pay all amounts payable on such Series of Bonds therefrom on such payment dates, the Trustee shall, without further instructions, transfer the amount of any such deficiency from the related Series Account of the Debt Service Reserve Fund into the related Series Interest Account, the related Series Principal Account and the related Series Sinking Fund Account, as the case may

be, with priority to the related Series Interest Account and then, proportionately according to the respective deficiencies therein, to the related Series Principal Account and the related Series Sinking Fund Account, to be applied to pay the Series of Bonds secured by the Series Account of the Debt Service Reserve Fund.

Notwithstanding the foregoing, in lieu of the required deposits into the related Series Account of the Debt Service Reserve Fund, the Issuer may cause to be deposited into the Series Account of the Debt Service Reserve Fund a Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit, either in lieu of any cash amount required to be deposited therein in connection with the issuance of any Series of Bonds or in substitution for the full amounts then on deposit therein or in an amount equal to the difference between the amount required to be deposited and the sum, if any, then on deposit in the Series Account of the Debt Service Reserve Fund, which Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit shall be payable (upon the giving of notice as required thereunder) on any Interest Payment Date or principal payment date on which a deficiency exists which cannot be remedied by moneys in any other Fund or Account held pursuant to the Indenture and available for such purpose. Unless otherwise provided in the Supplemental Indenture with respect to a Series of Bonds, if any such Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit is substituted for moneys on deposit in the Series Account of the Debt Service Reserve Fund, or if at any time there are excess moneys in the Series Account of the Debt Service Reserve Fund, the excess moneys in the Series Account of the Debt Service Reserve Fund shall be transferred to and deposited in the related Series Account or Subaccount of the Revenue Fund. If a disbursement is made from a Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit, the Issuer shall be obligated to either reinstate the maximum limits of such Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit immediately following such disbursement or to deposit into the Series Account of the Debt Service Reserve Fund, as provided in the Indenture for restoration of withdrawals from the Series Account of the Debt Service Reserve Fund, funds in the amount of the disbursement made under such Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit.

In the event that upon the occurrence of any deficiency in a Series Interest Account, a Series Principal Account or a Series Sinking Fund Account, the Series Account of the Debt Service Reserve Fund is then funded with a Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, the Trustee shall, on an Interest Payment Date or principal payment date or mandatory redemption date to which such deficiency relates, draw upon the Debt Service Reserve Letter of Credit or cause to be paid under the Debt Service Reserve Insurance Policy an amount sufficient to remedy such deficiency, in accordance with the terms and provisions of the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, as applicable, and any corresponding reimbursement or other agreement governing the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy; provided, however, that if at the time of such deficiency the Series Account of the Debt Service Reserve Fund is only partially funded with a Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, prior to drawing on the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, as applicable, the Trustee shall first apply any cash and securities on deposit in the Series Account of the Debt Service Reserve Fund to remedy the deficiency in accordance with the second paragraph of this Section 6.05 and, if after such application a deficiency still exists, the Trustee shall make up the balance of the deficiency by drawing on the Debt Service Reserve Letter of Credit or Debt

Service Reserve Insurance Policy, as provided in this sentence. Amounts drawn on the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, as applicable, shall be applied as set forth in the second paragraph of this Section 6.05. Any amounts drawn under a Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy shall be reimbursed to the issuer thereof in accordance with the terms and provisions of the reimbursement or other agreement governing such Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy.

SECTION 6.06 Bond Redemption Fund. The Trustee is hereby authorized and directed to establish a Bond Redemption Fund and a Series Account therein for each Series of Bonds issued hereunder into which shall be deposited moneys, unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, in the amounts and at the times provided in Sections 5.01, 6.01, 6.03, 6.05, 9.08(c) and 9.14(c) of this Master Indenture. The Series Account within the Bond Redemption Fund shall constitute an irrevocable trust fund to be applied solely as set forth in the applicable Supplemental Indenture for the related Series of Bonds and shall be held by the Trustee separate and apart from all other Funds and Accounts held under such Indenture and from all other moneys of the Trustee. All earnings on investments held in the Series Account within the Bond Redemption Fund shall be retained therein and applied as set forth below.

Moneys in the Series Account within the Bond Redemption Fund (including all earnings on investments held in the Series Account within the Bond Redemption Fund) shall be accumulated therein to be used in the following order of priority, to the extent that the need therefor arises:

FIRST, to make such deposits into the Rebate Fund created and established under this Master Indenture as the Issuer may direct in accordance with an arbitrage rebate agreement, such moneys thereupon to be used solely for the purposes specified in said arbitrage rebate agreement. Any moneys so transferred from the Series Account within the Bond Redemption Fund to the Rebate Fund shall thereupon be free from the lien and pledge of the related Indenture;

SECOND, to be used to call for redemption pursuant to clause (b) of Section 8.01 hereof an amount of Bonds of the applicable Series equal to the amount of money transferred to the Series Account within the Bond Redemption Fund pursuant to the aforesaid clauses or provisions, as appropriate, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate; and

THIRD, the remainder to be utilized by the Trustee, at the direction of a Responsible Officer, to call for redemption on each Interest Payment Date or other date on which Bonds of the applicable Series are subject to optional redemption pursuant to Section 8.01(a) hereof such amount of Bonds of the applicable Series as, with the redemption premium, may be practicable; provided, however, that not less than Five Thousand Dollars (\$5,000) principal amount of Bonds of the applicable Series shall be called for redemption at one time.

Any such redemption shall be made in accordance with the provisions of Article VIII of this Master Indenture and the applicable provisions of the related Supplemental Indenture. The Issuer shall pay all expenses in connection with such redemption.

SECTION 6.07 Drawings on Credit Facility. With respect to Bonds in respect of which there has been issued a Credit Facility, the Trustee shall draw on the Credit Facility, in accordance with the provisions for drawing under such Credit Facility, and within the requisite time period, all as set forth in the Credit Facility Agreement or the Supplemental Indenture.

SECTION 6.08 Procedure When Funds Are Sufficient to Pay All Bonds of a Series. Unless otherwise provided in the Supplemental Indenture with respect to a Series of Bonds, if at any time the moneys held by the Trustee in the Funds (other than the moneys in the Rebate Fund) and Accounts hereunder and under a Supplemental Indenture and available therefor are sufficient to pay the principal or Redemption Price of, as the case may be, and interest on all Bonds of a Series then Outstanding under such Indenture to maturity or prior redemption, together with any amounts due the Issuer and the Trustee, Paying Agent, Registrar and Credit Facility Issuer, if any, the Trustee, at the direction of the Issuer, shall apply the amounts in the Series Funds and Series Accounts to the payment of the aforesaid obligations and the Issuer shall not be required to pay over any further Pledged Revenues with respect to such Series of Bonds unless and until it shall appear that there is a deficiency in the Funds and Accounts held by the Trustee.

SECTION 6.09 Certain Moneys to Be Held for Series Bondholders Only. Each Series of Bonds issued pursuant to this Master Indenture and the related Supplemental Indenture shall be secured by Pledged Revenues, as set forth herein, and otherwise may be secured by such additional Funds and Accounts and other security (including, but not limited to, Credit Facilities) established by the pertinent Supplemental Indenture. Moneys and investments in the various Funds and Accounts created under a Supplemental Indenture expressly and solely for the benefit of the Series of Bonds issued under such Supplemental Indenture shall be held in trust by the Trustee for the benefit of the Holders of, and Credit Facility Issuer with respect to, Bonds of that Series only.

SECTION 6.10 Unclaimed Moneys. In the event any Bond shall not be presented for payment when the principal of such Bond becomes due, either at maturity or at the date fixed for redemption of such Bond or otherwise, if amounts sufficient to pay such Bond have been deposited with the Trustee for the benefit of the owner of the Bond and have remained unclaimed for two (2) years after the date payment thereof becomes due shall, upon request of the Issuer, if the Issuer is not at the time to the actual knowledge of a Responsible Officer of the Trustee in default with respect to any covenant in this Master Indenture, any Supplemental Indenture or the Bonds contained, be paid to the Issuer; and the Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the Issuer; provided, however, that the Trustee, before making payment to the Issuer, may, at the expense of the Issuer, cause a notice to be published in an Authorized Newspaper, stating that the money remaining unclaimed will be returned to the Issuer after a specified date.

SECTION 6.11 Rebate Fund. The Trustee is hereby authorized and directed to establish a Rebate Fund. Unless provided otherwise in a Supplemental Indenture, the Trustee shall transfer monies from the applicable Series Account in the Revenue Fund and deposit the same to the Rebate Fund, and shall make payments therefrom at the times and in the amounts as directed by the Issuer

in writing that are required to comply with the covenants in the applicable Arbitrage Certificate. If so directed by the Issuer in writing, the Trustee shall create one or more Series Accounts within the Rebate Fund relating to one or more particular Series of Bonds.

(a) All amounts held in the Rebate Fund shall be governed by this Section and the applicable Arbitrage Certificate. The Trustee shall be entitled to rely on the rebate calculations obtained from the rebate analyst retained by the Issuer pursuant to any Arbitrage Certificate and the Trustee shall not be responsible for any loss or damage resulting from any good faith action taken or omitted to be taken by the Issuer in reliance upon such calculations.

(b) Pursuant to the applicable Arbitrage Certificate, the Trustee shall remit all rebate installments and a final rebate payment to the United States. The Trustee shall have no obligation to pay any amounts required to be rebated pursuant to this Section and the applicable Arbitrage Certificate, other than at the direction of the Issuer and from moneys held in the Rebate Fund or from other moneys provided to it by the Issuer. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any arbitrage rebate shall be withdrawn and paid to the Issuer.

(c) Notwithstanding any other provision of this Indenture, including in particular Article XIV hereof, the obligation to pay arbitrage rebate to the United States and to comply with all other requirements of this Section and the Arbitrage Certificate shall survive the defeasance or payment in full of the Bonds.

(d) The Trustee shall not be deemed to have constructive knowledge of the Code or regulations, rulings and judicial decisions concerning the Code.

**ARTICLE VII**  
**SECURITY FOR AND INVESTMENT OR DEPOSIT OF FUNDS**

SECTION 7.01 Deposits and Security Therefor. Unless otherwise provided in the Supplemental Indenture with respect to a Series of Bonds, all moneys received by the Trustee under a Supplemental Indenture for deposit in any Fund or Account established under this Master Indenture or such Supplemental Indenture shall be considered trust funds, shall not be subject to lien or attachment, except for the lien created by this Master Indenture and the related Supplemental Indenture, and shall be deposited with the Trustee, until or unless invested or deposited as provided in Section 7.02 hereof. All deposits of moneys received by the Trustee under this Master Indenture or such Supplemental Indenture (whether original deposits under this Section 7.01 or deposits or redeposits in time accounts under Section 7.02) shall, to the extent not insured, and to the extent permitted by law, except for Investment Securities of the type specified in item (ii) of the definition thereof, be fully secured as to both principal and interest earned, by Investment Securities of the types set forth in the definition of Investment Securities and the provisions thereof. If at any time the Trustee is unwilling to accept such deposits or unable to secure them as provided above, the Trustee may deposit such moneys with any other depository which is authorized to receive them and the deposits of which are insured by the Federal Deposit Insurance Corporation (including the FDIC Savings Association Insurance Fund). All deposits in any other depository in excess of the amount covered by insurance (whether under this Section 7.01 or Section 7.02 as aforesaid) shall, to the extent permitted by law, be fully secured as to both principal and interest earned, in the same manner as required herein for deposits with the Trustee. Such security 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.

SECTION 7.02 Investment or Deposit of Funds. The Trustee shall, as directed by the Issuer in writing, invest moneys held in the Series Accounts in the Debt Service Fund and any Series Account within the Bond Redemption Fund created under any Supplemental Indenture only in Government Obligations and securities described in subparagraphs (iii), (iv), (v), (vi), (ix), (x) or (xi) of the definition of Investment Securities unless the applicable Supplemental Indenture provides for alternate investments. Except to the extent otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Trustee shall, as directed by the Issuer in writing, invest moneys held in any Series 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 herein. All securities securing investments under this Section 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 Section 6.05 of this Master Indenture and unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, any interest and other income so received shall be deposited in the related Series Account of the

Revenue Fund. Upon written request of the Issuer, 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 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. 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.

In the absence of written investment instructions from the Issuer, the Trustee shall not be responsible or liable for keeping the moneys held by it hereunder invested or for any losses because such amounts were not invested. Moneys in any of the Funds and Accounts established pursuant to the Indenture, when held by the Trustee, shall be promptly invested by the Trustee in accordance with all written directions from the Issuer and the Issuer shall be responsible for ensuring that such instructions conform to requirements of this Master Indenture including, without limitation, Article VII hereof. 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 Issuer or otherwise, including that set forth in the first sentence of this paragraph. The Trustee may conclusively rely upon the Issuer's written instructions as to both the suitability and legality of all investments directed hereunder or under any Supplemental Indenture. Ratings of investments shall be determined by the Issuer at the time of purchase of such investments and without regard to ratings subcategories. The Trustee shall have no responsibility to determine or monitor the ratings of investments. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries and may charge its ordinary and customary fees for such trades. Confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

**SECTION 7.03 Valuation of Funds.** Except for the assets on deposit in the Debt Service Reserve Fund, the Trustee shall value the assets in each of the Funds and Accounts established hereunder or under any Supplemental Indenture within ten (10) Business Days prior to each Interest Payment Date. With respect to the assets in the Debt Service Reserve Fund, including all accounts established therein, the Trustee shall value such assets forty-five (45) days prior to each Interest Payment Date. In either case, as soon as practicable after each such valuation date (but no later than ten (10) Business Days after each such valuation date), the Trustee shall provide the Issuer a report of the status of each Fund and Account as of the valuation date. In computing the assets of any Fund or Account, investments and accrued interest thereon shall be deemed a part thereof, subject to Section 7.02 hereof. For the purpose of determining the amount on deposit to the credit of any Fund or Account established hereunder or under any Supplemental Indenture, obligations in which money in such Fund or Account shall have been invested shall be valued at the market value or the amortized cost thereof, whichever is lower, or at the redemption price thereof, to the extent that any such obligation is then redeemable at the option of the holder.

**SECTION 7.04 Brokerage Confirmations.** The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive individual confirmations of security transactions at no additional cost,



as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

**ARTICLE VIII**  
**REDEMPTION AND PURCHASE OF BONDS**

SECTION 8.01 Redemption Dates and Prices. Unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, the Bonds of a Series may be made subject to optional, mandatory and extraordinary redemption and purchase, either in whole or in part, by the Issuer, prior to maturity in the amounts, at the times and in the manner provided in this Article VIII and in the related Supplemental Indenture.

(a) *Optional Redemption.* Bonds of a Series shall be subject to optional redemption at the direction of the Issuer, at the times and upon payment of the purchase price as provided in the related Supplemental Indenture.

(b) *Extraordinary Mandatory Redemption in Whole or in Part.* Except as otherwise provided in a Supplemental Indenture with respect to Bonds of the related Series, Bonds of a Series are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole, on any date, or in part, on any Interest Payment Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus interest accrued to the redemption date, (i) from moneys deposited into the related Series Bond Redemption Fund following the payment in full of Special Assessments on any portion of the District Lands in accordance with the provisions of Section 9.08(a) hereof; (ii) from moneys deposited into the related Series Bond Redemption Fund following the payment in full of Special Assessments on any portion of the District Lands as a result of any prepayment of Special Assessments in accordance with Section 9.08(b) hereof; (iii) when sufficient moneys are on deposit in the related Series Funds and Accounts (other than moneys in the Rebate Fund and any other excluded Fund or Account as provided in a Supplemental Indenture with respect to a Series of Bonds or moneys required to pay Costs of the Project under the applicable Supplemental Indenture) to pay and redeem all Outstanding Bonds of a Series and accrued interest thereon to the redemption date in addition to all amounts owed to Persons under the Indenture; (iv) unless otherwise provided in the Supplemental Indenture with respect to a Series of Bonds from moneys in excess of the Series Account of the Debt Service Reserve Requirement in the Series Account of the Debt Service Reserve Fund transferred to the Series Bond Redemption Fund pursuant to Section 6.05 hereof; (v) from excess moneys transferred from the Series Account of the Revenue Fund to the Series Bond Redemption Fund in accordance with Section 6.03 of this Master Indenture; (vi) from moneys, if any, on deposit in the Series Bond Redemption Fund pursuant to Section 9.14(c) hereof following condemnation or the sale of any portion of the District Lands benefited by a Project to a governmental entity under threat of condemnation by such governmental entity or the damage or destruction of all or substantially all of the Project when such moneys are not to be used pursuant to 9.14(c) to repair, replace or restore the Project; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the Issuer shall cause to be delivered to the Trustee (x) notice setting forth the redemption date and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Project would not be economical or would be impracticable; or (vii) from amounts transferred to the Series Account of the Bond Redemption Fund from the Series Account of the Acquisition and Construction Fund in accordance with Section 5.01(c) hereof.

(c) *Mandatory Sinking Fund Redemption.* Bonds of a Series may be subject to mandatory sinking fund redemption at a Redemption Price of 100% of the principal amount thereof plus accrued interest to the redemption date, in the years and amounts set forth in a Supplemental Indenture.

In connection with such mandatory sinking fund redemption of Bonds, amounts shall be transferred from the applicable Series Account of the Revenue Fund to the Series Sinking Fund Account of the Debt Service Fund, all as more particularly described in Section 6.03 hereof.

The principal amounts of scheduled mandatory sinking fund redemption amounts shall be reduced as specified by the Issuer or as provided in Section 8.04 hereof by any principal amounts of the Bonds redeemed pursuant to Section 8.01(a) and (b) hereof or purchased pursuant to Section 6.04 hereof.

Upon any redemption of Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 Bonds of such Series in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Bonds of such Series. 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 Bonds of such Series 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 amount is due, the foregoing recalculation shall not be made to mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

**SECTION 8.02 Notice of Redemption and of Purchase.** Except where otherwise required by a Supplemental Indenture, when required to redeem or purchase Bonds of a Series under any provision of the related Indenture or directed to do so by the Issuer, 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 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 Bonds of such Series for which notice was duly mailed in accordance with this Section 8.02. Such notice shall be given in the name of the Issuer, shall be dated, shall set forth the Bonds of such Series Outstanding which shall be called for redemption or purchase and shall include, without limitation, the following additional information:

- (a) the redemption or purchase date;
- (b) the redemption or purchase price;
- (c) CUSIP numbers, to the extent applicable, and any other distinctive numbers and letters;

(d) any conditions that must be satisfied for the Bonds to be redeemed on the date of redemption;

(e) if less than all Outstanding Bonds of a Series to be redeemed or purchased, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed or purchased;

(f) that on the redemption or purchase date the Redemption Price or purchase price will become due and payable upon surrender of each such Bond or portion thereof called for redemption or purchase, and that interest thereon shall cease to accrue from and after said date; and

(g) the place where such Bonds are to be surrendered for payment of the redemption or purchase price, which place of payment shall be a corporate trust office of the Trustee.

If at the time of mailing of notice of an optional redemption or purchase, the Issuer shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the Bonds called for redemption or purchase, such notice shall be entitled “CONDITIONAL NOTICE OF REDEMPTION” or “CONDITIONAL NOTICE OF PURCHASE”, as appropriate, and shall expressly state that the redemption or purchase, as appropriate, is conditional and is subject to the deposit of the redemption or purchase moneys with the Trustee or Paying Agent, as the case may be, not later than the opening of business on the redemption or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

If the amount of funds deposited with the Trustee for such redemption, or otherwise available, is insufficient to pay the Redemption Price and accrued interest on the Bonds so called for redemption on the redemption date, the Trustee shall redeem and pay on such date an amount of such Bonds for which such funds are sufficient, selecting the Bonds to be redeemed randomly from among all such Bonds called for redemption on such date, and among different maturities of Bonds in the same manner as the initial selection of Bonds to be redeemed, and from and after such redemption date, interest on the Bonds or portions thereof so paid shall cease to accrue and become payable; but interest on any Bonds or portions thereof not so paid shall continue to accrue until paid at the same rate as it would have had such Bonds not been called for redemption.

The notices required to be given by this Section 8.02 shall state that no representation is made as to correctness or accuracy of the CUSIP numbers listed in such notice or printed on the Bonds.

**SECTION 8.03 Payment of Redemption Price.** If any required (a) unconditional notice of redemption has been duly mailed or waived by the Owners of all Bonds called for redemption or (b) conditional notice of redemption has been so mailed or waived and the redemption moneys have been duly deposited with the Trustee or Paying Agent, then in either case, the Bonds called for redemption shall be payable on the redemption date at the applicable Redemption Price plus accrued interest, if any, to the redemption date. Bonds of a Series so called for redemption, for which moneys have been duly deposited with the Trustee, will cease to bear interest on the

specified redemption date, shall no longer be secured by the related Indenture and shall not be deemed to be Outstanding under the provisions of the related Indenture.

Payment of the Redemption Price, together with accrued interest, shall be made by the Trustee or Paying Agent to or upon the order of the Owners of the Bonds called for redemption upon surrender of such Bonds. The Redemption Price of the Bonds to be redeemed, the expenses of giving notice and any other expenses of redemption, shall be paid out of the Fund from which redemption is to be made or by the Issuer, or as specified in a Supplemental Indenture.

**SECTION 8.04 Partial Redemption of Bonds.** Except to the extent otherwise provided in a Supplemental Indenture, if less than all of a Series of Bonds of a maturity are to be redeemed, the Trustee shall select the particular Bonds or portions of the Bonds to be called for redemption by lot in such reasonable manner as the Trustee in its discretion may determine. In the case of any partial redemption of Bonds of a Series pursuant to Section 8.01(a), such redemption shall be effectuated by redeeming Bonds of such Series of such maturities in such manner as shall be specified by the Issuer in writing, subject to the provisions of Section 8.01 hereof. In the case of any partial redemption of Bonds of a Series pursuant to Section 8.01(b), such redemption shall be effectuated by redeeming Bonds of such Series pro rata among the maturities, treating each date on which a mandatory sinking fund redemption amount is due as a separate maturity for such purpose, with the portion to be redeemed from each maturity being equal to the product of the aggregate principal amount of Bonds of such Series to be redeemed multiplied times a fraction the numerator of which is the principal amount of the Series of Bonds of such maturity outstanding immediately prior to the redemption date and the denominator of which is the aggregate principal amount of all Bonds of such Series outstanding immediately prior to the redemption date.

**ARTICLE IX  
COVENANTS OF THE ISSUER**

SECTION 9.01 Power to Issue Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Bonds, to adopt and execute this Master Indenture and to pledge the Pledged Revenues for the benefit of the Bonds of a Series and any Credit Facility Issuer, except to the extent otherwise provided in a Supplemental Indenture. The 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 Bonds of a Series and any Credit Facility Issuer with respect to such Series. The Bonds and the provisions of this Master Indenture and any Supplemental 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 this Master Indenture and any Supplemental Indenture and all the rights of the Bondholders and any Credit Facility Issuer under this Master Indenture and any Supplemental Indenture against all claims and demands of all other Persons whomsoever.

SECTION 9.02 Payment of Principal and Interest on Bonds. The payment of the principal or Redemption Price of and interest on all of the Bonds of a Series issued under the related Indenture shall be secured forthwith equally and ratably by a first lien on and pledge of the Pledged Revenues, except to the extent otherwise provided in a Supplemental Indenture; and Pledged Revenues in an amount sufficient to pay the principal or Redemption Price of and interest on the Bonds of a Series authorized by the related Indenture are hereby irrevocably pledged to the payment of the principal or Redemption Price of and interest on the Bonds of a Series authorized under the related Indenture, as the same become due and payable. The Issuer shall promptly pay the interest on and the principal or Redemption Price of every Bond issued hereunder according to the terms thereof but shall be required to make such payment only out of the Pledged Revenues.

THE BONDS AUTHORIZED UNDER THIS MASTER INDENTURE AND THE RELATED SUPPLEMENTAL INDENTURE AND THE OBLIGATIONS EVIDENCED THEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE ISSUER, INCLUDING, WITHOUT LIMITATION, THE PROJECT OR ANY PORTION THEREOF IN RESPECT OF WHICH ANY SUCH BONDS ARE BEING ISSUED, OR ANY PART THEREOF, BUT SHALL CONSTITUTE A LIEN ONLY ON THE PLEDGED REVENUES AS SET FORTH IN THIS MASTER INDENTURE AND ANY SUPPLEMENTAL INDENTURE. NOTHING IN THE BONDS AUTHORIZED UNDER THIS MASTER INDENTURE AND ANY SUPPLEMENTAL INDENTURE SHALL BE CONSTRUED AS OBLIGATING THE ISSUER TO PAY THE BONDS OR THE REDEMPTION PRICE THEREOF OR THE INTEREST THEREON EXCEPT FROM THE PLEDGED REVENUES, OR AS PLEDGING THE FAITH AND CREDIT OF THE ISSUER, THE CITY, THE COUNTY, THE STATE OR ANY OTHER POLITICAL SUBDIVISION THEREOF, OR AS OBLIGATING THE ISSUER, THE CITY, THE COUNTY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS, DIRECTLY OR INDIRECTLY OR CONTINGENTLY, TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR.

SECTION 9.03 Special Assessments; Re-Assessments.

(a) Except as otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Issuer shall levy Special Assessments, and evidence and certify the same to the Tax Collector or cause the Property Appraiser to certify the same on the tax roll to the Tax Collector for collection by the Tax Collector and enforcement by the Tax Collector or the Issuer pursuant to the Act, Chapter 170 or Chapter 197, Florida Statutes, or any successor statutes, as applicable, and Section 9.04 hereof, to the extent and in an amount sufficient to pay Debt Service Requirements on all Outstanding Bonds.

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

SECTION 9.04 Method of Collection. Special Assessments shall be collected by the Issuer in accordance with the provisions of the Act and Chapter 170 or Chapter 197, Florida Statutes, or any successor statutes thereto, as applicable, in accordance with the terms of this Section. Except as stated in the next succeeding sentence, the Issuer shall use the uniform method for the levy, collection and enforcement of Special Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, or any successor statutes thereto (the “Uniform Method”), and to do all things necessary to continue to use the Uniform Method or a comparable alternative method afforded by Section 197.3631, Florida Statutes. The Issuer shall use its best efforts to enter into and/or maintain in effect one or more written agreements with the Property Appraiser and the Tax Collector, either individually or jointly (together, the “Property Appraiser and Tax Collector Agreement”) in order to effectuate the provisions of this Section. The Issuer shall ensure that any such Property Appraiser and Tax Collector Agreement remains in effect for at least as long as the final maturity of Bonds Outstanding under this Indenture. To the extent that the Issuer is legally prevented from collecting Special Assessments pursuant to the Uniform Method, then the Issuer shall collect and enforce Special Assessments pursuant to any available method under the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto.

Notwithstanding the immediately preceding paragraph or any other provision in this Master Indenture to the contrary, upon the occurrence of an Event of Default, if the Trustee, acting at the direction of the Majority Holder of a Series of Bonds, requests that the Issuer not use the Uniform Method to collect the Special Assessments levied by the Issuer for the purpose of paying the Debt Service Requirements such Series of Bonds, but instead collect and enforce the Special Assessments levied by the Issuer for the purpose of paying the Debt Service Requirements such Series of Bonds to another available method under the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto, then the Issuer shall collect and

enforce said Special Assessments in the manner and pursuant to the method so requested by the Trustee. Any Special Assessments that are not collected pursuant to the Uniform Method shall be billed directly to the applicable Landowner and be payable not later than thirty (30) days prior to each Interest Payment Date.

**SECTION 9.05 Delinquent Special Assessments.** Subject to the provisions of Section 9.04 hereof, if the owner of any lot or parcel of land assessed for a particular Project shall be delinquent in the payment of any Special Assessment, then such Special Assessment shall be enforced pursuant to the provisions of Chapter 197, Florida Statutes, or any successor statute thereto, including but not limited to the sale of tax certificates and tax deeds as regards such delinquent Special Assessment. In the event the provisions of Chapter 197, Florida Statutes, and any provisions of the Act with respect to such sale are inapplicable by operation of law, then upon the delinquency of any Special Assessment the Issuer shall, to the extent permitted by law, utilize any other method of enforcement as provided by Section 9.04 hereof, including, without limitation, declaring the entire unpaid balance of such Special Assessment to be in default and, at its own expense, cause such delinquent property to be foreclosed, pursuant to the provisions of Section 170.10, Florida Statutes, in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate and Sections 190.026 and 170.10, Florida Statutes, or otherwise as provided by law. The Issuer covenants not to use the provisions of Chapter 173, Florida Statutes.

**SECTION 9.06 Sale of Tax Certificates and Issuance of Tax Deeds; Foreclosure of Special Assessment Liens.** If the Special Assessments levied and collected under the Uniform Method described in Section 9.04 are delinquent, then the applicable procedures for issuance and sale of tax certificates and tax deeds for nonpayment shall be followed in accordance with Chapter 197, Florida Statutes and related statutes. Alternatively, if the Uniform Method is not utilized, and if any property shall be offered for sale for the nonpayment of any Special Assessment, and no person or persons shall purchase the same for an amount at least equal to the full amount due on the Special Assessment (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the Issuer, to the extent the Issuer has available funds, for an amount equal to the balance due on the Special Assessment (principal, interest, penalties and costs, plus attorneys' fees, if any), and the Issuer shall thereupon receive, in its corporate name or in the name of a special purpose entity nominee of the Issuer, the title to the property for the benefit of the Registered Owners. The Issuer, either through its own actions or actions caused to be done through the Trustee, shall have the power and shall use its best efforts to lease or sell such property and deposit all of the net proceeds of any such lease or sale into the related Series Account of the Revenue Fund. Not less than ten (10) days prior to the filing of any foreclosure action or any sale of tax deed as herein provided, the Issuer shall cause written notice thereof to be mailed to the Registered Owners of the Series of Bonds secured by such delinquent Special Assessments. Not less than thirty (30) days prior to the proposed sale of any lot or tract of land acquired by foreclosure by the Issuer, it shall give written notice thereof to such Registered Owners. The Issuer, either through its own actions or actions caused to be done through the Trustee, agrees that it shall be required to take the measure provided by law for sale of property acquired by it as trustee for the Registered Owners within thirty (30) days after the receipt of the request therefor signed by the Registered Owners of at least twenty-five percent (25%) of the aggregate principal amount of all Outstanding Bonds of the Series payable from Special Assessments assessed on such property. If directed by an owner of at least twenty-five percent (25%) of the Bonds Outstanding or if the Trustee or the Issuer shall so elect, the Issuer and the Trustee may place title of property



received upon foreclosure or deed in lieu of foreclosure into a special purpose entity controlled by the Trustee or such other entity acceptable to the Registered Owners of a majority of the Bonds of a Series so effected by such foreclosure, for the benefit of the Registered Owners. If the Issuer determines, after consultation with counsel to the District, that there is an obligated person, as defined under the Rule, then in addition to the Issuer, the decision to file a foreclosure action shall be made by at least twenty-five percent (25%) of the Holders of the Bonds so secured by the delinquent Special Assessments and such decision shall be communicated to the Issuer and Trustee in writing.

SECTION 9.07 Books and Records with Respect to Special Assessments. In addition to the books and records required to be kept by the Issuer pursuant to the provisions of Section 9.17 hereof, the Issuer shall keep books and records for the collection of the Special Assessments on the District Lands, which such books, records and accounts shall be kept separate and apart from all other books, records and accounts of the Issuer. The District Manager or the District Manager's designee, at the end of each Fiscal Year, shall prepare a written report setting forth the collections received, the number and amount of delinquencies, the proceedings taken to enforce collections and cure delinquencies and an estimate of time for the conclusion of such legal proceedings. As soon as practicable after such audit shall become available, a copy of such audit shall be mailed to any Registered Owner upon its written request.

SECTION 9.08 Removal of Special Assessment Liens. Except as otherwise provided in a Supplemental Indenture with respect to a related Series of Bonds, the following procedures shall apply in connection with the removal of Special Assessment liens:

(a) At any time from the date of levy of Special Assessments on a parcel of District Lands through the date that is thirty (30) days after the related Project has been completed and the Board has adopted a resolution accepting such Project as provided by Section 170.09, Florida Statutes, as amended, any owner of property subject to the Special Assessments may, at its option, require the Issuer to release and extinguish the lien upon its property by virtue of the levy of the Special Assessments that relate to a Series of Bonds by paying to the Issuer the entire amount of such Special Assessment on such property, without interest. The Issuer shall promptly notify the Trustee in writing of any Prepayment made under such circumstances. Accrued interest on the principal amount of any Bonds that would be redeemed as a result of such Prepayment made within thirty (30) days after the Board has adopted a resolution accepting the Project shall be derived from moneys on deposit in the Capitalized Interest Account and, if no moneys remain, from moneys on deposit in the Interest Account, and, if no moneys remain therein, from moneys on deposit in the Debt Service Reserve Account.

Upon receipt of a Prepayment as described in the immediately preceding paragraph, the Issuer shall immediately, but in any event within two (2) Business Days following the receipt of such Prepayment moneys, pay the amount so received to the Trustee, and the Issuer shall take such action as is necessary to record in the official records of the Issuer that the Special Assessment has been paid in full or in part and that such Special Assessment lien is thereby released and extinguished if paid in full or such Special Assessment lien shall be reduced if the Landowner only made a partial Prepayment. Upon receipt of any such moneys from the Issuer the Trustee shall immediately deposit the same into the Bond Redemption Fund to be applied to the redemption of Bonds in accordance with Section 8.01(b)(i) hereof. In connection with such Prepayment, the

Trustee shall calculate the credit authorized pursuant to Section 6.05 hereof, and transfer such credit to the Bond Redemption Fund to be used together with such Prepayment for the redemption of Bonds in accordance with Section 8.01(b)(i) hereof.

(b) Notwithstanding the foregoing, and consistent with the proceedings of the Issuer relating to the imposition and levy of the Special Assessments, any Landowner may at any time require the Issuer to release and extinguish the lien upon its property by virtue of the levy of the Special Assessments by paying to the Issuer the entire amount of the Special Assessment, plus accrued interest to the next succeeding Interest Payment Date (or the second succeeding Interest Payment Date if such prepayment is made within forty (40) calendar days before an Interest Payment Date), attributable to the property subject to Special Assessment owned by such owner.

(c) Upon receipt of a Prepayment as described in (a) or (b) above, 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 records of the Issuer that the Special Assessment has been paid and that such Special Assessment lien is thereby released and extinguished. Except as otherwise provided by a Supplemental Indenture, upon receipt of any such moneys from the Issuer the Trustee shall immediately deposit the same into the applicable Series Account within the Bond Redemption Fund to be applied to the redemption of Bonds in accordance with Section 8.01(b)(i) or (ii) hereof, as the case may be.

SECTION 9.09 Deposit of Special Assessments. The Issuer covenants to cause any Special Assessments collected or otherwise received by it to be deposited with the Trustee within five (5) Business Days after receipt thereof for deposit into the related Series Account of the Revenue Fund (except that amounts received as Prepayments of Special Assessments shall be designated by the Issuer as such upon delivery to the Trustee and shall be deposited directly into the related Series Account within the Bond Redemption Fund).

SECTION 9.10 Construction to be on District Lands. The Issuer covenants that no part of the Project will be constructed on, over or under lands other than (i) lands good and marketable title to which is owned by the Issuer or other appropriate entity in fee simple, (ii) lands on, over or under which the Issuer or other appropriate entity shall have acquired perpetual easements for the purposes of the Project, or (iii) lands, including public streets and highways, the right to the use and occupancy of which for such purposes shall be vested in the Issuer or other appropriate entity by law or by valid franchises, licenses, easements or rights of way or other legally effective permissions or approval.

SECTION 9.11 Operation, Use and Maintenance of Project. The Issuer shall establish and enforce reasonable rules and regulations governing the use of the Project owned by the Issuer, and the operation thereof, such rules and regulations to be adopted in accordance with the Act, and the Issuer shall operate, use and maintain the Project owned by the Issuer in accordance with the Act and all other applicable federal and State laws, rules and regulations; the Issuer shall maintain and operate the Project owned by the Issuer in an efficient and economical manner, shall at all times maintain the same in good repair and in sound operating condition and shall make all necessary repairs, renewals and replacements.

SECTION 9.12 Observance of and Compliance with Valid Requirements. The Issuer shall pay all municipal or governmental charges lawfully levied or assessed upon any Project or any part thereof or upon any revenues when the same shall become due, and the Issuer shall duly observe and comply with all valid requirements of any municipal or governmental authority relative to the Project. The Issuer shall not, except as otherwise permitted in Sections 9.23 and 9.24 of this Article, create or suffer to be created any lien or charge upon any Project or upon Pledged Revenues, except the lien and charge of the Bonds on the Pledged Revenues.

SECTION 9.13 Payment of Operating or Maintenance Costs by State or Others. The Issuer may permit the United States of America, the State, the County, the City or any of their agencies, departments or political subdivisions to pay all or any part of the cost of maintaining, repairing and operating the Project out of funds other than Pledged Revenues.

SECTION 9.14 Public Liability and Property Damage Insurance; Maintenance of Insurance; Use of Insurance and Condemnation Proceeds.

(a) Except as otherwise provided in subsection (d) of this Section, the Issuer will carry or cause to be carried, in respect of each Project, comprehensive general liability insurance (covering bodily injury and property damage) issued by one or more insurance companies authorized and qualified to do business under the laws of the State, in such amounts as is customary for similar operations, or as is more specifically set forth herein below.

(b) At all times, to the extent commercially available, the Issuer shall maintain a practical insurance program, with reasonable terms, conditions, provisions and costs which the District Manager determines will afford adequate protection against loss caused by damage to or destruction of any component of the Project owned by the Issuer. Limits for such coverage will be subject to the Consulting Engineer's recommendations which are to be provided in an annual report, as required by Section 9.21 hereof. The Issuer shall also, at all times, maintain a practical comprehensive general liability insurance program with respect to the Project for such coverage, with such reasonable terms, conditions, provisions and costs as the District Manager determines will afford adequate protection against bodily injury and property damage.

All insurance policies of the Issuer relating to the Project shall be carried with companies authorized to do business in the State, with a Best rating of no less than "A" as to management and Class "V" as to financial strength; provided, however, that if, in the opinion of the District Manager, adequate insurance protection under reasonable terms, conditions, provisions and cost cannot be purchased from an insurance company with the above-designated ratings, then the District Manager, on behalf of the Issuer, may secure such insurance protection as the Issuer determines to be in its best interests and otherwise consistent with this Master Indenture and any Supplemental Indenture; provided further, however, that the Issuer may act as a self-insurer in accordance with the requirements of subsection (d) hereof. All policies providing the insurance coverages required by this Section shall designate the Issuer as the loss-payee and shall be made payable to the Issuer.

(c) All proceeds received from property damage or destruction insurance and all proceeds received from the condemnation of the Project or any part thereof are hereby pledged by the Issuer as security for the related Series of Bonds and shall be deposited at the option of the

Issuer, but subject to the limitations hereinafter described, either (i) into a separate subaccount within the Acquisition and Construction Fund to be established by the Trustee for such purpose, and used to remedy the loss, damage or taking for which such proceeds are received, either by repairing the damaged property or replacing the destroyed or taken property, as soon as practicable after the receipt of such proceeds, or (ii) into the related Series Account within the Bond Redemption Fund for the purpose of purchasing or redeeming Bonds according to the provisions set forth in Article VIII hereof. The Issuer shall not be entitled to deposit insurance proceeds or condemnation awards into the separate fund described above in clause (i) of this paragraph (and such proceeds and awards shall be deposited directly into the related Series Account within the Bond Redemption Fund pursuant to clause (ii) of this paragraph) unless there shall have been filed with the Issuer within a reasonable time after the damage, destruction or condemnation (A) a certificate from the Consulting Engineer that the proceeds of the insurance or condemnation awards deposited into such separate fund, together with other funds available for such purposes, will be sufficient to repair, rebuild, replace or restore such property to substantially the same condition as it was in prior to its damage, destruction or condemnation (taking into consideration any changes, alterations and modifications that the Issuer may desire), (B) an opinion from the Consulting Engineer that the Project can be repaired, rebuilt, replaced or restored within two (2) years following the damage, destruction or condemnation thereof and (C) an opinion of the Consulting Engineer that, in each of the three (3) Fiscal Years following completion of such repair, rebuilding, replacement or restoration, the Issuer will be in compliance with its obligations hereunder. If the certificate described in clause (A) of this paragraph is not rendered because such proceeds or awards are insufficient for such purposes, the Issuer may deposit any other legally available funds in such separate fund in an amount required to enable the Consulting Engineer to render its certificate. If the insurance proceeds or condemnation awards deposited in such separate fund are more than sufficient to repair the damaged property or to replace the destroyed or taken property, the balance thereof remaining shall be deposited to the credit of the related Series Account in the Revenue Fund.

(d) The Issuer shall be entitled to provide all or a portion of the insurance coverage required by subsections (a) and (b) of this Section through Qualified Self Insurance, provided that the requirements hereinafter set forth in this subsection (d) are satisfied. "Qualified Self Insurance" means insurance maintained through a program of self-insurance or insurance maintained with a company or association in which the Issuer has a material interest or of which the Issuer has control, either singly or with others.

Each plan of Qualified Self Insurance shall be in written form, shall provide that upon the termination of such plan reserves will be established or insurance acquired in amounts adequate to cover any potential retained liability in respect of the period of self-insurance, and shall be reviewed annually by the District Manager or registered actuary who shall deliver to the Issuer a report on the adequacy of the reserves established thereunder in light of claims made. If the District Manager or registered actuary determines that such reserves are inadequate in light of the claims made, he shall make recommendations as to the amount of reserves that should be established and maintained, and the Issuer shall comply with such recommendations.

(e) Copies of all recommendations and approvals made by the Consulting Engineer under the provisions of this Section shall be filed with the District Manager.

SECTION 9.15 Collection of Insurance Proceeds. Copies of all insurance policies referred to in Section 9.14 of this Article shall be available at the offices of the Issuer at all reasonable times to the inspection of the Holders of the Bonds and their agents and representatives duly authorized in writing. The Issuer covenants that it will take such action as may be necessary to demand, collect and sue for any insurance money which may become due and payable under any policy of insurance required under this Master Indenture or any Supplemental Indenture, whether such policy is payable to the Issuer or to the Trustee. The Trustee is hereby authorized in its own name to demand, collect, sue and receive any insurance money which may become due and payable under any policies payable to it.

Any appraisal or adjustment of any loss or damage under any policy of insurance required under the Indenture, whether such policy is payable to the Issuer or to the Trustee, and any settlement or payment of indemnity under any such policy which may be agreed upon by the Issuer and any insurer shall be evidenced by a certificate, signed by the District Manager approved by the Consulting Engineer, and filed with the Trustee. The Trustee shall in no way be liable or responsible for the collection of insurance moneys in case of any loss or damage.

SECTION 9.16 Use of Revenues for Authorized Purposes Only. None of the Pledged Revenues shall be used for any purpose other than as provided in this Master Indenture and the related Supplemental Indenture and no contract or contracts shall be entered into or any action taken by the Issuer or the Trustee which will be inconsistent with the provisions of this Master Indenture and the related Supplemental Indenture.

SECTION 9.17 Books, Records and Annual Reports. The Issuer shall keep proper books of record and account in accordance with Generally Accepted Accounting Principles (separate from all other records and accounts) consistently applied and consistent with the provisions of this Master Indenture and any Supplemental Indenture, in which complete and correct entries shall be made of its transactions relating to the Project, and which, together with all other books and records of the Issuer, including, without limitation, insurance policies, relating to the Project, shall at all times be subject during regular business hours to the inspection of the Trustee.

SECTION 9.18 [Reserved].

SECTION 9.19 Employment of Certified Public Accountant. The Issuer shall employ or cause to be employed as required a Certified Public Accountant to perform accounting and auditing functions and duties required by the Act and this Master Indenture and any Supplemental Indenture.

SECTION 9.20 Establishment of Fiscal Year, Annual Budget. The Issuer has established a Fiscal Year beginning October 1 of each year and ending September 30 of the following year. The reports and budget of the Issuer shall relate to such Fiscal Year unless and until, in accordance with applicable law, a different Fiscal Year is established by Certified Resolution of the Issuer and is filed with the Trustee.

On or before the first day of each Fiscal Year the Issuer shall adopt a final Annual Budget with respect to the Project for such Fiscal Year for the payment of anticipated operating and

maintenance expenses and shall supply a copy of such budget promptly upon the approval thereof to any Bondholders who shall have so requested in writing and shall have filed their names and addresses with the Secretary of the Board for such purpose. If for any reason the Issuer shall not have adopted the Annual Budget with respect to the Project on or before the first day of any Fiscal Year, the Annual Budget for the preceding Fiscal Year shall, until the adoption of the new Annual Budget, be deemed in force for the ensuing Fiscal Year. The Issuer may at any time adopt an amended or supplemental Annual Budget for the remainder of the current Fiscal Year, and when such amended or supplemental Annual Budget is approved it shall be treated as the official Annual Budget under this Master Indenture and any Supplemental Indenture. Copies of such amended or supplemental Annual Budget shall be mailed by the Issuer to any Bondholders who shall have so requested in writing and shall have filed their names and addresses with the Secretary of the Board for such purpose.

SECTION 9.21 Employment of Consulting Engineer; Consulting Engineer's Report.

(a) The Issuer shall, for the purpose of performing and carrying out the duties imposed on the Consulting Engineer by this Master Indenture and any Supplemental Indenture, employ one or more Independent engineers or engineering firms or corporations having a statewide and favorable repute for skill and experience in such work.

(b) The Issuer shall cause the Consulting Engineer to make an inspection of any portions of the Project owned by the Issuer at least once in each Fiscal Year and, on or before the first day of July in each Fiscal Year, to submit to the Board a report setting forth (i) its findings as to whether such portions of the Project owned by the Issuer have been maintained in good repair, working order and condition, (ii) its recommendations as to the proper maintenance, repair and operation of the Project during the ensuing Fiscal Year and an estimate of the amount of money necessary for such purpose and (iii) the insurance to be carried under the provisions of Section 9.14 hereof and the amount that should be set aside monthly for the purpose of paying insurance premiums which fall due less often than monthly.

Promptly after the receipt of such reports by the Issuer, copies thereof shall be mailed by the Issuer to all Bondholders who shall have filed their names and addresses with the Secretary of the Board for such purpose.

SECTION 9.22 Audit Reports. The Issuer covenants to keep accurate records and books of account with respect to the Project, and covenants that, no later than 270 days after the end of each Fiscal Year, it will cause an audit to be made by a Certified Public Accountant covering all receipts and moneys then on deposit with or in the name of the Trustee or the Issuer and any security held therefor and any investments thereof. Copies of such audit reports shall be filed with the District Manager and the Secretary of the Board and mailed by said Secretary to the Consulting Engineer and to all Bondholders who shall have filed their names and addresses with him for such purpose.

SECTION 9.23 Covenant Against Sale or Encumbrance; Exceptions. The Issuer covenants that, (a) except for those improvements comprising the Project that are to be conveyed by the Issuer to the City, the County, the State Department of Transportation or another governmental entity, as to which no assessments of the Issuer will be imposed and (b) except as in

this Section permitted, it will not sell, lease or otherwise dispose of or encumber the Project, or any part thereof. Subject to the provisions of Section 9.29 hereof, the Issuer may, however, from time to time, sell any machinery, fixtures, apparatus, tools, instruments or other movable property acquired by it from the proceeds of a Series of Bonds or from Pledged Revenues if the District Manager shall determine, with the approval of the Consulting Engineer, that such items are no longer needed or are no longer useful in connection with the construction, maintenance and operation of the related Project, and the proceeds thereof shall be applied to the replacement of the properties so sold or disposed of or, at the written direction of the Issuer shall be deposited to the credit of the related Series Account in the Acquisition and Construction Fund.

Upon any sale of property relating to the Project, the aggregate of which in any thirty (30) day period exceeds Fifty Thousand Dollars (\$50,000) under the provisions of this Section, the Issuer shall provide written notice to the Trustee of the property so sold and the amount and disposition of the proceeds thereof.

Subject to obtaining an opinion of Bond Counsel that such action will not adversely affect the exclusion of interest on the Bonds for federal income tax purposes, the Issuer may lease or grant easements, franchises or concessions for the use of any part of the Project not incompatible with the maintenance and operation thereof, if the Consulting Engineer shall approve such lease, easement, franchise or concession in writing, and the net proceeds of any such lease, easement, franchise or concession (after the making of provision for payment from said proceeds of all costs incurred in financing, constructing, operating, maintaining or repairing such leases, easements, franchises or concessions) shall be deposited as received to the credit of related Series Account in the Acquisition and Construction Fund.

SECTION 9.24 No Loss of Lien on Pledged Revenue. The Issuer shall not do or omit to do, or suffer to be done or omit to be done, any matter or thing whatsoever whereby the lien of the Bonds on the Pledged Revenues or any part thereof, or the priority thereof, would be lost or impaired; provided, however, that this Section shall not prohibit the Trustee from transferring moneys to the Rebate Fund held by the Trustee under any arbitrage rebate agreement.

SECTION 9.25 Compliance with Other Contracts and Agreements. The Issuer shall comply with and abide by all of the terms and conditions of any and all contracts and agreements which the Issuer enters into in connection with the Project and the issuance of the Bonds.

SECTION 9.26 Issuance of Additional Obligations. The Issuer shall not issue any obligations other than the Bonds payable from Pledged Revenues, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge, payable from Pledged Revenues, except in the ordinary course of business.

SECTION 9.27 Extension of Time for Payment of Interest Prohibited. The Issuer shall not directly or indirectly extend or assent to an extension of time for payment of any claim for interest on any of the Bonds and shall not directly or indirectly be a party to or approve any arrangement therefor by purchasing or funding or in any manner keeping alive any such claim for interest; no claim for interest which in any way, at or after maturity, shall have been transferred or pledged apart from the Bonds to which it relates or which shall in any manner have been kept alive after maturity by extension or by purchase thereof by or on behalf of the Issuer, shall be entitled,

in case of a default hereunder, to any benefit or security under this Master Indenture and any Supplemental Indenture except after the prior payment in full of the principal of all Bonds and claims for interest appertaining thereto not so transferred, pledged, kept alive or extended.

SECTION 9.28 Further Assurances. The Issuer shall not enter into any contract or take any action by which the rights of the Trustee or the Bondholders may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Master Indenture and any Supplemental Indenture.

SECTION 9.29 Use of Bond Proceeds to Comply with Internal Revenue Code. The Issuer covenants to the Holders of the Bonds that it will not make or direct the making of any investment or other use of the proceeds of any Bonds issued hereunder, the interest on which is intended to be excluded from gross income for federal income tax purposes (“Tax-Exempt Bonds”) which would cause such Bonds to be “arbitrage bonds” as that term is defined in Section 148 of the Code or “private activity bonds” as that term is defined in Section 141, of the Code, and that it will comply with the requirements of such Code sections and related regulations throughout the term of such Tax-Exempt Bonds. The Issuer hereby further covenants and agrees to comply with the procedures and covenants contained in any Arbitrage Certificate executed in connection with the issuance of each Series of Tax-Exempt Bonds for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on each Series of Tax-Exempt Bonds.

SECTION 9.30 Corporate Existence and Maintenance of Properties. For so long as any Bonds are Outstanding hereunder, unless otherwise provided by the Act, the Issuer shall maintain its corporate existence as a local unit of special purpose government under the Act and shall provide for or otherwise require all Projects, and all parts thereof owned by the Issuer to be (a) continuously operated, repaired, improved and maintained as shall be necessary to provide adequate service to the lands benefited thereby; and (b) in compliance with all valid and applicable laws, acts, rules, regulations, permits, orders, requirements and directions of any competent public authority.

SECTION 9.31 Bankruptcy or Insolvency of Landowner. For purposes of this Section 9.31, (a) each Series of 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 one or more Supplemental Indentures as security for the Affected Bonds are collectively referred to herein as the “Affected Special Assessments”.

The provisions of this Section 9.31 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 (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 Issuer, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments, the Issuer 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 Issuer, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments or the Trustee. The Issuer agrees that it shall not be a defense to a breach of the foregoing covenant that it has acted upon advice of counsel in not complying with this covenant.

The Issuer acknowledges and agrees that, although the Affected Bonds were issued by the Issuer, 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 Issuer hereby agrees that it shall follow the direction of the Trustee in making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture; (b) the Issuer hereby agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the 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) to the extent permitted by law, the Trustee shall have the right, but is not obligated to, (i) vote in any such Proceeding any and all claims of the Issuer, or (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the Issuer, including without limitation, motions seeking relief from the automatic stay, dismissal 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 Issuer 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 Issuer 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 Issuer 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 Issuer 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 Issuer agrees 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 Issuer 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.

SECTION 9.32 Continuing Disclosure. The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Master Indenture and any Supplemental Indenture, failure of the Issuer or the Developer (if obligated pursuant to the Continuing Disclosure Agreement) to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee may (and, at the request of any participating underwriter or the

Holders of at least 25% aggregate principal amount in Outstanding Bonds of a Series and receipt of indemnity to its satisfaction, shall) or any Holder of the Bonds or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under this Section 9.32. For purposes of this Section, “Beneficial Owner” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

**ARTICLE X**  
**EVENTS OF DEFAULT AND REMEDIES**

SECTION 10.01 Events of Default and Remedies. Except to the extent otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, events of default and remedies with respect to each Series of Bonds shall be as set forth in this Master Indenture.

SECTION 10.02 Events of Default Defined. Each of the following shall be an “Event of Default” under the Indenture, with respect to a Series of Bonds:

(a) if payment of any installment of interest on any Bond of such Series is not made when it becomes due and payable; or

(b) if payment of the principal or Redemption Price of any Bond of such Series is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or

(c) if the Issuer, for any reason, fails in, or is rendered incapable of, fulfilling its obligations under the Indenture or under the Act, as determined by the Majority Holder of such Series of Bonds; or

(d) if the Issuer 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 Issuer 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 Issuer and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or

(e) if the Issuer defaults in the due and punctual performance of any other covenant in the Indenture or in any Bond of such Series issued pursuant to the Indenture and such default continues for sixty (60) days after written notice requiring the same to be remedied shall have been given to the Issuer 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 Bonds of such Series; 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 Issuer shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) written notice shall have been received by the Trustee from a Credit Facility Issuer securing Bonds of such Series that an event of default has occurred under the Credit Facility Agreement, or there shall have been a failure by said Credit Facility Issuer to make said Credit Facility available or to reinstate the interest component of said Credit Facility in accordance with the terms of said Credit Facility, to the extent said notice or failure is established as an event of default under the terms of a Supplemental Indenture; or

(g) if at any time the amount in the Debt Service Reserve Fund or any account therein is less than the Debt Service Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to pay current debt service on any Series and such amount has not been restored within ninety (90) days of such withdrawal; or

(h) if at any time after eighteen months following issuance of the related series of Bonds, more than twenty percent (20%) of the “maintenance special assessments” levied by the Issuer on the District Lands upon which the Special Assessments are levied to secure one or more Series of 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 Issuer before recognizing that an Event of Default under (c) above has occurred.

SECTION 10.03 No Acceleration; Redemption. No Series of Bonds issued under this Master Indenture shall be subject to acceleration. Upon occurrence and continuance of an Event of Default, no optional redemption or extraordinary mandatory redemption of the Bonds pursuant to Article VIII hereof shall occur unless all of the Bonds of the Series where an Event of Default has occurred will be redeemed or if 100% of the Holders of such Series of Bonds agree to such redemption. Provided however nothing in this Section 10.03 shall prevent a pro rata default distribution pursuant to Section 10.12 herein.

SECTION 10.04 Foreclosure of Assessment Lien. Notwithstanding Section 9.06 of this Master Indenture or any other provision of this Master Indenture to the contrary, the following provisions shall apply with respect to the Special Assessments securing a Series of Bonds and such Series of Bonds.

If any property shall be offered for sale for the nonpayment of any Special Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Special Assessments (principal, interest, penalties and costs, plus attorneys’ fees, if any), the property may then be purchased by the Issuer for an amount equal to the balance due on the Special Assessments (principal, interest, penalties and costs, plus attorneys’ fees, if any), from any legally available funds of the Issuer and the Issuer shall receive in its corporate name or in the name of a special purpose entity title to the property for the benefit of the Owners of the applicable Series of Bonds; provided that the Trustee shall have the right, acting at the written direction of the Majority Holder, but shall not be obligated, to direct the Issuer with respect to any action taken pursuant to this Section. The Issuer, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Revenue Account. The Issuer, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for sale of property acquired by it as Trustee for the Owners of the applicable Series of Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Holder.

SECTION 10.05 Legal Proceedings by Trustee. If any Event of Default with respect to a Series of Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the

written request of the Majority Holder of the Outstanding Bonds of such Series 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 Bonds of such Series, including, without limitation, the right to require the Issuer to carry out any agreements with, or for the benefit of, the Bondholders of the Bonds of such Series and to perform its or their duties under the Act;

(b) bring suit upon the Series of Bonds;

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

(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 Bonds of such Series; and

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

SECTION 10.06 Discontinuance of Proceedings by Trustee. If any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, the Issuer, the Trustee, the Paying Agent and the Bondholders shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

SECTION 10.07 Bondholders May Direct Proceedings. Subject to Section 10.08 below, the Majority Holder of the Outstanding Bonds of a Series then subject to remedial proceedings under this Article X 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.

SECTION 10.08 Limitations on Actions by Bondholders. No Bondholder shall have any right to pursue any remedy hereunder unless (a) the Trustee shall have been given written notice of an Event of Default, (b) the Majority Holder of the Outstanding Bonds of the applicable Series shall have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names, (c) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities (including attorneys' fees, costs and expenses), and (d) the Trustee shall have failed to comply with such request within a reasonable time.

SECTION 10.09 Trustee May Enforce Rights Without Possession of Bonds. All rights under the Indenture and a Series of Bonds may be enforced by the Trustee without the possession of any of the Bonds of such Series or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the Holders of the Bonds of such Series.

SECTION 10.10 Remedies Not Exclusive. Except as limited under Section 15.01 of this Master Indenture, no remedy contained in the Indenture with respect to a Series of Bonds is

intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 10.11 Delays and Omissions Not to Impair Rights. No delay or omission in respect of exercising any right or power accruing upon any Event of Default shall impair such right or power or be a waiver of such Event of Default, and every remedy given by this Article X may be exercised from time to time and as often as may be deemed expedient.

SECTION 10.12 Application of Moneys in Event of Default. Any moneys received by the Trustee or the Paying Agent, as the case may be, in connection with any proceedings brought under this Article X with respect to a Series of Bonds shall be applied in the following order of priority:

(a) to the payment of the costs of the Trustee and Paying Agent incurred in connection with actions taken under this Article X with respect to such Series of Bonds, including counsel fees, costs and expenses and any disbursements of the Trustee and the Paying Agent and payment of unpaid fees owed to the Trustee, the Registrar or the Paying Agent.

(b) unless the principal of all the Bonds of such Series shall have become or shall have been declared due and payable:

FIRST, to payment of all installments of interest then due on the Bonds of such Series in the order of maturity of such installments of interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any preference or priority of one installment of interest over any other installment; and

SECOND, to payment to the persons entitled thereto of the unpaid principal or Redemption Price of any of the Bonds of such Series which shall have become due in the order of their due dates, with interest on such Bonds from the respective dates upon which they become due and, if the amount available shall not be sufficient to pay in full the principal or Redemption Price coming due on such Bonds on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any preference or priority of one such Bond of a Series over another or of any installment of interest over another.

(c) if the principal of all Bonds of a Series shall have become or shall have been declared due and payable, to the payment of principal or Redemption Price (as the case may be) and interest then owing on the Bonds of such Series and in case such moneys shall be insufficient to pay the same in full, then to the payment of principal or Redemption Price and interest ratably, without preference or priority of one Bond of such Series over another or of any installment of interest over any other installment of interest.

Any surplus remaining after the payments described above shall be paid to the Issuer or to the Person lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

For purposes of the application of moneys described above, to the extent payments of principal of and interest on a Series of Bonds shall have been made under a Credit Facility relating

thereto, the Credit Facility Issuer shall be entitled to moneys in the related Series Accounts in the Debt Service Fund in accordance with the agreement pursuant to which such Credit Facility has been issued (but subject to subsection (a) hereof and Section 11.04 hereof) and the Certified Resolution of the Issuer authorizing the issuance of such Bonds to which such Credit Facility relates.

SECTION 10.13 Trustee's Right to Receiver; Compliance with Act. During the continuance of an Event of Default, the Trustee shall be entitled as of right to the appointment of a receiver and the Trustee, the Bondholders and any receiver so appointed shall have such rights and powers and be subject to such limitations and restrictions as are contained in the Act and other applicable law of the State. When the Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of an Event of Default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

SECTION 10.14 Trustee and Bondholders Entitled to all Remedies under Act. It is the purpose of this Article to provide such remedies to the Trustee and Bondholders as may be lawfully granted under the provisions of the Act and other applicable laws of the State; if any remedy herein granted shall be held unlawful, the Trustee and the Bondholders shall nevertheless be entitled to every other remedy provided by the Act and other applicable laws of the State. It is further intended that, insofar as lawfully possible, the provisions of this Article X shall apply to and be binding upon any receiver appointed in accordance with Section 10.13 hereof.

SECTION 10.15 Credit Facility Issuer's Rights Upon Events of Default. Anything in the Indenture to the contrary notwithstanding, if any Event of Default, other than Events of Default described in Section 10.02(a) or (b) hereof, has occurred and is continuing while a Credit Facility securing all or a portion of such Bonds of a Series Outstanding is in effect, the Credit Facility Issuer shall have the right, in lieu of the Owners of the Series of Bonds (or portion thereof) secured by said Credit Facility, by an instrument in writing, executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee under the Indenture, or exercising any trust or power conferred on the Trustee by the Indenture. Said direction shall be controlling to the extent the direction of Owners of the Series of Bonds (or portion thereof) secured by said Credit Facility would have been controlling under this Article. If the Credit Facility Issuer shall be in default in the performance of its obligations under the Credit Facility, said Credit Facility Issuer shall have no rights under this Section.

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

SECTION 11.01 Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article XI, to all of which the parties hereto the Bondholders and any Credit Facility Issuer agree. The Trustee shall act as Trustee under this Master Indenture. Subject to the provisions of Section 11.03 hereof, the Trustee shall have only such duties as are expressly set forth herein, and no duties shall be implied on the part of the Trustee. The Trustee further agrees to assist the Issuer in complying with the procedures and covenants of the Issuer contained in any arbitrage rebate agreement to which the Issuer is a party and which specifically pertain to the Trustee for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, to the extent applicable.

SECTION 11.02 No Responsibility for Recitals. The recitals, statements and representations in this Master Indenture or in the Bonds, save only the Trustee's Certificate of Authentication, if any, upon the Bonds, have been made by the Issuer and not by the Trustee and the Trustee shall be under no responsibility for the correctness thereof.

SECTION 11.03 Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Negligence. The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of Counsel concerning all questions hereunder and the advice of such Counsel or any opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee hereunder in good faith and in reliance thereon; the Trustee shall not be answerable for the default or misconduct of any attorney or agent selected and supervised by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Master Indenture and any Supplemental Indenture nor for anything whatever in connection with the trust hereunder, except only its own negligence or willful misconduct or breach of its obligations hereunder. The Trustee shall not be accountable for the use or application of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Indenture. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty. The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds. None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use



commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

SECTION 11.04 Compensation and Indemnity. The Issuer shall pay the Trustee reasonable compensation for its services hereunder, and also all its reasonable expenses and disbursements, and shall, to the extent permitted by law, indemnify and hold the Trustee harmless against any liabilities which it may incur in the proper exercise and performance of its powers and duties hereunder, except with respect to its own willful misconduct, negligence or breach of its obligations hereunder. If the Issuer defaults in respect of the foregoing obligations, the Trustee may deduct the amount owing to it from any moneys held by the Trustee or coming into its hands but exclusive of the Rebate Fund and moneys from a drawing on any Credit Facility, which right of payment shall be prior to the right of the holders of the Bonds. The Trustee shall promptly provide to the Issuer a periodic report of any moneys the Trustee has deducted for amounts owing to it. This Section 11.04 shall survive the termination of this Master Indenture and any Supplemental Indenture and, as to any Trustee, its removal or resignation as Trustee. No provision of this Master Indenture shall require the Trustee to expend or risk its own funds.

SECTION 11.05 No Duty to Renew Insurance. The Trustee shall be under no duty to effect or to renew any insurance policy nor shall it incur any liability for the failure of the Issuer to require or effect or renew insurance or to report or file claims of loss thereunder.

SECTION 11.06 Notice of Default; Right to Investigate. The Trustee shall give written notice by first-class mail to Registered Owners of a Series of Bonds of all defaults known to the Trustee, unless such defaults have been remedied (the term “defaults” for purposes of this Section and Section 11.07 being defined to include the events specified as “Events of Default” in Article X hereof, but not including any notice or periods of grace provided for therein); provided that, except in the case of a default in payment of principal or interest or Redemption Price, the Trustee may withhold such notice so long as it in good faith determines that such withholding is in the interest of the Bondholders. The Trustee shall not be deemed to have notice of any default other than a payment default under this Master Indenture and any Supplemental Indenture or a notification by a Credit Facility Issuer of a default under its Credit Facility, unless notified in writing of such default by the Majority Holder of the Outstanding Bonds of a Series. The Trustee may, however, at any time require of the Issuer full information as to the performance of any covenant hereunder, and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the Issuer, an investigation into the affairs of the Issuer.

SECTION 11.07 Obligation to Act on Defaults. The Trustee shall be under no obligation to take any action in respect of any default or otherwise, unless it is requested in writing to do so by the Majority Holder of the Outstanding Bonds which are or would be, upon the taking of such action, subject to remedial proceedings under Article X of this Master Indenture if in its opinion such action may tend to involve expense or liability, and unless it is also furnished with indemnity satisfactory to it.

SECTION 11.08 Reliance by Trustee. The Trustee may act on any requisition, resolution, notice, telegram, electronic mail, facsimile transmission, request, consent, waiver, certificate, statement, affidavit, voucher, bond, or other paper or document which it in good faith believes to be genuine and to have been passed, signed or given by the persons purporting to be authorized

(which in the case of the Issuer shall be a Responsible Officer) or to have been prepared and furnished pursuant to any of the provisions of this Master Indenture and any Supplemental Indenture; the Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement.

SECTION 11.09 Trustee May Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholders may be entitled to take with like effect as if the Trustee were not a party to this Master Indenture and any Supplemental Indenture. The Trustee may also engage in or be interested in any financial or other transaction with the Issuer; provided, however, that if the Trustee determines that any such relation is in conflict with its duties under this Master Indenture and any Supplemental Indenture, it shall eliminate the conflict or resign as Trustee.

SECTION 11.10 Construction of Ambiguous Provisions. The Trustee may construe any ambiguous or inconsistent provisions of this Master Indenture and any Supplemental Indenture, and except as otherwise provided in Article XIII of this Master Indenture, any construction by the Trustee shall be binding upon the Bondholders. The Trustee shall give prompt notice to the Issuer of any intention to make such construction.

SECTION 11.11 Resignation of Trustee. The Trustee may resign and be discharged of the trusts created by this Master Indenture and all Supplemental Indentures by written resignation filed with the Secretary of the Issuer not less than sixty (60) days before the date when such resignation is to take effect. Notice of such resignation shall be sent by first-class mail to each Bondholder as its name and address appears on the Bond Register and to any Paying Agent, Registrar and Credit Facility Issuer, if any, at least sixty (60) days before the resignation is to take effect. Such resignation shall take effect on the day specified in the Trustee's notice of resignation unless a successor Trustee is previously appointed, in which event the resignation shall take effect immediately on the appointment of such successor; provided, however, that notwithstanding the foregoing, such resignation shall not take effect until a successor Trustee has been appointed. If a successor Trustee has not been appointed within ninety (90) days after the Trustee has given its notice of resignation, the Trustee may petition any court of competent jurisdiction for the appointment of a temporary successor Trustee to serve as Trustee until a successor Trustee has been duly appointed. Notice of such resignation shall also be given to any rating agency that shall then have in effect a rating on any of the Bonds.

SECTION 11.12 Removal of Trustee. The Trustee may be removed at any time by either (a) the Issuer, if no default exists under this Master Indenture or any Supplemental Indenture, or (b) an instrument or concurrent instruments in writing, executed by the Majority Holder of the Bonds then Outstanding and filed with the Issuer. A photographic copy of any instrument or instruments filed with the Issuer under the provisions of this paragraph, duly certified by a Responsible Officer, shall be delivered promptly by the Issuer to the Trustee and to any Paying Agent, Registrar and Credit Facility Issuer, if any.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any material provision of this Master Indenture or any Supplemental Indenture with respect to the duties and

obligations of the Trustee by any court of competent jurisdiction upon the application of the Issuer or the Majority Holder of the Bonds then Outstanding.

SECTION 11.13 Appointment of Successor Trustee. If the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the Issuer shall appoint a successor and shall mail notice of such appointment by first-class mail to each Bondholder as its name and address appear on the Bond Register, and to the Paying Agent, Registrar, Credit Facility Issuer, if any, and any rating agency that shall then have in effect a rating on any of the Bonds. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Master Indenture prior to the date specified in the notice of resignation or removal as the date when such resignation or removal was to take effect, the Majority Holder of all Bonds then Outstanding may appoint a successor Trustee.

SECTION 11.14 Qualification of Successor. A successor Trustee shall be a bank or trust company with trust powers, having a combined net capital and surplus of at least \$50,000,000.

SECTION 11.15 Instruments of Succession. Subject to Section 11.16 hereof, any successor Trustee shall, subject to Section 11.16 hereof, execute, acknowledge and deliver to the Issuer an instrument accepting such appointment hereunder and thereupon, such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named Trustee herein. The Trustee ceasing to act hereunder, after deducting all amounts owed to the Trustee, shall pay over to the successor Trustee all moneys held by it hereunder and, upon written request of the successor Trustee, the Trustee ceasing to act and the Issuer shall execute and deliver an instrument or instruments prepared by the Issuer transferring to the successor Trustee all the estates, properties, rights, powers and trusts hereunder of the predecessor Trustee, except for its rights under Section 11.04 hereof.

SECTION 11.16 Merger of Trustee. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, or any corporation that acquires the Trust Accounts of any Trustee hereunder, shall be the successor Trustee under this Master Indenture and all Supplemental Indentures, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that any such successor corporation continuing to act as Trustee hereunder shall meet the requirements of Section 11.14 hereof, and if such corporation does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article XI. The Trustee may not resign as the Paying Agent or the Registrar without resigning as Trustee.

SECTION 11.17 Extension of Rights and Duties of Trustee to Paying Agent and Registrar. The provisions of Sections 11.02, 11.03, 11.04, 11.08, 11.09, 11.10 and 11.16 hereof are hereby made applicable to the Paying Agent and the Registrar, as appropriate, and any Person serving as Paying Agent and/or Registrar, hereby enters into and agrees to comply with the covenants and agreements of this Master Indenture and all Supplemental Indentures applicable to the Paying Agent and Registrar, respectively.

SECTION 11.18 Resignation of Paying Agent or Registrar. The Paying Agent or Registrar may resign and be discharged of the duties created by this Master Indenture and all Supplemental Indentures by executing an instrument in writing resigning such duties and specifying the date when such resignation shall take effect, and filing the same with the Issuer, the Trustee, and any rating agency that shall then have in effect a rating on any of the Bonds, not less than forty-five (45) days before the date specified in such instrument when such resignation shall take effect, and by giving written notice of such resignation not less than three (3) weeks prior to such resignation date to the Bondholders, mailed to their addresses as such appear in the Bond Register. Such resignation shall take effect on the date specified in such instrument and notice, but only if a successor Paying Agent or Registrar shall have been appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor Paying Agent or Registrar. If the successor Paying Agent or Registrar shall not have been appointed within a period of ninety (90) days following the giving of notice, then the Paying Agent or Registrar shall be authorized to petition any court of competent jurisdiction to appoint a successor Paying Agent or Registrar as provided in Section 11.22 hereof.

SECTION 11.19 Removal of Paying Agent or Registrar. The Paying Agent or Registrar may be removed at any time prior to any Event of Default by the Issuer by filing with the Paying Agent or Registrar to be removed, and with the Trustee, an instrument or instruments in writing executed by the Issuer appointing a successor, or an instrument or instruments in writing designating, and accompanied by an instrument or appointment by the Issuer of, such successor. Such removal shall be effective thirty (30) days (or such longer period as may be set forth in such instrument) after delivery of the instrument; provided, however, that no such removal shall be effective until the successor Paying Agent or Registrar appointed hereunder shall execute, acknowledge and deliver to the Issuer an instrument accepting such appointment hereunder.

SECTION 11.20 Appointment of Successor Paying Agent or Registrar. In case at any time the Paying Agent or Registrar shall be removed, or be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy, or for any other reason, then a vacancy shall forthwith and ipso facto exist in the office of the Paying Agent or Registrar, as the case may be, and a successor shall be appointed by the Issuer; and in case at any time the Paying Agent or Registrar shall resign, then a successor shall be appointed by the Issuer. After any such appointment, notice of such appointment shall be given by the Issuer to the predecessor Paying Agent or Registrar, the successor Paying Agent or Registrar, the Trustee, the Credit Facility Issuer, if any, any rating agency that shall then have in effect a rating on any of the Bonds, and all Bondholders. Any new Paying Agent or Registrar so appointed shall immediately, and without further act, supersede the predecessor Paying Agent or Registrar.

SECTION 11.21 Qualifications of Successor Paying Agent or Registrar. Every successor Paying Agent or Registrar (a) shall be a commercial bank or trust company (i) duly organized under the laws of the United States or any state or territory thereof, (i) authorized by law to perform all the duties imposed upon it by this Master Indenture and all Supplemental Indentures and (iii) capable of meeting its obligations hereunder, and (b) shall have a combined net capital and surplus of at least \$50,000,000.

SECTION 11.22 Judicial Appointment of Successor Paying Agent or Registrar. In case at any time the Paying Agent or Registrar shall resign and no appointment of a successor Paying Agent or Registrar shall be made pursuant to the foregoing provisions of this Master Indenture prior to the date specified in the notice of resignation as the date when such resignation is to take effect, the retiring Paying Agent or Registrar may forthwith apply to a court of competent jurisdiction for the appointment of a successor Paying Agent or Registrar. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Paying Agent or Registrar. Notice of such appointment shall be given by the Successor Registrar or Paying Agent to the Issuer, the Trustee, the Credit Facility Issuer, if any, any rating agency that shall then have in effect a rating on any of the Bonds, and all Bondholders. In the absence of such an appointment, the Trustee shall become the Registrar or Paying Agent, or and shall so notify the Issuer, any rating agency that shall have issued a rating on the Bonds, and all Bondholders.

SECTION 11.23 Acceptance of Duties by Successor Paying Agent or Registrar. Any successor Paying Agent or Registrar shall become duly vested with all the estates, property, rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named Paying Agent or Registrar herein. Upon request of such Paying Agent or Registrar, such predecessor Paying Agent or Registrar and the Issuer shall, after payment of its fees and expenses, execute and deliver an instrument transferring to such successor Paying Agent or Registrar all the estates, property, rights and powers hereunder, except for its rights under Section 11.04 hereof, as applicable, pursuant to Section 11.17 hereof, of such predecessor Paying Agent or Registrar and such predecessor Paying Agent or Registrar shall pay over and deliver to the successor Paying Agent or Registrar all moneys and other assets at the time held by it hereunder.

SECTION 11.24 Successor by Merger or Consolidation. Any corporation into which any Paying Agent or Registrar hereunder may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Paying Agent or Registrar hereunder shall be a party, or any corporation which shall have purchased substantially all of the bond administration business of the corporate trust department shall be the successor Paying Agent or Registrar under this Master Indenture and all Supplemental Indentures without the execution or filing of any paper or any further act on the part of the parties thereto, anything in this Master Indenture or any Supplemental Indenture to the contrary notwithstanding.

SECTION 11.25 Patriot Act Requirements of Trustee. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Trustee will ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

SECTION 11.26 Signatures. All notices, approvals, consents, requests and any communications hereunder must be in writing (provided that any communication sent to the Trustee hereunder must be in the form of a document that is signed manually or by way of a digital signature provided by the Issuer (or such other digital signature provider as specified in writing to the Trustee by the authorized representative), in English.

**ARTICLE XII**  
**ACTS OF BONDHOLDERS; EVIDENCE OF OWNERSHIP OF BONDS**

SECTION 12.01 Acts of Bondholders; Evidence of Ownership of Bonds. Any action to be taken by Bondholders may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by such Bondholders in person or by an agent appointed in writing. The fact and date of the execution by any person of any such instrument may be provided by acknowledgment before a notary public or other officer empowered to take acknowledgments or by an affidavit of a witness to such execution. Any action by the Owner of any Bond shall bind all future Owners of the same Bond in respect of anything done or suffered by the Issuer, Trustee, Paying Agent or Registrar in pursuance thereof.

**ARTICLE XIII**  
**AMENDMENTS AND SUPPLEMENTS**

SECTION 13.01 Amendments and Supplements Without Bondholders' Consent. This Master Indenture and any Supplemental Indenture may be amended or supplemented, from time to time, without the consent of the Bondholders, by a Supplemental Indenture authorized by a Certified Resolution of the Issuer filed with the Trustee, for one or more of the following purposes:

(a) to add additional covenants of the Issuer or to surrender any right or power herein conferred upon the Issuer;

(b) for any purpose not inconsistent with the terms of the related Indenture, or to cure any ambiguity or to cure, correct or supplement any defective provision (whether because of any inconsistency with any other provision hereof or otherwise) of the related Indenture, in such manner as shall not impair the security hereof or thereof or adversely affect the rights and remedies of the Bondholders;

(c) to provide for the execution of any and all contracts and other documents as may be required in order to effectuate the conveyance of any Project to the State, the County, the City or any department, agency or branch thereof, or any other unit of government of the State, provided, however, that the Issuer shall have caused to be delivered to the Trustee an opinion of Bond Counsel stating that such conveyance shall not impair the security hereof or adversely affect the rights and remedies of the Bondholders; and

(d) to make such changes as may be necessary in order to reflect amendments to Chapters 170, 190 and 197, Florida Statutes, so long as, in the opinion of counsel to the Issuer, such changes either: (i) do not have a material adverse effect on the Holders of the Bonds; or (ii) if such changes do have an adverse effect, that they nevertheless are required to be made as a result of such amendments.

SECTION 13.02 Amendments With Bondholders' Consent. Subject to the provisions of Section 13.01 hereof, this Master Indenture and any Supplemental Indenture may be amended from time to time by a Supplemental Indenture approved by the Majority Holder of the Bonds then Outstanding in the case of the Master Indenture, and of the Series of Bonds then Outstanding and secured by such Supplemental Indenture in the case of an amendment of a Supplemental Indenture including, but not limited to, any material amendment to the Special Assessments and related proceedings which secure a Series of Bonds; provided that with respect to (a) the interest payable upon any Bonds, (b) the dates of maturity or redemption provisions of any Bonds, (c) this Article XIII and (d) the security provisions hereunder or under any Supplemental Indenture, which may only be amended by approval of the Owners of all Bonds to be so amended.

SECTION 13.03 Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel. The Trustee is authorized to join in the execution and delivery of any Supplemental Indenture or amendment permitted by this Article XIII and in so doing may rely on a written opinion of Counsel that such Supplemental Indenture or amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done.

## **ARTICLE XIV DEFEASANCE**

SECTION 14.01 Defeasance. When interest on, and principal or Redemption Price (as the case may be) of, the Bonds of a Series or any portion thereof to be defeased have been paid, or there shall have been deposited with the Trustee or such other escrow agent designated in a Certified Resolution of the Issuer (the “Escrow Agent”) moneys sufficient, or Defeasance Securities, the principal of and interest on which, when due, together with any moneys remaining uninvested, will provide sufficient moneys to fully pay (i) such Bonds of a Series or portion thereof to be defeased, and (ii) any other sums payable hereunder by the Issuer, the right, title and interest of the Trustee with respect to such Bonds of a Series or portion thereof to be defeased shall thereupon cease, the lien of the Indenture on the Pledged Revenues, and the Funds and Accounts established under the Indenture shall be defeased and discharged, and the Trustee, on demand of the Issuer, shall release the Indenture as to such Bonds of a Series or portion thereof to be so defeased and shall execute such documents to evidence such release as may be reasonably required by the Issuer and shall turn over to the Issuer or to such Person, body or authority as may be entitled to receive the same all balances remaining in any Series Funds and Accounts upon the defeasance in whole of all of the Bonds of a Series.

SECTION 14.02 Deposit of Funds for Payment of Bonds. If the Issuer deposits with the Escrow Agent moneys sufficient, or Defeasance Securities, the principal of and interest on which, when due, together with any moneys remaining uninvested, will provide sufficient moneys to pay the principal or Redemption Price of any Bonds of a Series becoming due, either at maturity or by redemption or otherwise, together with all interest accruing thereon to the date of maturity or such prior redemption, and reimburses or causes to be reimbursed or pays or causes to be paid the other amounts required to be reimbursed or paid under Section 14.01 hereof, interest on such Bonds of a Series shall cease to accrue on such date of maturity or prior redemption and all liability of the Issuer with respect to such Bonds of a Series shall likewise cease, except as hereinafter provided; provided, however, that (a) if any Bonds are to be redeemed prior to the maturity thereof, notice of the redemption thereof shall have been duly given in accordance with the provisions of Section 8.02 hereof, or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of such notice, and (b) in the event that any Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days following a deposit of moneys with the Escrow Agent, in accordance with this Section, the Issuer shall have given the Escrow Agent, in form satisfactory to the Escrow Agent, irrevocable instructions to mail to the Owners of such Bonds at their addresses as they appear on the Bond Register, a notice stating that a deposit in accordance with this Section has been made with the Escrow Agent and that the Bonds to which such notice relates are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price (as the case may be) of, and interest on, said Bonds of a Series. Thereafter such Bonds shall be deemed not to be Outstanding hereunder and the Owners of such Bonds shall be restricted exclusively to the funds so deposited for any claim of whatsoever nature with respect to such Bonds, and the Escrow Agent shall hold such funds in trust for such Owners. At the time of the deposit referred to above, there shall be delivered to the Escrow Agent a verification from a firm of independent certified public accountants stating that the principal of and interest on the Defeasance Securities, together with the stated amount of any cash remaining on deposit with the



Escrow Agent, will be sufficient without reinvestment to pay the remaining principal of, redemption premium, if any, and interest on such defeased Bonds.

Money so deposited with the Escrow Agent which remains unclaimed two (2) years after the date payment thereof becomes due shall, upon request of the Issuer, if the Issuer is not at the time to the knowledge of the Escrow Agent in default with respect to any covenant in the Indenture or the Bonds of the Series contained, be paid to the Issuer; and the Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the Issuer; provided, however, that the Escrow Agent, before making payment to the Issuer, may, at the expense of the Issuer, cause a notice to be published in an Authorized Newspaper, stating that the money remaining unclaimed will be returned to the Issuer after a specified date.

**ARTICLE XV  
MISCELLANEOUS PROVISIONS**

SECTION 15.01 Limitations on Recourse. No personal recourse shall be had for any claim based on this Master Indenture or any Supplemental Indenture or the Bonds against any member of the Board of the Issuer, officer, employee or agent, past, present or future, of the Issuer or of any successor body as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

The Bonds of each Series are payable solely from the Pledged Revenues, and any other moneys held by the Trustee under the Indenture for such purpose. There shall be no other recourse under the Bonds, the Indenture or otherwise, against the Issuer or any other property now or hereafter owned by it.

SECTION 15.02 Payment Dates. In any case where an Interest Payment Date or the maturity date of the Bonds or the date fixed for the redemption of any 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 15.03 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 Bonds.

SECTION 15.04 Illegal Provisions Disregarded. If any term of Master Indenture or any Supplemental Indenture or the Bonds or the application thereof for any reason or circumstances shall to any extent be held invalid or unenforceable, the remaining provisions or the application of such terms or provisions to Persons and situations other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision hereof and thereof shall be valid and enforced to the fullest extent permitted by law.

SECTION 15.05 Substitute Notice. If for any reason it shall be impossible to make publication of any notice required hereby in a newspaper or newspapers, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice.

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SECTION 15.06 Notices. Any notice, demand, direction, request or other communication authorized or required by this Master Indenture or any Supplemental Indenture to be given to or filed with the Issuer or the Trustee (each a “Notice”) shall be in writing and shall be delivered, by First Class Mail, postage prepaid, or by overnight delivery service, addressed as follows:

(a) As to the Issuer-

Fallschase Community Development District  
c/o Wrathell, Hunt and Associates, LLC  
2300 Glades Road, Suite 410W  
Boca Raton, FL 33431  
Attention: Cindy Cerbone, District Manager  
Phone: 561 571-0010

with a copy to–

Kenza van Assenderp, Esq.  
Van Assenderp Law  
300 South Duval Street, Unit 1005  
Tallahassee, FL 32301  
Phone: 850.544.0424

(b) As to the Trustee-

U.S. Bank National Association  
500 West Cypress Creek Road, Ste. # 460  
Ft. Lauderdale, FL 33309  
Phone: 954.938.2475

Attention: Amanda Kumar, Vice President

Except as otherwise provided in this Master Indenture or any Supplemental Indenture, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-Business Day, shall be deemed received on the next Business Day. If any time for giving Notice contained in this Master Indenture or any Supplemental Indenture would otherwise expire on a non-Business Day, the Notice period shall be extended to the next succeeding Business Day. Counsel for the Issuer and counsel for the Trustee may deliver Notice on behalf of the Issuer and the Trustee, respectively. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

All documents received by the Trustee under the provisions of this Master Indenture or any Supplemental Indenture and not required to be redelivered shall be retained in its possession, subject at all reasonable times to the inspection of the Issuer, any Consultant, any Bondholder and the agents and representatives thereof as evidenced in writing.

The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by the Issuer by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Issuer shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

SECTION 15.07 Controlling Law. This Master Indenture and all Supplemental Indentures shall be governed by and construed in accordance with the laws of the State.

SECTION 15.08 Successors and Assigns. All the covenants, promises and agreements in this Master Indenture and all Supplemental Indentures contained by or on behalf of the Issuer or by or on behalf of the Trustee shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 15.09 Headings for Convenience Only. The table of contents and descriptive headings in this Master Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 15.10 Counterparts. This Master Indenture and any Supplemental Indentures 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 15.11 Appendices and Exhibits. Any and all appendices or exhibits referred to in and attached to this Master Indenture are hereby incorporated herein and made a part hereof for all purposes.

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**IN WITNESS WHEREOF**, Fallschase Community Development District has caused this Master Indenture to be executed by the Chair of its Board and its corporate seal to be hereunto affixed, attested by the Secretary or Assistant Secretary of its Board and U.S. Bank National Association has caused this Master Indenture to be executed by one of its authorized signatories and, in the case of the District, its seal to be hereunto affixed, all as of the day and year first above written.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

[SEAL]

Attest:

By: \_\_\_\_\_  
Richard Yates  
Chair, Board of Supervisors

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

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

By: \_\_\_\_\_  
Amanda Kumar  
Vice President

**EXHIBIT A**

**LEGAL DESCRIPTION OF  
FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT**

The present boundaries of Fallschase Community Development District are as follows:

A PARCEL OF LAND LYING IN SECTIONS 26 AND 27, TOWNSHIP 1 NORTH, RANGE 1 EAST, LEON COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF SWMF #2, FALLSCHASE COMMERCIAL A SUBDIVISION AS PER MAP OR PLAT THEREOF RECORDED IN PLAT BOOK 20, PAGES 95-104 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA THENCE NORTHERLY ALONG THE EASTERLY BOUNDARY OF SAID SWMF #2 AS FOLLOWS: NORTH 00 DEGREES 29 MINUTES 59 SECONDS WEST 202.30 FEET, THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST 17.82 FEET, THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST 112.62 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR ACADIAN BOULEVARD AND A CURVE CONCAVE NORTHWESTERLY, THENCE NORTHEASTERLY ALONG SAID RIGHT OF WAY BOUNDARY AND SAID CURVE HAVING A RADIUS OF 330.00 FEET THROUGH A CENTRAL ANGLE OF 08 DEGREES 07 MINUTES 57 SECONDS FOR AN ARC LENGTH OF 46.84 FEET (CHORD BEARS NORTH 68 DEGREES 38 MINUTES 35 SECONDS EAST 46.80 FEET) TO A POINT OF REVERSE CURVE, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 295.84 FEET THROUGH A CENTRAL ANGLE OF 25 DEGREES 01 MINUTES 20 SECONDS FOR AN ARC LENGTH OF 129.20 FEET (CHORD BEARS NORTH 77 DEGREES 05 MINUTES 16 SECONDS EAST 128.17 FEET), THENCE NORTH 89 DEGREES 35 MINUTES 56 SECONDS EAST 120.84 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE SOUTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 80.00 FEET THROUGH A CENTRAL ANGLE OF 45 DEGREES 29 MINUTES 03 SECONDS FOR AN ARC LENGTH 63.51 FEET (CHORD BEARS SOUTH 67 DEGREES 39 MINUTES 32 SECONDS EAST 61.85 FEET), THENCE SOUTH 44 DEGREES 55 MINUTES 00 SECONDS EAST 40.92 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR FALLSCHASE PARKWAY, THENCE SOUTH 00 DEGREES 16 MINUTES 24 SECONDS EAST 56.82 FEET, THENCE LEAVING SAID WESTERLY RIGHT OF WAY BOUNDARY RUN NORTH 89 DEGREES 43 MINUTES 36 SECONDS EAST 112.00 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR SAID FALLSCHASE PARKWAY, THENCE ALONG SAID EASTERLY RIGHT OF WAY BOUNDARY AS FOLLOWS: NORTH 00 DEGREES 16 MINUTES 24 SECONDS WEST 47.44 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 15.00 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 05 MINUTES 49 SECONDS FOR AN ARC LENGTH OF 23.59 FEET (CHORD BEARS NORTH 44 DEGREES 46 MINUTES 31 SECONDS EAST 21.23 FEET), THENCE NORTH 89 DEGREES 49 MINUTES 25 SECONDS EAST 71.70 FEET, THENCE NORTH 00 DEGREES 33 MINUTES 52 SECONDS EAST 125.01 FEET, THENCE SOUTH 89 DEGREES 49 MINUTES 25 SECONDS WEST 49.41 FEET TO A POINT OF

CURVE TO THE RIGHT, THENCE NORTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 35.00 FEET THROUGH A CENTRAL ANGLE OF 90 DEGREES 44 MINUTES 27 SECONDS FOR AN ARC LENGTH OF 55.43 FEET (CHORD BEARS NORTH 44 DEGREES 48 MINUTES 21 SECONDS WEST 49.82 FEET), THENCE NORTH 00 DEGREES 33 MINUTES 52 SECONDS EAST 26.02 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 131.00 FEET THROUGH A CENTRAL ANGLE OF 22 DEGREES 42 MINUTES 00 SECONDS FOR AN ARC LENGTH OF 51.90 FEET (CHORD BEARS NORTH 11 DEGREES 54 MINUTES 52 SECONDS EAST 51.56 FEET) TO A POINT OF REVERSE CURVE, THENCE NORTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 319.00 FEET THROUGH A CENTRAL ANGLE OF 22 DEGREES 42 MINUTES 00 SECONDS FOR AN ARC LENGTH OF 126.38 FEET (CHORD BEARS NORTH 11 DEGREES 54 MINUTES 52 SECONDS EAST 125.56 FEET), THENCE NORTH 00 DEGREES 33 MINUTES 52 SECONDS EAST 934.36 FEET, THENCE NORTH 48 DEGREES 30 MINUTES 45 SECONDS EAST 6.72 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR BUCK LAKE ROAD, THENCE EASTERLY ALONG SAID SOUTHERLY RIGHT OF WAY BOUNDARY AS FOLLOWS: NORTH 48 DEGREES 02 MINUTES 17 SECONDS EAST 49.16 FEET, THENCE SOUTH 87 DEGREES 04 MINUTES 20 SECONDS EAST 4.91 FEET TO A POINT LYING ON A CURVE CONCAVE SOUTHERLY, THENCE SOUTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 14960.00 FEET THROUGH A CENTRAL ANGLE OF 00 DEGREES 00 MINUTES 53 SECONDS FOR AN ARC LENGTH OF 3.88 FEET (CHORD BEARS SOUTH 86 DEGREES 57 MINUTES 56 SECONDS EAST 3.88 FEET), THENCE LEAVING SAID SOUTHERLY RIGHT OF WAY BOUNDARY RUN SOUTH 00 DEGREES 33 MINUTES 52 SECONDS WEST 690.53 FEET, THENCE NORTH 87 DEGREES 27 MINUTES 22 SECONDS EAST 215.59 FEET, THENCE NORTH 00 DEGREES 01 MINUTES 55 SECONDS EAST 668.40 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR BUCK LAKE ROAD AND A CURVE CONCAVE NORTHERLY, THENCE SOUTHEASTERLY ALONG SAID RIGHT OF WAY BOUNDARY AND SAID CURVE HAVING A RADIUS OF 5040.00 FEET THROUGH A CENTRAL ANGLE OF 05 DEGREES 04 MINUTES 41 SECONDS FOR AN ARC LENGTH OF 446.68 FEET (CHORD BEARS SOUTH 88 DEGREES 57 MINUTES 52 SECONDS EAST 446.54 FEET) TO A POINT OF REVERSE CURVE, THENCE NORTHWESTERLY ALONG SAID RIGHT OF WAY BOUNDARY AND SAID CURVE HAVING A RADIUS OF 6960.00 FEET THROUGH A CENTRAL ANGLE OF 03 DEGREES 06 MINUTES 27 SECONDS FOR AN ARC LENGTH OF 377.47 FEET (CHORD BEARS SOUTH 89 DEGREES 56 MINUTES 56 SECONDS EAST 377.43 FEET), THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 00 DEGREES 12 MINUTES 37 SECONDS EAST 251.44 FEET, THENCE NORTH 89 DEGREES 44 MINUTES 31 SECONDS EAST 149.81 FEET, THENCE NORTH 00 DEGREES 14 MINUTES 13 SECONDS WEST 244.96 FEET TO A POINT LYING ON THE SOUTHERLY RIGHT OF WAY BOUNDARY FOR BUCK LAKE ROAD AND A CURVE CONCAVE SOUTHWESTERLY, THENCE SOUTHEASTERLY ALONG SAID RIGHT OF WAY AND SAID CURVE HAVING A RADIUS OF 6960.00 FEET THROUGH A CENTRAL ANGLE OF 05 DEGREES 27 MINUTES 37 SECONDS FOR AN ARC LENGTH OF 663.27 FEET (CHORD BEARS SOUTH 84 DEGREES 25 MINUTES 54 SECONDS EAST 663.02 FEET), THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 00 DEGREES 01 MINUTES 16 SECONDS EAST 481.92 FEET, THENCE NORTH 89 DEGREES

28 MINUTES 38 SECONDS EAST 322.86 FEET, THENCE NORTH 52 DEGREES 27 MINUTES 53 SECONDS EAST 86.76 FEET, THENCE NORTH 89 DEGREES 38 MINUTES 57 SECONDS EAST 225.98 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR DAVIS ROAD, THENCE SOUTH 00 DEGREES 00 MINUTES 45 SECONDS WEST ALONG SAID RIGHT OF WAY BOUNDARY A DISTANCE OF 59.85 FEET, THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 89 DEGREES 43 MINUTES 34 SECONDS WEST 179.71 FEET, THENCE SOUTH 00 DEGREES 18 MINUTES 20 SECONDS EAST 162.55 FEET, THENCE NORTH 89 DEGREES 31 MINUTES 14 SECONDS EAST 180.49 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR DAVIS ROAD, THENCE SOUTH 00 DEGREES 03 MINUTES 34 SECONDS EAST ALONG SAID RIGHT OF WAY BOUNDARY A DISTANCE OF 163.15 FEET, THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 89 DEGREES 42 MINUTES 18 SECONDS WEST 180.17 FEET, THENCE SOUTH 00 DEGREES 17 MINUTES 14 SECONDS EAST 162.14 FEET, THENCE SOUTH 00 DEGREES 16 MINUTES 09 SECONDS EAST 162.97 FEET, THENCE NORTH 89 DEGREES 30 MINUTES 15 SECONDS EAST 162.26 FEET TO A POINT LYING ON THE WESTERLY RIGHT OF WAY BOUNDARY FOR DAVIS ROAD, THENCE SOUTH 89 DEGREES 58 MINUTES 21 SECONDS EAST 60.43 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR SAID DAVIS ROAD, THENCE LEAVING SAID RIGHT OF WAY BOUNDARY RUN SOUTH 07 DEGREES 36 MINUTES 18 SECONDS WEST 101.82 FEET, THENCE NORTH 89 DEGREES 47 MINUTES 07 SECONDS EAST 420.33 FEET, THENCE NORTH 00 DEGREES 02 MINUTES 08 SECONDS EAST 100.01 FEET TO A POINT LYING ON THE SOUTHERLY BOUNDARY OF UNIT NO. 1 OF MEADOW HILLS, A SUBDIVISION AS PER MAP OR PLAT THEREOF RECORDED IN PLAT BOOK 4, PAGE 55 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA, THENCE NORTH 89 DEGREES 51 MINUTES 28 SECONDS EAST ALONG SAID SOUTHERLY BOUNDARY A DISTANCE OF 249.69 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR THRUSH DRIVE, THENCE LEAVING SAID SOUTHERLY AND SAID EASTERLY BOUNDARIES RUN SOUTH 00 DEGREES 16 MINUTES 32 SECONDS EAST 99.63 FEET, THENCE NORTH 89 DEGREES 53 MINUTES 15 SECONDS EAST 199.78 FEET, THENCE NORTH 89 DEGREES 49 MINUTES 16 SECONDS EAST 199.66 FEET, THENCE NORTH 00 DEGREES 03 MINUTES 27 SECONDS WEST 99.95 FEET TO A POINT LYING ON THE SOUTHERLY BOUNDARY OF SAID UNIT NO. 1 OF MEADOW HILLS AND THE WESTERLY RIGHT OF WAY BOUNDARY FOR IBIS DRIVE, THENCE NORTH 89 DEGREES 54 MINUTES 38 SECONDS EAST ALONG SAID SOUTHERLY BOUNDARY A DISTANCE OF 59.94 FEET TO A POINT LYING ON THE EASTERLY RIGHT OF WAY BOUNDARY FOR IBIS DRIVE, THENCE LEAVING SAID EASTERLY RIGHT OF WAY BOUNDARY CONTINUE ALONG THE SOUTHERLY BOUNDARY OF SAID UNIT NO. 1 OF MEADOW HILLS AS FOLLOWS: SOUTH 00 DEGREES 23 MINUTES 31 SECONDS EAST 20.33 FEET, THENCE SOUTH 89 DEGREES 38 MINUTES 06 SECONDS EAST 199.80 FEET, THENCE NORTH 89 DEGREES 50 MINUTES 38 SECONDS EAST 673.61 FEET, THENCE LEAVING SAID SOUTHERLY BOUNDARY RUN SOUTH 00 DEGREES 28 MINUTES 01 SECONDS EAST 3294.79 FEET TO A POINT LYING ON THE NORTHERLY BOUNDARY OF SOUTHLANDS LAKE LAFAYETTE BASIN AS DESCRIBED IN OFFICIAL RECORD BOOK 3474, PAGE 968 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA, THENCE WESTERLY ALONG SAID NORTHERLY BOUNDARY AS



FOLLOWS: SOUTH 84 DEGREES 42 MINUTES 15 SECONDS WEST 748.52 FEET, THENCE NORTH 39 DEGREES 34 MINUTES 52 SECONDS WEST 466.31 FEET, THENCE NORTH 57 DEGREES 29 MINUTES 01 SECONDS WEST 427.33 FEET, THENCE NORTH 50 DEGREES 10 MINUTES 45 SECONDS WEST 616.93 FEET, THENCE NORTH 33 DEGREES 22 MINUTES 00 SECONDS WEST 358.94 FEET, THENCE NORTH 20 DEGREES 03 MINUTES 13 SECONDS WEST 213.46 FEET, THENCE NORTH 40 DEGREES 45 MINUTES 22 SECONDS WEST 257.89 FEET TO A POINT OF CURVE TO THE LEFT, THENCE NORTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 157.44 FEET THROUGH A CENTRAL ANGLE OF 70 DEGREES 22 MINUTES 13 SECONDS FOR AN ARC LENGTH OF 193.37 FEET (CHORD BEARS NORTH 75 DEGREES 56 MINUTES 27 SECONDS WEST 181.44 FEET), THENCE SOUTH 71 DEGREES 31 MINUTES 54 SECONDS WEST 432.21 FEET, THENCE SOUTH 74 DEGREES 37 MINUTES 22 SECONDS WEST 699.55 FEET, THENCE SOUTH 58 DEGREES 12 MINUTES 16 SECONDS WEST 847.94 FEET, THENCE SOUTH 52 DEGREES 32 MINUTES 49 SECONDS EAST 149.42 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE SOUTHEASTERLY ALONG SAID CURVE HAVING A RADIUS OF 144.02 FEET THROUGH A CENTRAL ANGLE OF 88 DEGREES 48 MINUTES 58 SECONDS FOR AN ARC LENGTH OF 223.25 FEET (CHORD BEARS SOUTH 08 DEGREES 08 MINUTES 22 SECONDS EAST 201.56 FEET) TO A POINT OF COMPOUND CURVE, THENCE SOUTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 197.17 FEET THROUGH A CENTRAL ANGLE OF 59 DEGREES 16 MINUTES 23 SECONDS FOR AN ARC LENGTH OF 203.97 FEET (CHORD BEARS SOUTH 65 DEGREES 54 MINUTES 19 SECONDS WEST 195.00 FEET), THENCE NORTH 84 DEGREES 27 MINUTES 27 SECONDS WEST 72.19 FEET, THENCE SOUTH 23 DEGREES 45 MINUTES 58 SECONDS WEST 103.47 FEET, THENCE NORTH 77 DEGREES 06 MINUTES 37 SECONDS WEST 40.16 FEET, THENCE NORTH 22 DEGREES 16 MINUTES 32 SECONDS EAST 112.72 FEET, THENCE NORTH 43 DEGREES 56 MINUTES 53 SECONDS WEST 668.92 FEET, THENCE NORTH 68 DEGREES 29 MINUTES 10 SECONDS WEST 374.52 FEET, THENCE SOUTH 87 DEGREES 01 MINUTES 24 SECONDS WEST 358.69 FEET, THENCE SOUTH 09 DEGREES 49 MINUTES 05 SECONDS WEST 151.99 FEET TO A POINT OF CURVE TO THE RIGHT, THENCE SOUTHWESTERLY ALONG SAID CURVE HAVING A RADIUS OF 98.80 FEET THROUGH A CENTRAL ANGLE OF 75 DEGREES 37 MINUTES 18 SECONDS FOR AN ARC LENGTH OF 130.40 FEET (CHORD BEARS SOUTH 47 DEGREES 37 MINUTES 45 SECONDS WEST 121.14 FEET), THENCE SOUTH 85 DEGREES 26 MINUTES 25 SECONDS WEST 83.28 FEET, THENCE SOUTH 60 DEGREES 57 MINUTES 03 SECONDS WEST 115.66 FEET, THENCE SOUTH 00 DEGREES 39 MINUTES 22 SECONDS WEST 173.12 FEET, THENCE SOUTH 89 DEGREES 30 MINUTES 01 SECONDS WEST 41.39 FEET, THENCE LEAVING THE NORTHERLY BOUNDARY FOR SAID SOUTHLANDS LAKE LAFAYETTE BASIN RUN NORTH 00 DEGREES 29 MINUTES 59 SECONDS WEST 2209.57 FEET TO THE SOUTHWEST CORNER OF SAID SWMF #2, THENCE NORTH 89 DEGREES 30 MINUTES 01 SECONDS EAST ALONG THE SOUTHERLY BOUNDARY OF SAID SWMF #2 A DISTANCE OF 880.09 FEET TO THE POINT OF BEGINNING, CONTAINING 375.53 ACRES, MORE OR LESS.

The Assessable Lands within the District consist of 294.03 acres, which include the above described lands less a conservation easement of 81.50 acres described as follows:

LESS AND EXCEPT CONSERVATION EASEMENTS #1, #2, AND #3 AS RECORDED IN OFFICIAL RECORDS BOOK 5270, PAGE 2363 OF THE PUBLIC RECORDS OF LEON COUNTY, FLORIDA.

**EXHIBIT B**  
**DESCRIPTION OF THE PROJECT**

<b>TABLE 2</b>					
SUMMARY OF ENGINEER'S ESTIMATE OF PROBABLE CONSTRUCTION COSTS					
<b>October 18, 2021</b>					
PHASE	STORMWATER	ROADWAY AND DRAINAGE	SANITARY SEWER	WATER	TOTAL COST
<b>Construction:</b>					
1 - Residential Phase I, II, III <sup>(1)(2)</sup>	4,390,686.06	4,720,232.56	790,773.26	733,050.24	10,634,742.12
2 - Multi-Family Residential Phase IA <sup>(3)(4)</sup>	1,239,131.33	456,734.50	158,730.00	511,438.00	2,366,033.83
3 - Residential Phase IV	181,086.18	867,252.10	293,381.00	207,146.50	1,548,865.78
4 - Residential Phase V	992,068.88	2,118,791.40	558,415.00	460,938.50	4,130,213.78
5 - Residential Phase VI	1,370,622.88	1,926,057.10	749,732.50	481,041.00	4,527,453.48
6 - Residential Future Phases <sup>(5)</sup>	4,265,001.84	8,235,828.21	2,685,188.00	1,926,671.52	17,112,689.57
<i>Construction Subtotal<sup>(6)(7)(8)</sup>:</i>	<i>12,438,597.17</i>	<i>18,324,895.87</i>	<i>5,236,219.76</i>	<i>4,320,285.76</i>	<i>40,319,998.55</i>
<b>Professional Services:</b>					
Off-site Engineering					200,000.00
On-site Engineering (Roads, Utilities & Platting)					2,500,000.00
Engineering (CDD Reports)					35,000.00
<i>Professional Services Subtotal:</i>					<i>2,735,000.00</i>
<b>Other Fees and Expenses:</b>					
Future Application and Permitting Fees					600,000.00
Miscellaneous Contingency (10% of Construction, 5% Professional Services)					4,168,749.85
Miscellaneous Expenses <sup>(9)</sup>					100,000.00
<i>Other Fees and Expenses Subtotal:</i>					<i>4,868,749.85</i>
<b>TOTAL:</b>					<b>\$ 47,923,748.40</b>
<p>(1) Costs for Phases I, II, and III are based on the executed contract between RMDC, Inc. and Longleaf Construction Services, LLC dated February 24, 2021.</p> <p>(2) Costs include landscaping, monument signage, and publicly accessible common area parking.</p> <p>(3) Multi-Family Residential costs shown represent offsite infrastructure needed to access the site or extend utilities to it and onsite infrastructure, excluding onsite paving, sidewalks, and landscaping. Costs provided by developer.</p> <p>(4) In addition to the costs identified above in line 2 for the multi-family project, \$1,516,876 of infrastructure in phases I, II, III, IV, V, and VI was identified as providing a benefit to the multi-family project. While these costs are incurred with the construction of the single-family phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the multi-family site. For assessment purposes, the total infrastructure cost for the multi-family project is \$2,366,033.83 + \$1,516,876 = \$3,882,909.83</p> <p>(5) The Total Cost for Future Phases is based on the average cost per lot for Phases IV, V, and VI. The total estimated cost for Phases IV, V, and VI was divided by the 251 lots in Phases IV, V, and VI and then multiplied by the estimated 411 lots within Future Phases. An additional \$400,000 has been added for a future pump station and force main to serve the future phases.</p> <p>(6) Dirt excavated from the stormwater facilities may be used as fill on lots. The cost for stormwater facility excavation is included, but any costs, for moving and placing fill on lots, or grading associated with building pads for lots, are not included. Street lighting, including poles and the underground conduit and wiring, will be provided by, installed (with the exception of conduit crossing roads - conduit is supplied by the City and installed by the developer), owned and maintained by the City of Tallahassee.</p> <p>(7) All financed improvements will be on land owned by, or subject to a permanent easement for the benefit of, the District or another governmental entity.</p> <p>(8) Fencing or walls, if any, are for buffer or safety purposes only.</p> <p>(9) Budget item.</p>					

**EXHIBIT C**

[FORM OF BOND]

R- \_\_\_\_\_

\$ \_\_\_\_\_

**UNITED STATES OF AMERICA  
STATE OF FLORIDA**

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BOND,  
SERIES \_\_\_\_**

Interest Rate

Maturity Date

Date of Original Issuance

CUSIP

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the Fallschase Community Development District (the "Issuer"), for value received, hereby promises to pay to the Registered Owner shown above or registered assigns, on the Maturity Date set forth 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 a 360-day year of twelve 30-day months). Principal of and interest on this Bond are payable by U.S. Bank National Association, in Fort Lauderdale, 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 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 Indenture (defined below). Any capitalized term used in this Bond and not otherwise defined shall have the meaning ascribed to such term in the Indenture.

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

This Bond is one of an authorized issue of Bonds of the Fallschase 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"), and created pursuant to Ordinance No. 97-18 (the "Ordinance") enacted by the Board of County Commissioners of Leon County, Florida (the "County"), effective on October 14, 1997, as amended, designated as "Fallschase Community Development District Special Assessment Bonds, Series \_\_\_\_" (the "Bonds"), in the aggregate principal amount of [\_\_\_\_\_] Dollars (\$) of like date, tenor and effect, except as to number. The Bonds are being issued under authority of the laws and Constitution of the State, including particularly the Act, to pay, among other things, the costs of constructing and/or acquiring a portion of the Project. (as defined in the herein referred to Indenture). The Bonds shall be issued as fully registered Bonds in authorized denominations, as set forth in the Indenture. The Bonds are issued under and secured by a Master Trust Indenture dated as of [\_\_\_\_\_] 1, 2021] (the "Master Indenture"), as amended and supplemented by a [\_\_\_\_\_] Supplemental Trust Indenture dated as of [\_\_\_\_\_] 1, 20[\_\_\_\_\_] (the "[\_\_\_\_\_] Supplemental Indenture" and together with the Master Indenture, the "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 Fort Lauderdale, Florida.

Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds issued under the Indenture, the operation and application of the Debt Service Fund and other Funds and Accounts (each as defined in the Indenture) charged with and pledged to the payment of the principal of, premium, if any, and the interest on the Bonds, the levy and the evidencing and certifying for collection, of Special Assessments, the nature and extent of the security for the Bonds, the terms and conditions on which the Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Indenture, the conditions under which such Indenture may be amended without the consent of the Registered Owners of the Bonds, the conditions under which such Indenture may be amended with the consent of the Majority Holder, and as to other rights and remedies of the Registered Owners of the Bonds.

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

It is expressly agreed by the Registered Owner of this Bond that such Registered 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 of Florida (the "State") or any other political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, the County, the State or any other political subdivision thereof, for the payment of the principal of, premium, if any, and interest on this Bond or the making of any other sinking fund and other payments provided for in the Indenture, except for Special Assessments to be assessed and levied by the Issuer as set forth in the Indenture.

By the acceptance of this Bond, the Registered Owner hereof assents to all the provisions of the Indenture.

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

The 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 Bonds shall be made on the dates specified below. Upon any redemption of Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the 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 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 amount is due, the foregoing recalculation shall not be made to mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

**[Insert Optional, Mandatory, Sinking Fund and Extraordinary Mandatory Redemption Provisions from Series Supplemental Indenture]**

#### Notice of Redemption

The Trustee shall cause notice of redemption to be mailed at least thirty (30) but not more than sixty (60) days prior to the date of redemption to all Registered Owners of Bonds to be redeemed (as such owners appear on the books of the Registrar on the fifth (5th) day prior to such mailing) and to certain additional parties as set forth in the Indenture; provided, however, that failure to mail any such notice or any defect in the notice or the mailing thereof shall not affect the

validity of the redemption of the Bonds for which such notice was duly mailed in accordance with the Indenture. If less than all of the Bonds shall be called for redemption, the notice of redemption shall specify the Bonds to be redeemed. On the redemption date, the Bonds called for redemption will be payable at the corporate trust office of the Paying Agent and on such date interest shall cease to accrue, such Bonds shall cease to be entitled to any benefit under the Indenture and such Bonds shall not be deemed to be outstanding under the provisions of the Indenture and the Registered Owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof. If the amount of funds so deposited with the Trustee, or otherwise available, is insufficient to pay the redemption price and interest on all Bonds so called for redemption on such date, the Trustee shall redeem and pay on such date an amount of such Bonds for which such funds are sufficient, selecting the Bonds to be redeemed by lot from among all such Bonds called for redemption on such date, and interest on any Bonds not paid shall continue to accrue, as provided in the Indenture.

*Partial Redemption of Bonds.* If less than all the Bonds of a maturity are to be redeemed, the Trustee shall select the particular Bonds or portions of Bonds to be redeemed by lot in such reasonable manner as the Trustee in its discretion may determine. In the case of any partial redemption of Bonds pursuant to an optional redemption, such redemption shall be effectuated by redeeming Bonds of such maturities in such manner as shall be specified by the Issuer in writing, subject to the provisions of the Indenture. In the case of any partial redemption of Bonds pursuant to an extraordinary mandatory redemption, such redemption shall be effectuated by redeeming Bonds pro rata among the maturities, treating each date on which a mandatory sinking fund redemption amount is due as a separate maturity for such purpose, with the portion to be redeemed from each maturity being equal to the product of the aggregate principal amount of Bonds to be redeemed multiplied times a fraction the numerator of which is the principal amount of Bonds of such maturity outstanding immediately prior to the redemption date and the denominator of which is the aggregate principal amount of all Bonds outstanding immediately prior to the redemption date.

This Bond shall initially be issued in the name of Cede & Co. as nominee for DTC, and so long as this Bond is held in book-entry-only form Cede & Co. shall be considered the Registered Owner for all purposes hereof, including the payment of the principal of and interest on this Bond. Payment to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to individual Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Issuer or the Trustee.

The Issuer shall keep books for the registration of the Bonds at the corporate trust office of the Registrar in Fort Lauderdale, Florida. Subject to the restrictions contained in the Indenture, the 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 Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the 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 Bonds. Neither the Issuer nor the Registrar on behalf of the Issuer shall be required (i) to issue transfer or exchange any Bond during a period beginning at the opening of business fifteen (15) days before the day of mailing of a notice of redemption of Bonds selected for redemption and ending at the close of business on the day of such mailing, or (ii) to transfer or exchange any Bond so selected for redemption in whole or in part.

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 and notwithstanding any notation of ownership or other writing thereon made by anyone other than the Issuer, the Trustee, the Paying Agent or the Registrar) 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 Bonds of which this Bond is one, is in full compliance with all constitutional and statutory limitations or provisions.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



**IN WITNESS WHEREOF**, Fallschase Community Development District has caused this Bond to be signed by the facsimile signature of the Chair 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.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

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

(SEAL)

Attest:

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

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds delivered pursuant to the within mentioned 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 Bonds which were validated by judgment of the Circuit Court of the Second Judicial Circuit of Florida, in and for Leon County, Florida, rendered on the 2nd day of July, 2007.

---

Chair, Board of Supervisors

---

Secretary

## ABBREVIATIONS

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

TEN COM - as tenants in common  
TEN ENT - as tenants by the entireties  
JT TEN - as joint tenants with 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 D**  
**FORM OF REQUISITION**

FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 20\_\_

The undersigned, a Responsible Officer of the Fallschase Community Development District (the "Issuer") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the Issuer to U.S. Bank National Association, as trustee (the "Trustee"), dated as of [\_\_\_\_\_] 1, 2021, as supplemented by that certain [\_\_\_\_\_] Supplemental Trust Indenture dated as of [\_\_\_\_\_] 1, 20[ ] (the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (1) Requisition Number:
- (2) Name of Payee pursuant to Acquisition Agreement:
- (3) Amount Payable:
- (4) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable):
- (5) Fund or Account and subaccount, if any, from which disbursement to be made:

The undersigned hereby certifies that:

1.  obligations in the stated amount set forth above have been incurred by the Issuer,  
  
or  
  
 this requisition is for Costs of Issuance payable from the Acquisition and Construction Fund that have not previously been paid;
2. each disbursement set forth above is a proper charge against the Acquisition and Construction Fund;
3. each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Project;
4. each disbursement represents a Cost of the Project which has not previously been paid.

The undersigned hereby further certifies that there has not been filed with or served upon the Issuer 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 property acquired or the services rendered, with respect to which disbursement is hereby requested.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

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

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

If this requisition is for a disbursement for other than Costs of Issuance, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineer, as such report shall have been amended or modified on the date hereof. The Consulting Engineer further certifies and agrees that for any requisition (a) the portion of the 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 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



**EXHIBIT B**

**FORM OF FIRST SUPPLEMENTAL TRUST INDENTURE**

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**FIRST SUPPLEMENTAL TRUST INDENTURE**

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between

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
(LEON COUNTY, FLORIDA)**

and

**U.S. BANK NATIONAL ASSOCIATION**

as Trustee

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**Dated as of [November] 1, 2021**

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**Authorizing and Securing  
\$[\_\_\_\_\_]  
FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2021**

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**THIS FIRST SUPPLEMENTAL TRUST INDENTURE** (the "First Supplemental Trust Indenture"), dated as of [November] 1, 2021 between the **FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT** (together with its successors and assigns, the "Issuer" or the "District"), 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 Fort Lauderdale, 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"), and created and chartered by Section 190.004(4) of the Act and reestablished as authorized by Section 190.005(3) of the Act on the Fallschase Property as a community development district by Ordinance No. 97-18 enacted by the Board of County Commissioners of Leon County, Florida (the "County") effective on October 14, 1997, for the purpose, among other things, of financing and managing the acquisition and construction, maintenance, and operation of the major infrastructure within and without the boundaries of the premises to be governed by the Issuer; and

**WHEREAS**, the premises to be governed by the Issuer (as further described in Exhibit A to the Master Indenture, the "District Lands") originally consisted of approximately 490.17 acres of land located entirely within the County, but have subsequently been reduced such that the current premises governed by the Issuer consist of approximately 375.53 acres, which include a conservation easement of 81.50 acres, leaving assessable lands within the District of 294.03 acres (the "Assessment Area"); 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 on May 1, 2007 adopted Resolution No. 2007-6 (the "Original Authorizing Resolution"), authorizing the issuance of not to exceed \$70,000,000 in aggregate principal amount of its Special Assessment Bonds (the "Bonds") to finance all or a portion of the costs of planning, financing, acquisition, construction, reconstruction, equipping and installation in one or more stages, of the Project, 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**, the Issuer has determined to undertake, in one phase, the acquisition and/or construction of public infrastructure improvements and community facilities as set forth in the Act for the special benefit of the District Lands (the "Project"), as described in the Amended and Restated Engineer's Report on District Improvements and Estimated Probable Construction Cost dated April 23, 2007, as amended July 20, 2007, December 1, 2017, September 4, 2020, August 29, 2021 and October 18, 2021, as supplemented as of October 18, 2021 (the "Engineer's

Report"), prepared by Moore Bass Consulting, Inc. (the "Consulting Engineer") and summarized in Exhibit A hereto; and

**WHEREAS**, RMDC, Inc., a Florida corporation (the "Developer") and Red Hills Property Holdings, LLC, a Delaware limited liability company (collectively, the "Series 2021 Landowners") are the owners of the Assessment Area which is planned to be developed as 732 single family residential units, 60 townhome units and 288 multi-family units and will construct or cause the Issuer to construct all of the public infrastructure necessary to serve the Assessment Area (such public infrastructure as described on Exhibit A attached hereto is herein collectively referred to as the "Project"); and

**WHEREAS**, the Issuer has determined to issue a Series of Bonds, designated as the Fallschase Community Development District Special Assessment Bonds, Series 2021 (the "Series 2021 Bonds"), pursuant to that certain Master Indenture and this First Supplemental Trust Indenture (hereinafter sometimes collectively referred to as the "Series 2021 Indenture"); and

**WHEREAS**, in the manner provided herein, the net proceeds of the Series 2021 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 2021 Project, (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 Bonds; and

**WHEREAS**, the Series 2021 Bonds will be secured by a pledge of Series 2021 Pledged Revenues (as herein defined) to the extent provided herein.

**NOW, THEREFORE, THIS FIRST SUPPLEMENTAL TRUST INDENTURE WITNESSETH**, that to provide for the issuance of the Series 2021 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 2021 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2021 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 2021 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 2021 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 2021 Indenture with respect to the Series 2021 Bonds.

**IN TRUST NEVERTHELESS**, for the equal and ratable benefit and security of all present and future Holders of the Series 2021 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 2021 Bond over any other Series 2021 Bond, all as provided in the Series 2021 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 2021 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 2021 Bonds and the Series 2021 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 2021 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 2021 Landowners regarding the acquisition of certain work product, improvements and real property dated [May, \_\_, 2021].

"Arbitrage Certificate" shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants, of the Issuer, dated [\_\_\_\_], 2021, relating to certain restrictions on arbitrage under the Code with respect to the Series 2021 Bonds.

"Assessment Area" shall mean the approximately [274.97] acres of land within the District currently planned for 732 single family residential units, 60 townhome units and 288 multi-family units and related improvements constituting the residential community.

"Assessment Resolutions" shall mean Resolution Nos. 2007-4, 2007-5, 2007-10, 2018-03, 2018-04, 2018-06 and 2021-[\_\_] of the Issuer adopted on May 1, 2007, May 1, 2007, June 5, 2007, December 6, 2017, December 6, 2017, February 7, 2018 and [\_\_\_\_ \_\_, 2021], respectively, as amended and supplemented from time to time.

"Authorized Denomination" shall mean, with respect to the Series 2021 Bonds, on the date of issuance denominations of \$5,000 and any integral multiple thereof; provided, however, if any initial Beneficial Owner (as hereinafter defined) does not purchase at least \$100,000 of the Series 2021 Bonds at the time of initial delivery of the Series 2021 Bonds, such Beneficial

Owner must either execute and deliver to the Issuer and the Underwriter on the date of delivery of the Series 2021 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.

"Collateral Assignment" shall mean the certain rights granted on instruments executed by the Series 2021 Landowners in favor of the Issuer whereby certain of the material documents necessary to complete the development of the Series 2021 Project are collaterally assigned to the Issuer as security for the Series 2021 Landowners' obligations to pay the Series 2021 Special Assessments imposed against lands within the Assessment Area owned by the Series 2021 Landowners from time to time.

"Completion Agreement" shall mean the Agreement between the District and the Developer regarding the completion of certain improvements dated [\_\_\_, \_\_], 2021.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement for the benefit of the owners of the Series 2021 Bonds, dated [\_\_\_ \_\_], 2021, by and among the Issuer, the dissemination agent named therein, and the Series 2021 Landowners, in connection with the issuance of the Series 2021 Bonds.

"Declaration of Consent" shall mean those certain instruments, dated as of [\_\_\_], 2021 executed by the Series 2021 Landowners, each declaring consent to the jurisdiction of the District and the imposition of the Series 2021 Special Assessments.

"Defeasance Securities" shall mean, with respect to the Series 2021 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 Wrathell, Hunt and Associates, LLC, and its successors and assigns.

"Interest Payment Date" shall mean May 1 and November 1 of each year, commencing May 1, 2022.

"Majority Holder" means the Beneficial Owners of more than fifty percent (50%) in aggregate principal amount of the Outstanding Series 2021 Bonds.

"Master Indenture" shall mean the Master Trust Indenture, dated as of [November], 1, 2021, 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 2021 Bonds (as opposed to supplements or amendments relating to any Series of Bonds other than the Series 2021 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 2021 Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments. The term "Prepayment" also means any proceeds received as a result of accelerating and/or foreclosing the Series 2021 Special Assessments. "Prepayments" shall include, without limitation, Series 2021 Prepayment Principal.

"Project" shall mean all of the public infrastructure deemed necessary for the development of the District including, but not limited to, the Series 2021 Project.

"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 2021 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 an Series 2021 Bond is to be paid.

"Resolution" shall mean, collectively, (i) Resolution No. 2007-6 of the Issuer adopted on May 1, 2007, pursuant to which the Issuer authorized the issuance of not exceeding \$70,000,000 aggregate principal amount of its Bonds to finance the construction or acquisition of the Project, and (ii) Resolution No. 2022-[ ] of the Issuer adopted on October [ ], 2021 (the "Delegation Resolution"), pursuant to which the Issuer authorized, among other things, the issuance of the Series 2021 Bonds to pay all or a portion of the costs of the planning, financing, the acquisition, construction, equipping and installation of the Series 2021 Project, specifying the details of the Series 2021 Bonds and awarding the Series 2021 Bonds to the purchaser of the Series 2021 Bonds.

"Series 2021 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 2021 Bond Redemption Account" shall mean the Account so designated, established as a separate Account within the Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2021 Bonds" shall mean the \$[ ] aggregate principal amount of Fallschase Community Development District Special Assessment Bonds, Series 2021, 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 2021 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 2021 General Redemption Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Series 2021 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2021 Indenture" shall mean collectively, the Master Indenture and this First Supplemental Trust Indenture.

"Series 2021 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 2021 Landowners" shall mean, collectively, RMDC, Inc., a Florida corporation, Red Hills Property Holdings, LLC, a Delaware limited liability company, and their respective successors and assigns.

"Series 2021 Optional Redemption Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Series 2021 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2021 Pledged Revenues" shall mean with respect to the Series 2021 Bonds (a) all revenues received by the Issuer from Series 2021 Special Assessments levied and collected on the Assessment Area, benefitted by the Series 2021 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Series 2021 Indenture created and established with respect to or for the benefit of the Series 2021 Bonds; provided, however, that Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 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 2021 Indenture shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso).

"Series 2021 Prepayment Principal" shall mean the portion of a Prepayment corresponding to the principal amount of Series 2021 Special Assessments being prepaid pursuant to Section 4.05 of this First Supplemental Trust Indenture or as a result of an acceleration of the Series 2021 Special Assessments pursuant to Section 170.10, Florida Statutes, if such Series 2021 Special Assessments are being collected through a direct billing method.

"Series 2021 Prepayment Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Series 2021 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2021 Project" shall mean the public infrastructure described in Exhibit A attached hereto benefitting the Assessment Area.

"Series 2021 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 2021 Reserve Account" shall mean the Account so designated, established as a separate Account within the Debt Service Reserve Fund pursuant to Section 4.01(f) of this First Supplemental Trust Indenture.

"Series 2021 Reserve Requirement" or "Reserve Requirement" shall be an amount equal to fifty percent (50%) of the maximum annual debt service on the Series 2021 Bonds as calculated from time to time. The Series 2021 Reserve Requirement shall be calculated as of the date of the original issuance and delivery and recalculated in connection with each extraordinary mandatory redemption of the Series 2021 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 2021 Reserve Account and transferred to the Series 2021 Prepayment Subaccount in accordance with the provisions of Section 3.01(b)(i), 4.01(f) and 4.05(a) hereof. Amounts on deposit in the Series 2021 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2021 Bonds be used to pay principal of and interest on the Series 2021 Bonds at that time. Initially, the Series 2021 Reserve Requirement shall be equal to \$[\_\_\_\_\_].

"Series 2021 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 2021 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 2021 Special Assessments" shall mean the Special Assessments levied on the Assessment Area as a result of the Issuer's acquisition and/or construction of the Series 2021 Project, corresponding in amount to the debt service on the Series 2021 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 2021 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 2021 Special Assessments are Substantially Absorbed and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Series 2021 Special Assessments are Substantially Absorbed.

"True-Up Agreement" shall mean the Agreement dated [November, \_\_, 2021], by and between the Issuer and the Series 2021 Landowners relating to the true-up of Series 2021 Special Assessments.

"Underwriter" shall mean FMSbonds, Inc., the underwriter of the Series 2021 Bonds.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the form of Series 2021 Bonds), refer to the entire Series 2021 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 Chair or Vice Chair 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 2021 BONDS**

**SECTION 2.01.** Amounts and Terms of Series 2021 Bonds; Issue of Series 2021 Bonds. No Series 2021 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 2021 Bonds that may be issued under this First Supplemental Trust Indenture is expressly limited to \$[\_\_\_\_\_]. The Series 2021 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2021 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 2021 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 2021 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 2021 Bonds and deliver them as specified in the request.

**SECTION 2.02.** Execution. The Series 2021 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

**SECTION 2.03.** Authentication. The Series 2021 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2021 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 2021 Bonds.

(a) The Series 2021 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 2021 Project, (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2021 Bonds and (iv) paying the costs of issuance of the Series 2021 Bonds. The Series 2021 Bonds shall be designated "Fallschase Community Development District Special Assessment Bonds, Series 2021 and shall be issued as fully registered Bonds without coupons in Authorized Denominations.

(b) The Series 2021 Bonds shall be dated as of the date of initial delivery. Interest on the Series 2021 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2021 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 May 1, 2022, 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 2021 Bonds, the principal or Redemption Price of the Series 2021 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 2021 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 2021 Bonds, the payment of interest on the Series 2021 Bonds shall be made on each Interest Payment Date to the Registered Owners of the Series 2021 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Registered Owner as such Registered 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 2021 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 Registered Owner in whose name the Series 2021 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 Registered 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 Registered Owner of Series 2021 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Registered 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 Registered 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 2021 Bonds.

(a) The Series 2021 Bonds will mature on May 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 2021 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 2021 Bonds on the day before the default occurred.

**SECTION 2.06.** Disposition of Series 2021 Bond Proceeds. From the net proceeds of the Series 2021 Bonds received by the Trustee in the amount of \$[\_\_\_\_\_] (par amount of \$[\_\_\_\_\_] [plus/minus [net] original issue premium/discount] of \$[\_\_\_\_\_] less underwriter's discount of \$[\_\_\_\_\_] which is retained by the underwriter of the Series 2021 Bonds):

(a) \$[\_\_\_\_\_], which is an amount equal to the Series 2021 Reserve Requirement, shall be deposited in the Series 2021 Reserve Account of the Debt Service Reserve Fund;

(b) \$[\_\_\_\_\_], shall be deposited into the Series 2021 Interest Account of the Debt Service Fund and applied to pay interest coming due on the Series 2021 Bonds through [\_\_\_\_ 1, 20\_\_];

(c) \$[\_\_\_\_\_], shall be deposited into the Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund for payment of the costs of issuing the Series 2021 Bonds; and

(d) \$[\_\_\_\_\_], representing the balance of the net proceeds of the Series 2021 Bonds, shall be deposited in the Series 2021 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 2021 Project in accordance with Section 4.01(a) hereof, Article V of the Master Indenture and the terms of the Acquisition Agreement.

**SECTION 2.07.** Book-Entry Form of Series 2021 Bonds. The Series 2021 Bonds shall be issued as one fully registered bond for each maturity of Series 2021 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 2021 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 2021 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 2021 Bonds ("Beneficial Owners").

Principal and interest on the Series 2021 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 2021 Bonds, through DTC Participants and Indirect Participants.

During the period for which Cede & Co. is Registered Owner of the Series 2021 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 2021 Bonds in the form of fully registered Series 2021 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 2021 Bonds may be exchanged for an equal aggregate principal amount of Series 2021 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 2021 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 2021 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 2021 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2021 Bonds, all the Series 2021 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) Executed originals of the Master Indenture and this First Supplemental Trust Indenture;
- (c) Opinions of Counsel required by the Master Indenture;
- (d) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2021 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 2021 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 2021 BONDS**

**SECTION 3.01.** Redemption Dates and Prices. The Series 2021 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 2021 Bonds shall be made on the dates hereinafter required. Except as otherwise provided in this Section 3.01, if less than all the Series 2021 Bonds of a maturity are to be redeemed pursuant to an extraordinary mandatory redemption, the Trustee shall select the Series 2021 Bonds or portions of the Series 2021 Bonds to be redeemed by lot. Partial redemptions of Series 2021 Bonds shall, to the extent possible, be made in such a manner that the remaining Series 2021 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2021 Bond.

The Series 2021 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 2021 Bonds shall be made on the dates specified below. Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 2021 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 2021 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 2021 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 amount 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 2021 Bonds maturing after [May 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 [May 1, 20\_\_] (less than all Series 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 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 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

(b) Extraordinary Mandatory Redemption in Whole or in Part. The Series 2021 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 2021 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account following the payment in whole or in part of Series 2021 Special Assessments on any assessable property within the Assessment Area 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 2021 Reserve Account to the Series 2021 Prepayment Subaccount as a result of such Series 2021 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 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and Subaccounts in the Funds and Accounts (other than the Series 2021 Rebate Fund and the Series 2021 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2021 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 2021 Acquisition and Construction Account in accordance with the provisions of Section 4.01(a) hereof, not otherwise reserved to complete the Series 2021 Project and transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

(c) Mandatory Sinking Fund Redemption. The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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.

Year	Mandatory Sinking Fund Redemption Amount
\$	

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\* Maturity.

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
	\$1

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\* Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
	\$

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\* Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
	\$

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\* Maturity

**SECTION 3.02.** Notice of Redemption. When required to redeem Series 2021 Bonds under any provision of this First Supplemental Trust Indenture or directed to redeem Series 2021 Bonds by the Issuer, the Trustee shall give or cause to be given to Registered Owners of the Series 2021 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 2021 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 2021 Acquisition and Construction Account." Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Acquisition and Construction Account in the amount set forth in Section 2.06 of this First Supplemental Trust Indenture, together with any moneys transferred or deposited thereto, 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. Funds on deposit in the Series 2021 Acquisition and Construction Account shall only be requested by the Issuer to be applied to the Costs of the Series 2021 Project.

After the Completion Date for the Series 2021 Project, any moneys remaining in the Series 2021 Acquisition and Construction Account after retaining costs to complete the Series 2021 Project, shall be transferred to the Series 2021 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 2021 Acquisition and Construction Account. After no funds remain therein, the Series 2021 Acquisition and Construction Account shall be closed. The Trustee shall not be responsible for determining the amounts in the Series 2021 Acquisition and Construction Account allocable to the respective components of the Series 2021 Project.

The Trustee shall make no such transfers from the Series 2021 Acquisition and Construction Account to the Series 2021 General Redemption Subaccount if an Event of Default exists with respect to the Series 2021 Bonds of which the Trustee has notice as described in Section 11.06 of the Master Indenture or of which the Trustee has actual knowledge as described in Section 11.06 of the Master Indenture. Except as provided in Section 3.01(b)(iii) or 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 2021 Acquisition and Construction Account.

Pursuant to the Master Indenture, the Trustee shall establish a separate account within the Acquisition and Construction Fund designated as the "Series 2021 Costs of Issuance Account." Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 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 2021 Costs of Issuance Account to pay the costs of issuing the Series 2021 Bonds. Six months after the issuance of the Series 2021 Bonds, any moneys remaining in the Series 2021 Costs of Issuance Account in excess of the amounts requested to be disbursed by the Issuer shall be deposited into the Series 2021 Interest Account and the Series 2021 Costs of Issuance Account

shall be closed. Any deficiency in the amount allocated to pay the cost of issuing the Series 2021 Bonds shall be paid from excess Series 2021 Pledged Revenues on deposit in the Series 2021 Revenue Account, as provided in Section 4.02. After no funds remain therein, the Series 2021 Costs of Issuance Account shall be closed.

(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 2021 Revenue Account." Series 2021 Special Assessments (except for Prepayments of Series 2021 Special Assessments which shall be identified as such by the Issuer to the Trustee and deposited in the Series 2021 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2021 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 2021 Special Assessments otherwise received by the Trustee, are to be deposited into the Series 2021 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 2021 Interest Account." Moneys deposited into the Series 2021 Interest Account pursuant to Section 6.04 of the Master Indenture and Sections 2.06 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 2021 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 2021 Sinking Fund Account." Moneys shall be deposited into the Series 2021 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 2021 Reserve Account." Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 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 2021 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 Securities on deposit in the Series 2021 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 2021 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 2021 Reserve Account and transfer any excess therein above the Reserve Requirement for the Series 2021 Bonds caused by investment earnings to the Series 2021 Revenue Account in accordance with Section 4.02 hereof.

In the event of a prepayment of Series 2021 Special Assessments in accordance with Section 4.05(a) of this First Supplemental Trust Indenture, forty-five (45) days before the next Quarterly Redemption Date, after receiving the written direction of the Issuer described in Section 4.05(a) hereof, the Trustee shall recalculate the Series 2021 Reserve Requirement taking into account the amount of Series 2021 Bonds that will be outstanding as a result of such prepayment of Series 2021 Special Assessments, and cause the amount on deposit in the Series 2021 Reserve Account in excess of the Series 2021 Reserve Requirement, resulting from Series 2021 Prepayment Principal, to be transferred to the Series 2021 Prepayment Subaccount to be applied toward the extraordinary redemption of Series 2021 Bonds in accordance with Section 3.01(b)(i), as a credit against the Series 2021 Prepayment Principal otherwise required to be made by the owner of such property subject to Series 2021 Special Assessments.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2021 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holder of the Series 2021 Bonds to the Series 2021 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 2021 Special Assessments and applied to redeem a portion of the Series 2021 Bonds is less than the principal amount of Series 2021 Bonds indebtedness attributable to such lands.

In addition, and together with the moneys transferred from the Series 2021 Reserve Account pursuant to this paragraph, if the amount on deposit in the Series 2021 Prepayment Subaccount is not sufficient to redeem a principal amount of the Series 2021 Bonds in an Authorized Denomination, the Trustee is authorized to withdraw amounts from the Series 2021 Revenue Account to round up the amount in the Series 2021 Prepayment Subaccount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2021 Revenue Account shall be made to pay interest on and/or principal of the Series 2021 Bonds for the redemption pursuant to Section 3.01(b)(iii) or 3.01(b)(iv) 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 2021 Bond Redemption Account" and within such Account, an "Series 2021 General Redemption Subaccount," an "Series 2021 Optional Redemption Subaccount," and an "Series 2021 Prepayment Subaccount." Except as otherwise provided in this First Supplemental Trust Indenture regarding Prepayments or in connection with the optional redemption of the Series 2021 Bonds, moneys to be deposited into the Series 2021 Bond Redemption Account as provided in Section 6.06 of the Master Indenture, shall be deposited to the Series 2021 General Redemption Subaccount.

(h) Moneys that are deposited into the Series 2021 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 2021 Bonds or (ii) in part pursuant to Section 3.01(b)(iii) hereof, an amount of Series 2021 Bonds equal to the amount of money transferred from the Series 2021 Acquisition and Construction Account pursuant to Section 3.01(b)(iii) and Section 4.01(a) hereof.

(i) Moneys in the Series 2021 Prepayment Subaccount (including all earnings on investments held in such Series 2021 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 2021 Bonds equal to the amount of money transferred to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account for the purpose of such extraordinary mandatory redemption on the dates and at the price provided in Section 3.01(b)(i) hereof. In addition, and together with the moneys transferred from the Series 2021 Reserve Account pursuant to paragraph (f) above, if the amount on deposit in the Series 2021 Prepayment Subaccount is not sufficient to redeem a principal amount of the Series 2021 Bonds in an Authorized Denomination, the Trustee upon written direction from the Issuer, shall be authorized to withdraw amounts from the Series 2021 Revenue Account to deposit to the Series 2021 Prepayment Subaccount to round-up the amount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2021 Revenue Account shall be directed by the Issuer to pay interest on and/or principal of the Series 2021 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.

(j) The Issuer hereby directs the Trustee to establish a separate account in the Rebate Fund designated as the "Series 2021 Rebate Account." Moneys shall be deposited into the Series 2021 Rebate Account, as provided in the Arbitrage Certificate and applied for the purposes provided therein.

(k) Moneys on deposit in the Series 2021 Optional Redemption Subaccount shall be used to optionally redeem all or a portion of the Series 2021 Bonds pursuant to Section 3.01(a) hereof.

**SECTION 4.02.** Series 2021 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2021 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 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Series 2021 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each [\_\_\_\_\_] 1, commencing [\_\_\_\_\_] 1, 20\_\_], to the Series 2021 Sinking Fund Account, an amount equal to the principal amount of Series 2021 Bonds subject to sinking fund redemption on such [\_\_\_\_\_] 1, less any amount on deposit in the Series 2021 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2021 Bonds remain Outstanding, to the Series 2021 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 2021 Bonds;

FOURTH, notwithstanding the foregoing, at any time the Series 2021 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 to the Series 2021 Interest Account, the amount necessary to pay interest on the Series 2021 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 2021 Costs of Issuance Account upon the written request of the Issuer to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2021 Bonds and next, any balance in the Series 2021 Revenue Account shall remain on deposit in such Series 2021 Revenue Account, unless needed for the purposes of rounding the principal amount of an Series 2021 Bond subject to extraordinary mandatory redemption pursuant to Section 4.01(i) hereof to an Authorized Denomination, or unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2021 Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.

Notwithstanding the foregoing, in the event of redemption of Series 2021 Bonds from Prepayments on deposit in the Series 2021 Prepayment Subaccount, the Trustee is further authorized, upon written direction from the Issuer, to transfer from the Series 2021 Revenue Account to the Series 2021 Prepayment Subaccount sufficient funds to cause the redemption of the next closest Authorized Denomination of Series 2021 Bonds, as provided in Section 4.01(i) hereinabove.

**SECTION 4.03.** Power to Issue Series 2021 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2021 Bonds, to execute and deliver the Series 2021 Indenture and to pledge the Series 2021 Pledged Revenues for the benefit of the Series 2021 Bonds to the extent set forth herein. The Series 2021 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 2021 Bonds, except as otherwise permitted under Section 5.04 hereof. The Series 2021 Bonds and the provisions of the Series 2021 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 2021 Indenture and all the rights of the Holders of the Series 2021 Bonds under the Series 2021 Indenture against all claims and demands of all persons whomsoever.

**SECTION 4.04.** Series 2021 Project to Conform to the Engineer's Report. Simultaneously with the issuance of the Series 2021 Bonds, the Issuer will promptly proceed to construct or acquire the Series 2021 Project, as described in Exhibit A hereto and in the Engineer's Report relating thereto, all pursuant to the terms and provisions of the Acquisition Agreement.

**SECTION 4.05.**      Prepayments; Removal of Series 2021 Special Assessment Liens.

(a) At any time any owner of property subject to the Series 2021 Special Assessments may, at its option, or as a result of acceleration of the Series 2021 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 2021 Special Assessments by paying or causing there to be paid, to the Issuer all or a portion of the Series 2021 Special Assessment, which shall constitute Series 2021 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 forty-five (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 2021 Special Assessments owned by such owner. To the extent that such Prepayments are to be used to redeem Series 2021 Bonds pursuant to Section 3.01(b)(i) hereof, in the event the amount on deposit in the Series 2021 Reserve Account will exceed the Series 2021 Reserve Requirement for the Series 2021 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 2021 Bonds, the excess amount shall be transferred from the Series 2021 Reserve Account to the Series 2021 Prepayment Subaccount, as a credit against the Series 2021 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 stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2021 Reserve Account to equal or exceed the Series 2021 Reserve Requirement.

(b) Upon receipt of Series 2021 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 2021 Special Assessment has been paid in whole or in part and that such Series 2021 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 2021 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 2021 Special Assessments. The Series 2021 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 Issuer determines that it is in its best interests to collect directly. The Series 2021 Special Assessments levied on unplatted lots or lands shall be billed and collected directly by the Issuer pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method unless the Issuer determines that it is in its best interests to do so. Prior to an Event of Default, the election to collect and enforce Series 2021 Special Assessments in any year pursuant to any one method shall not, to the extent permitted by law, preclude the Issuer from electing to collect and enforce the Series 2021 Special Assessments pursuant to any other method permitted by law in any subsequent year. Following an Event of Default, Series 2021 Special Assessments levied on platted lots shall be collected pursuant to the Uniform Method and Series 2021 Special Assessments levied on unplatted lots or lands shall be billed and collected directly by the Issuer 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 Holder, provides written consent/direction to a different method of collection. All Series 2021 Special Assessments that are billed and collected directly by the Issuer 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 2021 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. The assessment methodology shall not be materially amended without the written consent of the Majority Holder.

**SECTION 5.02.** Continuing Disclosure. Contemporaneously with the execution and delivery hereof, the Issuer and the Series 2021 Landowner has 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 2021 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 2021 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 Assessment Area that are subject to the Series 2021 Special Assessments, until the Series 2021 Special Assessments are Substantially Absorbed. The District shall present the Trustee with a certification that the Series 2021 Special Assessments are Substantially Absorbed and the Trustee may rely conclusively upon such

certification and shall have no duty to verify if the Series 2021 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to assume that the Series 2021 Special Assessments have not been Substantially Absorbed. Such covenant shall not prohibit the Issuer from issuing refunding Bonds or any Bonds or other obligations secured by Special Assessment levied on District Lands that are outside the Assessment Area, or to finance any other capital project that is necessary to remediate any natural disaster, catastrophic damage or failure with respect to the Series 2021 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 the Holders of more than fifty percent (50%) in aggregate principal amount of the Outstanding Series 2021 Bonds. shall in each case be deemed to refer to, and shall mean, the Majority Holder.

**SECTION 5.06.** Acknowledgement Regarding Series 2021 Acquisition and Construction Account Moneys Following an Event of Default. In accordance with the provisions of the Series 2021 Indenture, the Series 2021 Bonds are payable solely from the Series 2021 Pledged Revenues and any other moneys held by the Trustee under the Series 2021 Indenture for such purpose. Anything in the Series 2021 Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that the Series 2021 Pledged Revenues includes, without limitation, all amounts on deposit in the Series 2021 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, and that upon the occurrence of an Event of Default with respect to the Series 2021 Bonds, (i) the Series 2021 Pledged Revenues may not be used by the Issuer (whether to pay costs of the Series 2021 Project or otherwise) without the consent of the Majority Holder and (ii) the Series 2021 Pledged Revenues may be used by the Trustee, at the direction or with the approval of the Majority Holder, to pay costs and expenses incurred in connection with the pursuit of remedies under the Series 2021 Indenture, provided, however notwithstanding anything herein to the contrary the Trustee is also authorized to utilize the Series 2021 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 2021 Indenture. The Trustee agrees to act as Paying Agent, Registrar and Authenticating Agent for the Series 2021 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 2021 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 2021 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 2021 Bonds or the date fixed for the redemption of any Series 2021 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 2021 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 – SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, Fallschase Community Development District has caused this First Supplemental Trust Indenture to be executed by the Chair 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.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

[SEAL]

Attest:

By: \_\_\_\_\_  
Name: Richard Yates  
Title: Chair, Board of Supervisors

By: \_\_\_\_\_  
Name: Cindy Cerbone  
Title: Secretary, Board of Supervisors

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

By: \_\_\_\_\_  
Name: Amanda Kumar  
Title: Vice President



**EXHIBIT A  
DESCRIPTION OF SERIES 2021 PROJECT**

<b>SPECIFIC IMPROVEMENTS ANTICIPATED TO BE FINANCED WITH THE DISTRICT'S SERIES 2021 BONDS</b>					
<b>October 18, 2021</b>					
PHASE	STORMWATER	ROADWAY AND DRAINAGE	SANITARY SEWER	WATER	TOTAL COST
<b>Construction:</b>					
1 - Residential Phase I, II, III <sup>(1)(2)</sup>	4,390,686.06	4,720,232.56	790,773.26	733,050.24	10,634,742.12
2 - Multi-Family Residential Phase IA <sup>(3)(4)(5)</sup>	1,239,131.33	456,734.50	158,730.00	511,438.00	2,366,033.83
<i>Construction Subtotal<sup>(6)(7)</sup>:</i>	<i>5,629,817.39</i>	<i>5,176,967.06</i>	<i>949,503.26</i>	<i>1,244,488.24</i>	<i>13,000,775.95</i>
<b>Professional Services:</b>					
25% of Off-site Engineering					50,000.00
60% of On-site Engineering (Roads, Utilities & Platting)					1,500,000.00
Engineering (CDD Reports)					35,000.00
<i>Professional Services Subtotal:</i>					<i>1,585,000.00</i>
<b>TOTAL:</b>					<b>\$ 14,585,775.95</b>
<p>(1) Costs for Phases I, II, and III are based on the executed contract between RMDC, Inc. and Longleaf Construction Services, LLC dated February 24, 2021.</p> <p>(2) Costs include landscaping, monument signage, and publicly accessible common area parking.</p> <p>(3) Multi-Family Residential costs shown represent offsite infrastructure needed to access the site or extend utilities to it and onsite infrastructure, excluding onsite paving, sidewalks, and landscaping. Costs provided by developer.</p> <p>(4) In addition to the costs identified above in line 2 for the multi-family project, \$1,516,876 of infrastructure in phases I, II, III, IV, V, and VI was identified as providing a benefit to the multi-family project. While these costs are incurred with the construction of the single-family phases I-VI and therefore included in the costs for those phases for ease of reference, the costs were calculated as \$1,436,151 attributed to roadways, \$80,725 attributed to miscellaneous landscape and shared multi-use trails and such costs benefit and provide utility service and access to the multi-family site. <b>For assessment purposes, the total infrastructure cost for the multi-family project is \$2,366,033.83 + \$1,516,876 = \$3,882,909.83</b></p> <p>(5) The multi-family project, Phase IA, is currently under construction. Site work is estimated to be complete within 12 months.</p> <p>(6) Dirt excavated from the stormwater facilities may be used as fill on lots. The cost for stormwater facility excavation is included, but any costs, for moving and placing fill on lots, or grading associated with building pads for lots, are not included. Street lighting, including poles and the underground conduit and wiring, will be provided by, installed (with the exception of conduit crossing roads - conduit is supplied by the City and installed by the developer), owned and maintained by the City of Tallahassee.</p> <p>(7) All financed improvements will be on land owned by, or subject to a permanent easement for the benefit of, the District or another governmental entity.</p>					

**EXHIBIT B**

[FORM OF SERIES 2021 BOND]

R-1

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

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
LEON COUNTY, FLORIDA  
FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BOND, SERIES 2021**

<u>Interest Rate</u> [ ]%	<u>Maturity Date</u> [ ] 1, 20 [ ]	<u>Date of Original Issuance</u> [ ], 2021	<u>CUSIP</u> [ ]
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Registered Owner: CEDE & CO.

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the Fallschase Community Development District (the "Issuer"), for value received, hereby promises to pay to the Registered Owner shown above or registered assigns, on the Maturity Date set forth 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). Principal of and interest on this Bond are payable by U.S. Bank National Association, in Fort Lauderdale, 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 [May 1, 2022] 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 2021 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 [May 1, 2022], 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 2021 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 2021 Indenture.

THE SERIES 2021 BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE SERIES 2021 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE SERIES 2021 INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, LEON COUNTY, FLORIDA (THE "COUNTY"), THE CITY OF TALLAHASSEE, FLORIDA (THE "CITY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2021 BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE SERIES 2021 INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2021 SPECIAL ASSESSMENTS (AS DEFINED IN THE SERIES 2021 INDENTURE) TO SECURE AND PAY THE SERIES 2021 BONDS. THE SERIES 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE COUNTY, THE CITY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

This Bond is one of an authorized issue of Series 2021 Bonds of the Fallschase 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"), Ordinance No. 2007-12 enacted by the County Commission of the Leon County, Florida, which became effective on October 14, 1997, designated as "Fallschase Community Development District Special Assessment Bonds, Series 2021 (Series 2021 Project)" (the "Series 2021 Bonds"), in the aggregate principal amount of [ ] and 00/100 Dollars (\$[ ]) of like date, tenor and effect, except as to number. The Series 2021 Bonds are being issued under authority of the laws and Constitution of the State, including particularly the Act, to pay, among other things, the costs of constructing and/or acquiring a portion of the Series 2021 Project (as defined in the herein referred to Series 2021 Indenture). The Series 2021 Bonds shall be issued as fully registered Series 2021 Bonds in Authorized Denominations, as set forth in the Series 2021 Indenture. The Series 2021 Bonds are issued under and secured by a Master Trust Indenture dated as of [ ] 1, 2021] (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of [ ] 1, 2021] (the "First Supplemental Trust Indenture" and together with the Master Indenture, the "Series 2021 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 Fort Lauderdale, Florida.

Reference is hereby made to the Series 2021 Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2021 Bonds issued under the Series 2021 Indenture, the operation and application of the Debt Service Fund and other Funds and Accounts (each as defined in the Series 2021 Indenture) charged with and pledged to the payment of the principal of and the interest on the Series 2021 Bonds, the levy and the evidencing and certifying for collection, of the Series 2021 Special Assessments, the nature and extent of the security for the Series 2021 Bonds, the terms and conditions on which

the Series 2021 Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Series 2021 Indenture, the conditions under which such Series 2021 Indenture may be amended without the consent of the Registered Owners of the Series 2021 Bonds, the conditions under which such Series 2021 Indenture may be amended with the consent of the Majority Holder, and as to other rights and remedies of the Registered Owners of the Series 2021 Bonds.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Series 2021 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 2021 Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Series 2021 Indenture.

It is expressly agreed by the Registered Owner of this Bond that such Registered Owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, the County, the City, the State or any other political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, the County, the City, 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 2021 Indenture, except for Series 2021 Special Assessments to be assessed and levied by the Issuer as set forth in the Series 2021 Indenture.

By the acceptance of this Bond, the Registered Owner hereof assents to all the provisions of the Series 2021 Indenture. Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Series 2021 Indenture.

This Bond is payable from and secured by Series 2021 Pledged Revenues, as such term is defined in the Series 2021 Indenture, all in the manner provided in the Series 2021 Indenture. The Series 2021 Indenture provides for the levy and the evidencing and certifying, of non-ad valorem assessments in the form of Series 2021 Special Assessments to secure and pay the Series 2021 Bonds.

The Series 2021 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 2021 Bonds shall be made on the dates specified below. Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 2021 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 2021 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 2021 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 amount is due, the foregoing recalculation shall not be made to mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

### Optional Redemption

The Series 2021 Bonds maturing after [May 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 [May 1, 20\_\_] (less than all Series 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 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 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

### Extraordinary Mandatory Redemption in Whole or in Part

The Series 2021 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 2021 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account following the payment in whole or in part of Series 2021 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 2021 Reserve Account to the Series 2021 Prepayment Subaccount as a result of such Series 2021 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 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and Subaccounts (other than the Series 2021 Rebate Fund and the Series 2021 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2021 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 2021 Acquisition and Construction Account not otherwise reserved to complete the Series 2021 Project and transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

### Mandatory Sinking Fund Redemption

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account

on [May] 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>
	\$

\*

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\* Maturity.

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
	\$

\*

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\* Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
	\$

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\* Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
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\$

\*

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\* Maturity

Except as otherwise provided in the Series 2021 Indenture, if less than all of the Series 2021 Bonds subject to redemption shall be called for redemption, the particular such Series 2021 Bonds or portions of such Series 2021 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Series 2021 Indenture.

Notice of each redemption of the Series 2021 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 2021 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 2021 Bonds issued under the Series 2021 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 2021 Indenture, the Series 2021 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 2021 Bonds or such portions thereof on such date,

interest on such Series 2021 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2021 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Series 2021 Indenture and the Registered Owners thereof shall have no rights in respect of such Series 2021 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 2021 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 Registered Owner of this Bond shall have no right to enforce the provisions of the Series 2021 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 2021 Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Series 2021 Indenture.

In certain events, on the conditions, in the manner and with the effect set forth in the Series 2021 Indenture, the principal of all the Series 2021 Bonds then Outstanding under the Series 2021 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 2021 Indenture or of any Series 2021 Indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Series 2021 Indenture.

Any moneys held by the Trustee or Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for two (2) years after the date when such Bond has become due and payable, either at its stated maturity date or by call for earlier redemption 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 Government Obligations (as defined in the Master Indenture) sufficient to pay the principal or Redemption Price of any Series 2021 Bond becoming due at maturity or by call for redemption in the manner set forth in the Series 2021 Indenture, together with the interest accrued to the due date, or date of redemption, as applicable, the lien of such Series 2021 Bonds as to the Trust Estate with respect to the Series 2021 Bonds shall be discharged, except for the rights of the Registered Owners thereof with respect to the funds so deposited as provided in the Series 2021 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.

This Bond shall initially be issued in the name of Cede & Co. as nominee for DTC, and so long as this Bond is held in book-entry-only form Cede & Co. shall be considered the Registered Owner for all purposes hereof, including the payment of the principal of and interest



on this Bond. Payment to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to individual Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Issuer or the Trustee.

The Issuer shall keep books for the registration of the Series 2021 Bonds at the designated corporate trust office of the Registrar in Fort Lauderdale, Florida. Subject to the restrictions contained in the Series 2021 Indenture, the Series 2021 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 2021 Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Series 2021 Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Series 2021 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 2021 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 of Florida applicable thereto, including particularly the Act, and that the issuance of this Bond, and of the issue of the Series 2021 Bonds of which this Bond is one, is in full compliance with all constitutional and statutory limitations or provisions.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Series 2021 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 2021 Indenture, of the certificate of authentication endorsed hereon.

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

**IN WITNESS WHEREOF**, Fallschase Community Development District has caused this Bond to be signed by the facsimile signature of the Chair 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.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

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

(SEAL)

Attest:

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

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Series 2021 Bonds delivered pursuant to the within mentioned Series 2021 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 Bonds which were validated by judgment of the Circuit Court of the Second Judicial Circuit of the State of Florida, in and for Leon County, rendered on the 7<sup>th</sup> day of July, 2007.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Chair, 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 entireties  
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:

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

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**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.

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Please insert social security or other identifying number of Assignee.

**EXHIBIT C**

**FORMS OF REQUISITIONS**

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2021  
(SERIES 2021 PROJECT)  
(Acquisition and Construction)**

The undersigned, a Responsible Officer of the Fallschase 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 [November 1, 2021] as supplemented by that certain First Supplemental Trust Indenture dated as of [November 1, 2021] (collectively, the "Series 2021 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2021 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 2021 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 2021 Acquisition and Construction Account; and
3. each disbursement set forth above was incurred in connection with the Costs of the Series 2021 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.

**FALLSCHASE 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 2021 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Series 2021 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 2021 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 2021 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

### FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2021 (SERIES 2021 PROJECT) (Costs of Issuance)

The undersigned, a Responsible Officer of the Fallschase 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 [November 1, 2021], as supplemented by that certain First Supplemental Trust Indenture dated as of [November 1, 2021] (collectively, the "Series 2021 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2021 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 2021 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 2021 Costs of Issuance Account that have not previously been paid;
2. each disbursement set forth above is a proper charge against the Series 2021 Costs of Issuance Account;
3. each disbursement set forth above was incurred in connection with the issuance of the Series 2021 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.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

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

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

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

[Date]

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

Re: \$[ ] Fallschase Community Development District Special  
Assessment Bonds, Series 2021

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 [maturing on \_\_\_\_\_, \_\_\_\_\_, bearing interest at the rate of \_\_\_% per annum and CUSIP #\_\_\_\_\_] (herein, the "Investor Bonds").

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

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

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

a bank, registered broker, dealer or investment adviser (or investment adviser exempt from registration under Section 203(l) or (m) within the meaning of the Investment Advisers Act of 1940), insurance company, registered investment company, business development company, small business investment company; or rural business investment company;

an employee benefit plan, within the meaning of the Employee Retirement Income Security Act of 1974, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the employee benefit plan has total assets in excess of \$5 million;

an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust partnership, or

limited liability company, not formed for the specific purpose of acquiring the Investor Bonds with assets exceeding \$5 million;

- a business in which all the equity owners are "accredited investors";
- a natural person who has individual net worth, or joint net worth with the person's spouse or spousal equivalent, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person, except that mortgage indebtedness on the primary residence shall not be included as a liability;
- a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse or spousal equivalent exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year;
- a trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Investor Bonds whose purchase is directed by a sophisticated person;
- an entity, of a type other than those set forth above, that owns investments in excess of \$5,000,000 and that was not formed for the specific purpose of acquiring the Investor Bonds;
- a natural person holding in good standing one or more professional certifications or designations or credentials from a designated accredited educational institution qualifying an individual for "accredited investor" status;
- a "family office" with at least \$5,000,000 in assets under management, that was not formed for the specific purpose of acquiring the Investor Bonds, and whose prospective investment is directed by a person capable of evaluating the merits and risks of the prospective investment; or
- a "family client" of a family office described in the prior bullet point whose prospective investment is directed by that family office.

3. The Investor has been supplied with an (electronic) copy of the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 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 C**

**FORM OF BOND PURCHASE CONTRACT**

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
(LEON COUNTY, FLORIDA)**

§ \_\_\_\_\_  
**SPECIAL ASSESSMENT BONDS, SERIES 2021**

**BOND PURCHASE CONTRACT**

\_\_\_\_\_, 2021

Board of Supervisors  
Fallschase Community Development District  
Leon County, Florida

Dear Ladies and Gentlemen:

FMSbonds, Inc. (the "Underwriter") offers to enter into this Bond Purchase Contract (the "Purchase Contract") with Fallschase Community Development District (the "District"). The District is located entirely within the incorporated boundaries of the Leon County, Florida (the "County"). This offer of the Underwriter shall, unless accepted by the District, acting through its Board of Supervisors (the "Board"), expire at [2:00 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 Fallschase Community Development District Special Assessment Bonds, Series 2021 (the "Series 2021 Bonds"). The Series 2021 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 2021 Bonds shall be \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Series 2021 Bonds, [plus/less net original issue premium/discount of \$\_\_\_\_\_ and] less an underwriter's discount of \$\_\_\_\_\_). The payment for and delivery of the Series 2021 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 Series 2021 Bonds.** The Series 2021 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. 97-18, duly enacted by the Board of County Commission of the County on October 14, 1997, as amended by County Ordinance No. 2007-12 effective May

2, 2007 [and by County Ordinance No. [\_\_\_], effective [\_\_\_], 2021] (collectively, the "Ordinance"). The Series 2021 Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2021 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2021 (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. 2007-6 and Resolution No. 2022-\_\_\_ adopted by the Board of Supervisors (the "Board") of the District on May 1, 2007 and October 11, 2021, respectively (collectively, the "Bond Resolution"). The Series 2021 Special Assessments, the revenues from which constitute the Series 2021 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 2021 Project pursuant to the Assessment Resolutions (as such terms are defined in the Indenture).

**3. Limited Offering; Establishment of Issue Price.** It shall be a condition to the District's obligation to sell and to deliver the Series 2021 Bonds to the Underwriter, and to the Underwriter's obligation to purchase, accept delivery of and pay for the Series 2021 Bonds, that the entire principal amount of the Series 2021 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 Series 2021 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 Series 2021 Bonds.

(b) Except as otherwise indicated in Exhibit B, the District will treat the first price at which 10% of each maturity of the Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 Bonds.

(c) The Underwriter confirms that it has offered the Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2021 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 of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 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 Series 2021 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 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 Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds.

(f) The Underwriter acknowledges that sales of any Series 2021 Bond to any person that is a related party to an Underwriter participating in the initial sale of the Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 Bonds to the public),

(iii) a purchaser of any of the Series 2021 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 \_\_\_\_\_, 2021 (the "Preliminary Limited Offering Memorandum"), of the District, relating to the Series 2021 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 Series 2021 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 Series 2021 Bonds.

**5. Definitions.** For purposes hereof, (a) this Purchase Contract, the Series 2021 Bonds, the Indenture, the Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District and [RMDC, Inc., a Florida corporation and Red Hills Property Holdings, LLC, a Florida limited liability company] (collectively, the "Landowners"), and Wrathell, Hunt and Associates, LLC, 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 Landowners dated as of the Closing Date (the "Completion Agreement"), the Agreement Regarding the Acquisition of Real Property by and between the District and the Landowners dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2021 Project by and between the District and the Landowners 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 Landowners 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 Series 2021 Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 Bonds, or under the Series 2021 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 Series 2021 Bonds;

(f) The descriptions of the Series 2021 Bonds, the Financing Documents, the Ancillary Agreements and the Series 2021 Project to the extent referred to in the Limited Offering Memoranda, conform in all material respects to the Series 2021 Bonds, the Financing Documents, the Ancillary Agreements and the Series 2021 Project, respectively;

(g) The Series 2021 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 Series 2021 Bonds, the Indenture will provide, for the benefit of the holders from time to time of the Series 2021 Bonds, a legally valid and binding pledge of and first lien on the Series 2021 Pledged Revenues. On the Closing Date, all conditions precedent to the issuance of the Series 2021 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 Series 2021 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 2021 Special Assessments or the pledge of and lien on the Series 2021 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 Series 2021 Bonds, or the authorization of the Series 2021 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 Series 2021 Bonds for the purposes set forth in the Limited Offering Memoranda; (iv) contesting the federal tax status of the Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Closing Date, 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 2021 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE LANDOWNERS," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Landowners" and "UNDERWRITING";

(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 2021 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE LANDOWNERS," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Landowners" and "UNDERWRITING";

(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 Landowners 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 Series 2021 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) Except as may be disclosed in the Preliminary Limited Offering Memorandum, the District has never failed to comply with any 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 Series 2021 Bonds), notes or other obligations payable from the Series 2021 Pledged Revenues.

7. **Closing.** At 10:00 a.m. prevailing time on \_\_\_\_\_, 2021 (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 Series 2021 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 Series 2021 Bonds as set forth in Section 1 hereof, in federal or other immediately available funds to the order of the District. Delivery of the Series 2021 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 Series 2021 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 Series 2021 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 and addressed to the District, the Underwriter and the Trustee of van Assenderp Law, 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 KE Law Group, PLLC, counsel to the Landowners, 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 Landowners 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 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 2021 Special Assessments as described in the Indenture; and (v) the Limited Offering Memoranda (other than the information under the captions "DESCRIPTION OF THE SERIES 2021 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE LANDOWNERS," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Landowners" and "UNDERWRITING," 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Circuit Court in and for Leon County Florida validating the Series 2021 Bonds and appropriate certificate of no-appeal;

(24) A copy of the Amended and Restated Master Special Assessment Methodology Report dated August 30, 2021, as supplemented by the [Supplemental Special Assessment Methodology], dated the date hereof, as the same may be amended and supplemented from time to time, relating to the Series 2021 Bonds;

(25) A copy of the [Amended and Restated Engineer's Report on District Improvements and Estimated Probable Construction Cost dated April 23, 2007, as amended July 20, 2007 and December 1, 2017];

(26) Acknowledgments in recordable form by all mortgage holders, if any, on lands within Series 2021 Assessment Area as to the superior lien of the Series 2021 Special Assessments, in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(27) A Declaration of Consent to Jurisdiction of the District, Imposition of Special Assessments and Imposition of Lien of Record by the Landowners and any other landowners with respect to all real property which is subject to the Series 2021 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 Series 2021 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 Landowners 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 Series 2021 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 the Series 2021 Bonds, or the market price generally of obligations of the general character of the Series 2021 Bonds; (ii) the District or the Landowners have, 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 Landowners, 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 2021 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 Series 2021 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 District 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 Series 2021 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 Series 2021 Bonds, if any.

**11. No Advisory or Fiduciary Role.** The District acknowledges and agrees that (i) the purchase and sale of the Series 2021 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 Series 2021 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 Series 2021 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 Wrathell, Hunt and Associates, LLC, 2300 Glades Rd., Ste. #410W, Boca Raton, Florida 33431, 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 Series 2021 Bonds, regardless of: (i) any investigations made by or on behalf of the Underwriter and (ii) delivery of and payment for the Series 2021 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 \_\_\_\_\_, 2021.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
[Richard Yates], Chair  
Board of Supervisors



**EXHIBIT A**

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

\_\_\_\_\_, 2021

Fallschase Community Development District  
Leon County, Florida

Re: \$ \_\_\_\_\_ Fallschase Community Development District Special Assessment Bonds,  
Series 2021 (the "Series 2021 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 Series 2021 Bonds pursuant to a Bond Purchase Contract dated \_\_\_\_\_, 2021 (the "Bond Purchase Contract"), by and between the Underwriter and Fallschase Community Development District (the "District"), furnishes the following information in connection with the limited offering and sale of the Series 2021 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 Series 2021 Bonds is approximately \$ \_\_\_\_\_ per \$1,000 or \$ \_\_\_\_\_.
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 Series 2021 Bonds.
3. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2021 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 Series 2021 Bonds to any person not regularly employed or retained by the Underwriter in connection with the Series 2021 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 Series 2021 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 Series 2021 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 2021 Project, (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 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 Series 2021 Bonds, total interest paid over the life of the Series 2021 Bonds will be \$ \_\_\_\_\_.

The source of repayment for the Series 2021 Bonds is the Series 2021 Special Assessments, imposed and collected by the District. Based solely upon the assumptions set forth in the paragraph above, the issuance of the Series 2021 Bonds will result in approximately \$ \_\_\_\_\_ (representing the average annual debt service payments due on the Series 2021 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; provided however, that in the event that the Series 2021 Bonds were not issued, the District would not be entitled to impose and collect the Series 2021 Special Assessments in the amount of the principal of and interest to be paid on the Series 2021 Bonds.

[Remainder of page intentionally left blank.]

Sincerely,

**FMSBONDS, INC.**

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 2021 Bonds, [plus/less net original issue premium/discount of \$ \_\_\_\_\_ and] less an underwriter's discount of \$ \_\_\_\_\_).
  
2. **Principal Amounts, Maturities, Interest Rates, Yields and Prices:**

Principal Amount	Maturity	Interest Rate	Yield	Price
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\_\_\_\_\_  
\*Yield calculated to the first optional call date of May 1, 20\_\_.

The Underwriter has offered the Series 2021 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 2021 Bonds to the public at a price that is no higher than such initial offering prices[, except for the following maturities: \_\_\_\_\_].

4. **Redemption Provisions:**

**Optional Redemption**

The Series 2021 Bonds maturing after [May 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 [May 1, 20\_\_] (less than all Series 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 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 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

**Mandatory Sinking Fund Redemption**

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
	\$

\*

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\*Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
	\$

\*

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\*Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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.

**Year**                      **Mandatory Sinking Fund**  
**Redemption Amount**  
\$

\*

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\*Maturity

Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District 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 2021 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 2021 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 2021 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 amount 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.

**Extraordinary Mandatory Redemption**

The Series 2021 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 2021 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account following the payment in whole or in part of Series 2021 Special Assessments on any assessable property within the District in accordance with the provisions of the First Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2021 Reserve Account to the Series 2021 Prepayment Subaccount as a result of such Series 2021 Prepayment and pursuant to the First Supplemental Indenture. If such redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level;

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and Subaccounts (other than the Series 2021 Rebate Fund and the Series 2021 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2021 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture; and

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account in accordance with the provisions set forth in the First

Supplemental Indenture, not otherwise reserved to complete the Series 2021 Project and transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. If such redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

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

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**EXHIBIT C**

**BOND COUNSEL'S SUPPLEMENTAL OPINION**

\_\_\_\_\_, 2021

Fallschase Community Development District  
Leon County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

Re: \$\_\_\_\_\_ Fallschase Community Development District (Leon County, Florida)  
Special Assessment Bonds, Series 2021

Ladies and Gentlemen:

We have acted as Bond Counsel to the Fallschase 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 \$\_\_\_\_\_ aggregate principal amount of Special Assessment Bonds, Series 2021 (the "Series 2021 Bonds"). In such capacity, we have rendered our final approving opinion (the "Opinion") of even date herewith relating to the Series 2021 Bonds. The Series 2021 Bonds are secured pursuant to that certain Master Trust Indenture, dated as of \_\_\_\_\_ 1, 2021 (the "Master Indenture"), as supplemented by that certain First Supplemental Trust Indenture, dated as of \_\_\_\_\_ 1, 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Series 2021 Indenture"), each 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 actions taken by the District in connection with the authorization, sale and issuance of the Series 2021 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 \_\_\_\_\_, 2021 (the "Purchase Contract"), for the purchase of the Series 2021 Bonds. Capitalized words used, but not defined, herein shall have the meanings ascribed thereto in the Purchase Contract.

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

1. The sale of the Series 2021 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 Series 2021 Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

3. The information in the Limited Offering Memorandum under the captions "INTRODUCTION," "DESCRIPTION OF THE SERIES 2021 BONDS," and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS" insofar as such statements constitute descriptions of the Series 2021 Bonds or the Series 2021 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 2021 BONDS – Book-Entry Only System," and any other information in the Limited Offering Memorandum 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 Series 2021 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 addressees hereto. This letter is not intended to, and may not be, relied upon by holders of the Series 2021 Bonds.

Respectfully submitted,

**EXHIBIT D**

**ISSUER'S COUNSEL'S OPINION**

\_\_\_\_\_, 2021

Fallschase Community Development District  
Leon County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

U.S. Bank, National Association  
Ft. Lauderdale, Florida

Re: \$\_\_\_\_\_ Fallschase Community Development District Special Assessment  
Bonds, Series 2021

Ladies and Gentlemen:

In our capacity as counsel to the District, we have examined such documents and have made such examination of law 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 Manager, the District assessment consultant, the Underwriter, Bond Counsel, counsel for the Underwriter, the Landowner, counsel for the Landowner, and the District Engineer relative to the Limited Offering Memoranda (as defined herein) and the related documents described as follows:

the Bond Purchase Contract, the Indenture, the DTC Letter of Representations, and the Continuing Disclosure Agreement (collectively, the "**Financing Documents**");

[the Agreement Regarding the Completion of Certain Improvements by and between the District and the Landowners dated as of the Closing Date (the "**Completion Agreement**"), the Agreement Regarding the Acquisition of Real Property by and between the District and the Landowners dated as of the Closing Date (the "**Acquisition Agreement**"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2021 Project by and between the District and the Landowners 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 Landowners dated as of the Closing Date in recordable form (the "**True-Up Agreement**")]

Resolutions Nos. 2007-6 and 2022-\_\_ adopted by the Board of Supervisors of the District (the "**Board**") on May 1, 2007 and October 11, 2021, respectively (collectively, the "**Bond Resolutions**"); and

Resolution Nos. 2018-03, 2018-04, 2018-06 and 2022-\_\_, adopted by the Board on December 6, 2017, December 6, 2017, February 7, 2018, and [\_\_\_\_\_, 2021], respectively (collectively, the "**Assessment Resolutions**").

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

1. The District has been established and validly exists as a community development district, independent local unit of special purpose government and political subdivision under applicable Florida law.
2. The Financing Documents, the Ancillary Agreements, and the use of the uniform method for the collection of non-ad valorem assessments pursuant to Section 197.3632, Florida Statutes, as amended, and the Series 2021 Bonds have been duly authorized, executed, and delivered by the District.
3. Assuming due execution by the other party(ies) thereto, if applicable, the Financing Documents, the Ancillary Agreements, the Series 2021 Bonds, the Bond Resolutions, and the Assessment Resolutions constitute legal, valid and binding obligations of the District, enforceable in accordance with their respective terms, except to the extent that the enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency, and similar laws affecting creditors' rights generally and general principles of equity.
4. There is no litigation or other proceeding now pending of which the District or its registered agent has received notice or service of process, or to our best knowledge, threatened against the District: (a) contesting the existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (b) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2021 Bonds or the application of the proceeds of the sale thereof for the purposes described in the Limited Offering Memoranda or the collection of Series 2021 Special Assessments or the pledge of and lien on the Series 2021 Pledged Revenues pursuant to the Indenture; (c) contesting or affecting specifically as to the District the validity or enforceability of the Act or any action of the District relating to authorization for the issuance of the Series 2021 Bonds or the authorization of the Series 2021 Project, the Bond Resolutions, the Assessment Resolutions, the Financing Documents, the Ancillary Agreements, or the application of the proceeds of the Series 2021 Bonds for the purposes set forth in the Limited Offering Memoranda; (d) specifically contesting the federal or state tax status of the Series 2021 Bonds; or (e) contesting the completeness or accuracy of the Limited Offering Memoranda (except for permitted omissions with respect to the Preliminary Limited Offering Memorandum as defined herein) or any supplement or amendment thereto.
5. The District has duly authorized and delivered the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 (the "**Preliminary Limited Offering Memorandum**"), and duly authorized, execute and delivered the Limited Offering Memorandum dated \_\_\_\_\_, 2021 (the "**Limited Offering Memorandum**" and,

together with the Preliminary Limited Offering Memorandum, collectively, the "**Limited Offering Memoranda**").

6. Based upon our representation of the District as its Counsel and our limited participation in the preparation of the Limited Offering Memoranda, we have no reason to believe that the statements and information contained in the Limited Offering Memoranda under the captions (including all subcaptions thereunder unless hereinafter excluded) "INTRODUCTION," "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS," "ENFORCEMENT OF ASSESSMENT COLLECTIONS," "THE DISTRICT" (excluding the subcaption "The District Manager and Other Consultants"), "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS," "THE DEVELOPMENT – Landowners Agreements" (solely as it relates to a description of such agreements with the District), "AGREEMENT BY THE STATE," "LITIGATION – The District," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE" (as it relates to the District only), "VALIDATION," and "AUTHORIZATION AND APPROVAL" are not true and accurate and as of their respective dates did not, and as of the date of Closing do not, contain any untrue statement of a material fact or 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.
7. The District is not, in any manner material to the issuance of the Series 2021 Bonds, in breach of or default under any applicable provision of the Act or constitutional provision, statute, or administrative regulation of the State or the United States, or to the best of our knowledge, any applicable judgment or decree, any loan agreement, indenture, bond, note, resolution, agreement, 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 laws or with any state "Blue Sky" or other securities laws, as may be applicable.
8. The execution and delivery of the Series 2021 Bonds, the Financing Documents, the Ancillary Agreements, to which the District is a party, and the adoption of the Bond Resolutions and the Assessment Resolutions and compliance with the provisions on the District's part contained therein will not conflict with or constitute a breach of or default under any applicable constitutional provision or law, or to the best of our knowledge, under 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 expressly provided by the Series 2021 Bonds and the Indenture. To the best of our knowledge after due inquiry, the District has taken no action which, with the lapse of time

or the giving of notice, or both would constitute a material default or event of default by the District under the Series 2021 Bonds, the Financing Documents or the Ancillary Agreements.

9. To the best of our knowledge after investigation, all consents, permits or licenses, and all notices to or filings with governmental authorities necessary for the consummation by the District of the transactions described in the Limited Offering Memoranda and contemplated by the Indenture required to be obtained or made, have been obtained or made or there is no reason to believe they will not be obtained or made when required, provided that no opinion is expressed as to the applicability of or compliance with tax laws, state "Blue Sky" laws or other securities laws.
10. The District has the right and authority under the Act and other state law to adopt the Bond Resolutions and the Assessment Resolutions, to issue the Series 2021 Bonds, to undertake the Series 2021 Project, to levy the Series 2021 Special Assessments that will secure the Series 2021 Bonds, and has duly adopted the Bond Resolutions and the Assessment Resolutions.
11. All proceedings undertaken by the District with respect to the Series 2021 Special Assessments securing the Series 2021 Bonds, including adoption of the Assessment Resolutions, were undertaken in accordance with Florida law, and the District has taken all necessary action as of the date hereof to levy and impose the Series 2021 Special Assessments. The Series 2021 Special Assessments constitute legal, valid, binding and enforceable first liens upon the property against which such Series 2021 Special 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 (except for federal liens, titles, and claims).
12. The Series 2021 Bonds have been validated by a final judgment of the Circuit Court in and for Leon County, Florida, of which no timely appeal was filed.
13. The District has the full power and authority to own and operate the Series 2021 Project.
14. All conditions prescribed in the Indenture and the Bond Purchase Contract to be performed by the District as precedent to the issuance of the Series 2021 Bonds have been fulfilled.

Very truly yours,

VAN ASSENDERP LAW

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For the Firm

**EXHIBIT E**

**LANDOWNERS' COUNSEL'S OPINION**

\_\_\_\_\_, 2021

Fallschase Community Development District  
Leon County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

U.S. Bank National Association  
Ft. Lauderdale, Florida

Greenberg Traurig, P.A.  
Miami, Florida

GrayRobinson, P.A.  
Tampa, Florida

Re: \$ \_\_\_\_\_ Fallschase Community Development District Special Assessment  
Bonds, Series 2021 (the "Series 2021 Bonds")

Ladies and Gentlemen:

I am counsel to [RMDC, Inc., a Florida corporation ("RMDC") and Red Hills Property Holdings, LLC, a Florida limited liability company] ("Red Hills" and, together with RMDC, the "Landowners"), which are the developers and owners of certain land within the planned community located in Leon County, Florida, and commonly referred to as "Fallschase," as such lands are described in the Limited Offering Memoranda (as hereinafter defined). This opinion is rendered at the request of the Landowners in connection with the issuance by the Fallschase Community Development District (the "District") of the above-referenced Bonds, as further described in the District's Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 and the District's final Limited Offering Memorandum, dated \_\_\_\_\_, 2021, 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 2021 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 2021 Project, (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 Bonds.

In my capacity as counsel to the Landowners, 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 Landowners, and Wrathell, Hunt and Associates, LLC, as dissemination agent, the Agreement Regarding the Completion of Certain Improvements by and between the District and the Landowners dated as of the Closing Date (the "Completion Agreement"), the Agreement Regarding the Acquisition of Real Property by and between the District and the Landowners dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2021 Project by and between the District, Landowners dated as of the Closing Date (the "Collateral Assignment"), the Agreement Regarding True-Up as to Series 2021 Special Assessments by and between the District and the Landowners 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 Landowners (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) with respect to RMDC, its Articles of Incorporation filed on \_\_\_\_\_ and its By-Laws dated as of \_\_\_\_\_, (ii) with respect to Red Hills, its Articles of Organization filed on \_\_\_\_\_ and its Operating Agreement dated as of \_\_\_\_\_, and (iii) certificates of good standing issued by the State of Florida for the Landowners on [\_\_\_\_\_, 2021] (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 Landowners) 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 Landowners, 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. RMDC is a corporation, organized and existing under the laws of the State of Florida, and Red Hills is a limited liability company, organized and existing under the laws of the State of Florida.

2. The Landowners have the power to conduct their 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 Landowners 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 Landowners, 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 LANDOWNERS," "LITIGATION – The Landowners," and "CONTINUING DISCLOSURE" (as it relates to the Landowners 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 Landowners does not violate (i) the operating agreements or by-laws of the Landowners, (ii) to my knowledge, any agreement, instrument or Federal or Florida law, rule or regulation known to me to which any the Landowners are 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 Landowners or their assets.

6. Nothing has come to my attention that would lead me to believe that the Landowners are not in compliance in all material respects with all provisions of applicable law in all material matters relating to the Landowners as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) I have no knowledge that the Landowners have not received all government permits, consents and licenses required in connection with the construction and completion of the development of the Series 2021 Project and the Series 2021 Assessment Area 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 Landowners' ability to complete development of the Series 2021 Project and Series 2021 Assessment Area 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 Series 2021 Assessment Area as described in the Limited Offering Memoranda will not be obtained in due course as required by the Landowners.

7. To the best of my knowledge after due inquiry, the levy of the Series 2021 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 Landowners are a party or to which the Landowners or any of their properties 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 2021 Project or Series 2021 Assessment Area 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 Landowners.

9. To the best of my knowledge after due inquiry, the Landowners have 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 Landowners have 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 Landowners are 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 2021 Bonds or the development of the Series 2021 Project or Series 2021 Assessment Area.

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,

## EXHIBIT F

### CERTIFICATE OF LANDOWNERS

[RMDC, INC., a Florida corporation ("RMDC"), and RED HILLS PROPERTY HOLDINGS, LLC, a Florida limited liability company] ("Red Hills" and, together with RMDC, the "Landowners"), DO HEREBY CERTIFY, that:

1. This Certificate is furnished pursuant to Section 8(c)(10) of the Bond Purchase Contract dated \_\_\_\_\_, 2021 (the "Purchase Contract") between Fallschase Community Development District (the "District") and FMSbonds, Inc. (the "Underwriter") relating to the sale by the District of its \$\_\_\_\_\_ original aggregate principal amount of Fallschase Community Development District Special Assessment Bonds, Series 2021 (the "Series 2021 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract.

2. RMDC is a corporation organized and existing under the laws of the State of Florida, and Red Hills is a limited liability company organized and existing under the laws of the State of Florida.

3. Representatives of the Landowners have provided information to the District to be used in connection with the offering by the District of its Series 2021 Bonds, pursuant to a Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2021, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

4. The Declaration of Consent to Jurisdiction of Fallschase Community Development District and to Imposition of Special Assessments dated \_\_\_\_\_, 2021 executed by the Landowners and to be recorded in the public records of Leon County, Florida (the "Declaration of Consent"), constitutes a valid and binding obligation of the Landowners, enforceable against each Landowner in accordance with its terms.

5. The Landowners have reviewed and approved the information contained in the Limited Offering Memoranda under the captions "THE SERIES 2021 PROJECT," "THE DEVELOPMENT," "THE LANDOWNERS," "BONDOWNERS' RISKS" (as it relates to the Landowners, the Development and non-specific Bondholder risks), "LITIGATION – The Landowners" and "CONTINUING DISCLOSURE" (as it relates to the Landowners) 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 Landowners are 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 Landowners represent and warrant that they have 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 respective businesses, properties, assets or financial conditions of the Landowners which has not been disclosed in the Limited Offering Memoranda.

8. The Landowners hereby represent that they own the lands in the District that will be subject to the Series 2021 Special Assessments as described in the Limited Offering Memoranda, and each Landowner hereby consents to the levy of the Series 2021 Special Assessments on the lands in the District owned by such Landowner. The levy of the Series 2021 Special Assessments on the Lands in the District will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which either of the Landowner is a party or to which such Landowner's property or assets are subject.

9. The Landowners have 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 Landowners have 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 Landowners acknowledge that the Series 2021 Bonds have the debt service requirements set forth in the Limited Offering Memorandum and that the Series 2021 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 2021 Bonds when due.

11. To the best of our knowledge, neither of the Landowners is in default under any other resolution, ordinance, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which such Landowner is subject or by which such 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 Landowners (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 Company 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 Landowners or of the Landowners' business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Landowners, or (d) that would have a material and adverse effect upon the ability of the

Landowners to (i) complete the development of lands within Series 2021 Assessment Area as described in the Limited Offering Memoranda, (ii) pay the Series 2021 Special Assessments, or (iii) perform their various obligations as described in the Limited Offering Memoranda.

13. To the best of our knowledge after due inquiry, the Landowners are 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 Landowners are not aware of any default of any zoning condition, permit or development agreement which would adversely affect the Landowners' ability to complete or cause the completion of development of Series 2021 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 Series 2021 Assessment Area as described in the Offering Memoranda will not be obtained as required.

14. The Landowners acknowledge that they will have no rights under Chapter 170, Florida Statutes, as amended, to prepay, without interest, the Series 2021 Special Assessments imposed on lands in the District owned by the Landowners within thirty (30) days following completion of the Series 2021 Project and acceptance thereof by the District.

15. Except as disclosed in the Limited Offering Memoranda, the Landowners have never failed to comply in all material respects with any disclosure obligations pursuant to SEC Rule 15c2-12.

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

Dated: \_\_\_\_\_, 2021.

**[RMDC, INC., a Florida corporation]**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**[RED HILLS PROPERTY HOLDINGS,  
LLC, a Florida limited liability company]**

By: \_\_\_\_\_

Its: \_\_\_\_\_

## APPENDIX G

### CERTIFICATE OF ENGINEER

CERTIFICATE OF MOORE BASS CONSULTING, INC. (the "Engineers"), DOES HEREBY CERTIFY, that:

1. This certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Contract dated \_\_\_\_\_, 2021 (the "Purchase Contract"), by and between Fallschase Community Development District (the "District") and FMSbonds, Inc. with respect to the District's \$ \_\_\_\_\_ original aggregate principal amount of Fallschase Community Development District Special Assessment Bonds, Series 2021 (the "Assessment Area 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 \_\_\_\_\_, 2021 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2021, including the appendices attached thereto, relating to the Series 2021 Bonds (collectively, the "Limited Offering Memoranda"), as applicable.

2. The Engineers have been retained by the District as the District Engineer.

3. The plans and specifications for the Series 2021 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 2021 Project were obtained.

4. The Engineers prepared the report entitled [Amended and Restated Engineer's Report on District Improvements and Estimated Probable Construction Cost dated April 23, 2007, as amended July 20, 2007 and December 1, 2017] (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 2021 Project are included in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions "THE SERIES 2021 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 2021 Project is being constructed in sound workmanlike manner and in accordance with industry standards.

7. The price being paid by the District to the Landowners for acquisition of the improvements included within the Series 2021 Project will not exceed the lesser of the cost of the Series 2021 Project or the fair market value of the assets acquired by the District.

8. To the best of our knowledge, after due inquiry, the Landowners are in compliance in all material respects with all provisions of applicable law in all material matters relating to the Landowners 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 Series 2021 Assessment Area 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 (including Series 2021 Assessment Area) as described in the Limited Offering Memoranda and all appendices thereto will not be obtained in due course as required by the Landowners.

9. There is adequate water and sewer service capacity to serve Series 2021 Assessment Area within the District.

Date: \_\_\_\_\_, 2021

**MOORE BASS CONSULTING, INC.**

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

**EXHIBIT H**

**CERTIFICATE OF DISTRICT MANAGER AND METHODOLOGY CONSULTANT**

\_\_\_\_\_, 2021

Fallschase Community Development District  
Leon County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

Re: \$\_\_\_\_\_ Fallschase Community Development District Special Assessment  
Bonds, Series 2021

Ladies and Gentlemen:

The undersigned representative of Wrathell, Hunt and Associates, LLC ("Wrathell"),  
DOES HEREBY CERTIFY:

1. This certificate is furnished pursuant to Section 8(c)(18) of the Bond Purchase Contract dated \_\_\_\_\_, 2021 (the "Purchase Contract"), by and between Fallschase Community Development District (the "District") and FMSbonds, Inc. with respect to the District's \$\_\_\_\_\_ original aggregate principal amount of Fallschase Community Development District Special Assessment Bonds, Series 2021 (the "Series 2021 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 2021 Bonds, as applicable.

2. Wrathell has acted as district manager and methodology consultant to the District in connection with the sale and issuance by the District of its Series 2021 Bonds and has participated in the preparation of the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2021, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

3. In connection with the issuance of the Series 2021 Bonds, we have been retained by the District to prepare the Amended and Restated Master Special Assessment Methodology Report, dated August 30, 2021, as supplemented by the [Supplemental Special Assessment Methodology], dated \_\_\_\_\_, 2021 (collectively, the "Assessment Methodology"), which Assessment Methodology has been included as an appendix to the Limited Offering Memoranda. We hereby consent to the use of such Assessment 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 2021 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 D: 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 and Registered Agent for the District, we are not aware of any litigation pending or, to the best of our knowledge, threatened against the District restraining or enjoining the issuance, sale, execution or delivery of the Series 2021 Bonds, or in any way contesting or affecting the validity of the Series 2021 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 2021 Bonds, or the existence or powers of the District.

8. The Series 2021 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 2021 Bonds through the final maturity thereof.

Dated: \_\_\_\_\_, 2021.

**WRATHELL, HUNT AND ASSOCIATES,  
LLC**, a Florida limited liability company

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

**EXHIBIT D**

**FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM**

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2021 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The District has deemed this Preliminary Limited Offering Memorandum "final," except for permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

**DRAFT-1**  
GrayRobinson, P.A.  
October 4, 2021

**PRELIMINARY LIMITED OFFERING MEMORANDUM DATED \_\_\_\_\_, 2021**

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

**NOT RATED**

*In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications of the Landowners and the District and the continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Series 2021 Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes; and, further, interest on the Series 2021 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 2021 Bonds. Bond Counsel is further of the opinion that the Series 2021 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.*

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
(LEON COUNTY, FLORIDA)**

§ \_\_\_\_\_\*

**SPECIAL ASSESSMENT BONDS, SERIES 2021**

**Dated: Date of Delivery**

**Due: As described herein**

The Fallschase Community Development District Special Assessment Bonds, Series 2021 (the "Series 2021 Bonds") are being issued by the Fallschase 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 2021 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 May 1, 2022. The Series 2021 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 2021 Bonds will be made in book-entry-only form and purchasers of beneficial interests in the Series 2021 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 2021 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 an Assessment Area 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 2021 Bond. See "DESCRIPTION OF THE SERIES 2021 BONDS – Book-Entry Only System" herein.

The Series 2021 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 2021 Project (as defined herein), (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement (as defined herein), (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" hereto.

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. 97-18, duly enacted by the Board of County Commissioners of the Leon County, Florida (the "County") with an effective date of October 14, 1997, as amended by County Ordinance No. 2007-12 effective May 2, 2007 [and by County Ordinance No. [ ], effective [ ], 2021] (collectively, the "Ordinance"). The Series 2021 Bonds are being issued pursuant to the Act, Resolution No. 2007-6 and Resolution No. 2022-\_\_ adopted by the Board of Supervisors (the "Board") of the District on May 1, 2007 and October 11, 2021, respectively (collectively, the "Resolution"), and a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2021 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture, dated as of \_\_\_\_\_ 1, 2021 (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.

The Series 2021 Bonds are payable from and secured solely by the Series 2021 Pledged Revenues. The Series 2021 Pledged Revenues for the Series 2021 Bonds consist of (a) all revenues received by the District from the Series 2021 Special Assessments (as defined herein) levied and collected on the assessable lands within the District, benefitted by the Series 2021 Project, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 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 2021 Bonds; provided, however, that the Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 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 2021 BONDS" herein.

The Series 2021 Bonds are subject to optional redemption, mandatory sinking fund 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 2021 BONDS — Redemption Provisions."

THE SERIES 2021 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE SERIES 2021 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, LEON 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 2021 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 2021 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2021 BONDS. THE SERIES 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE CITY, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2021 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 2021 Bonds. The Series 2021 Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the Series 2021 Bonds.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2021 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 2021 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 2021 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, van Assenderp Law, Tallahassee, Florida, and for the Landowners (as defined herein) by its counsel, KE Law Group, PLLC, Tallahassee, Florida. It is expected that the Series 2021 Bonds will be delivered in book-entry form through the facilities of DTC on or about \_\_\_\_\_, 2021.

**FMSbonds, Inc.**

Dated: \_\_\_\_\_, 2021

\* 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.

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT**

**BOARD OF SUPERVISORS**

Richard Yates, Chair\*  
Richard (Rick) Lewis Singletary, Jr., Vice Chair  
William C. Lamb, Assistant Secretary  
Jeff S. Phipps, Assistant Secretary  
Richard L. (Lewis) Singletary, III, Assistant Secretary

\*Affiliated with the Landowners or its affiliates

**DISTRICT MANAGER/METHODOLOGY CONSULTANT**

Wrathell, Hunt and Associates, LLC  
Boca Raton, Florida

**DISTRICT ENGINEER**

Moore Bass Consulting, Inc.  
Lakeland, Florida

**DISTRICT COUNSEL**

van Assenderp Law  
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 2021 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2021 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 LANDOWNERS (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, THE LANDOWNERS OR IN THE STATUS OF THE DEVELOPMENT OR THE SERIES 2021 PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 2021 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 2021 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 CITY, THE COUNTY, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2021 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, THE LANDOWNERS' CONTROL. BECAUSE THE DISTRICT, THE LANDOWNERS CANNOT PREDICT ALL FACTORS THAT MAY AFFECT FUTURE DECISIONS, ACTIONS, EVENTS, OR FINANCIAL CIRCUMSTANCES, WHAT ACTUALLY HAPPENS MAY BE DIFFERENT FROM WHAT IS INCLUDED IN FORWARD-LOOKING STATEMENTS.

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

THIS PRELIMINARY LIMITED OFFERING MEMORANDUM IS 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).

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**LIMITED OFFERING MEMORANDUM**

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT  
(LEON COUNTY, FLORIDA)**

**\$ \_\_\_\_\_\*  
SPECIAL ASSESSMENT BONDS, SERIES 2021**

**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 Fallschase Community Development District (the "District" or the "Issuer") of its \$ \_\_\_\_\_\* aggregate principal amount of Special Assessment Bonds, Series 2021 (the "Series 2021 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 2021 BONDS. THE SERIES 2021 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2021 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 2021 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. 97-18, duly enacted by the Board of County Commissioners of the Leon County, Florida (the "County") with an effective date of October 14, 1997, as amended by County Ordinance No. 2007-12 effective May 2, 2007 and by County Ordinance No. [\_\_\_], effective [\_\_\_], 2021 (collectively, the "Ordinance"). 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 [375.52] gross acres of land (the "District Lands") located within the incorporated boundaries of Leon County, Florida (the "County").<sup>†</sup> For more complete information about the District, its Board of Supervisors and the District Manager, see

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\* Preliminary, subject to change.

<sup>†</sup> [Discuss timing of boundary contraction.]

"THE DISTRICT" herein. The District Lands are being developed as a residential community known as "Falls Chase" (the "Development"), which at buildout is expected to consist of approximately [1,080] residential units, together with recreation and amenity areas, parks and associated infrastructure. See "THE DEVELOPMENT" herein for more information.

The Development is currently planned to be developed in multiple phases. The Series 2021 Special Assessments (as defined herein), which will secure the Series 2021 Bonds, are levied on the District Lands corresponding to Phases 1 through 6 of the Development ("Series 2021 Assessment Area"). Series 2021 Assessment Area contains approximately [274.97] acres of land and is planned for [792] single-family homes. [The remaining District Lands will be developed in the future.]

The land in Series 2021 Assessment Area is owned by [RMDC, Inc., a Florida corporation and Red Hills Property Holdings, LLC, a Florida limited liability company] (collectively, the "Landowners"). See "THE LANDOWNERS" herein for more information.

The Series 2021 Bonds are being issued pursuant to the Act, Resolution No. 2007-6 and Resolution No. 2022-\_\_\_ adopted by the Board of Supervisors (the "Board") of the District on May 1, 2007 and October 11, 2021, respectively (collectively, the "Resolution"), and a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2021 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture, dated as \_\_\_\_\_ 1, 2021 (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.

The Series 2021 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 2021 Project (as defined herein), (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement (as defined herein), (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" hereto.

The Series 2021 Bonds are payable from and secured solely by the Series 2021 Pledged Revenues. The Series 2021 Pledged Revenues for the Series 2021 Bonds consist of (a) all revenues received by the District from the Series 2021 Special Assessments (as defined herein) levied and collected on the assessable lands within the District, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 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 2021 Bonds; provided, however, that the Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 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 2021 BONDS" herein.

Set forth herein are brief descriptions of the District, Series 2021 Assessment Area, the Series 2021 Project, the Landowners and the Development, together with summaries of terms of the Series 2021 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 2021 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 2021 BONDS**

### **General Description**

The Series 2021 Bonds will be dated, 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 2021 Bonds will be payable semi-annually on each May 1 and November 1, commencing May 1, 2022, until maturity or prior redemption. U.S. Bank National Association is the initial Trustee, Paying Agent and Registrar for the Series 2021 Bonds.

The Series 2021 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 2021 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 2021 Bonds. See "SUITABILITY FOR INVESTMENT" herein.

Upon initial issuance, the Series 2021 Bonds shall be issued as one fully registered bond for each maturity of Series 2021 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 2021 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 2021 Bonds

("Beneficial Owners"). Principal and interest on the Series 2021 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 nor its nominee, the Trustee or the District. During the period for which Cede & Co. is registered owner of the Series 2021 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 2021 Bonds, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor, and after such time the Series 2021 Bonds may be exchanged for an equal aggregate principal amount of such Series 2021 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 2021 Bonds maturing after [May 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 [May 1, 20\_\_] (less than all Series 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 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 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

**Mandatory Sinking Fund Redemption**

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
	\$

\*

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\*Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on May 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>
	\$

\*

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\*Maturity

Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District 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 2021 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 2021 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 2021 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 amount 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.

### **Extraordinary Mandatory Redemption**

The Series 2021 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 2021 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account following the payment in whole or in part of Series 2021 Special Assessments on any assessable property within the District in accordance with the provisions of the First Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2021 Reserve Account to the Series 2021 Prepayment Subaccount as a result of such Series 2021 Prepayment and pursuant to the First Supplemental Indenture. If such redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level;

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and Subaccounts (other than the Series 2021 Rebate Fund and the Series 2021 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2021 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture; and

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account in accordance with the provisions set forth in the First Supplemental Indenture, not otherwise reserved to complete the Series 2021 Project and transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. If such redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.



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

### **Notice of Redemption**

When required to redeem Series 2021 Bonds under the Indenture or when 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 date to all Owners of Series 2021 Bonds to be redeemed (as such Owners appear on the Bond Register on the fifth (5<sup>th</sup>) day prior to such mailing), at their registered address, 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 of the Series 2021 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 2021 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, 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 2021 Bonds. The Series 2021 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 2021 Bond certificate will be issued for each maturity of the Series 2021 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 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021 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 2021 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 2021 Bonds, except in the event that use of the book-entry system for the Series 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021 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 2021 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 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 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 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2021 Bond documents. For example, Beneficial Owners of Series 2021 Bonds may wish to ascertain that the nominee holding the Series 2021 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 2021 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 2021 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 2021 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 2021 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 2021 Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Series 2021 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2021 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Series 2021 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2021 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2021 Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Series 2021 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 2021 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 2021 BONDS**

### **General**

THE SERIES 2021 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM THE SERIES 2021 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, LEON

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 2021 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 2021 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2021 BONDS. THE SERIES 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE CITY, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2021 Bonds are payable from and secured solely by the Series 2021 Pledged Revenues. The Series 2021 Pledged Revenues for the Series 2021 Bonds consist of (a) all revenues received by the District from the Series 2021 Special Assessments (as defined herein) levied and collected on the assessable lands within the District, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 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 2021 Bonds; provided, however, that the Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 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 2021 Special Assessments" consist of the non-ad valorem special assessments imposed and levied by the District against the assessable lands within the Series 2021 Assessment Area specially benefited by the Series 2021 Project, or any portions thereof, pursuant to Section 190.022 of the Act, 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 are a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. The Series 2021 Special Assessments will constitute a lien against the land as to which the Series 2021 Special Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Series 2021 Special Assessments are levied in an amount corresponding to the debt service on the Series 2021 Bonds on the basis of benefit received by the lands within the District as a result of the Series 2021 Project. The Assessment Methodology (as hereinafter defined), which describes the methodology for allocating the Series 2021 Special Assessments to the assessable lands within Series 2021 Assessment Area, is included as APPENDIX D attached hereto.

In the Master Indenture, the District will covenant that, if any Series 2021 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 2021 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 2021 Special Assessment when it might have done so, the District shall either (i) take all necessary steps to cause a new Series 2021 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 2021 Special Assessment from any legally available moneys, which shall be deposited into the Series 2021 Account in the Revenue Fund. In case such second Series 2021 Special Assessment shall be annulled, the District shall obtain and make other Series 2021 Special Assessments until a valid Series 2021 Special Assessment shall be made.

### **Prepayment of Series 2021 Special Assessments**

[The Assessment Proceedings provide that an owner of property subject to the Series 2021 Special Assessments may prepay the entire remaining balance of such Series 2021 Special Assessment at any time, or a portion of the remaining balance of such Series 2021 Special Assessments one time, if there is also paid, in addition to the prepaid principal balance of the Series 2021 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 2021 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 2021 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 2021 Special Assessments may pay the entire balance of the Series 2021 Special Assessments remaining due, without interest, within thirty (30) days after the Series 2021 Project has been completed or acquired by the District, and the Board has adopted a resolution accepting the Series 2021 Project pursuant to Chapter 170.09, Florida Statutes. The Landowners, as the sole owners of the assessable property within Series 2021 Assessment Area, will covenant to waive this right on behalf of itself and its respective successors and assigns in connection with the issuance of the Series 2021 Bonds].See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein.

The Series 2021 Bonds are subject to extraordinary redemption as indicated under "DESCRIPTION OF THE SERIES 2021 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" from optional and required prepayments of Series 2021 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 2021 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 District that are subject to the Series 2021 Special Assessments, until the Series 2021 Special Assessments are Substantially Absorbed. "Substantially Absorbed" means the date at least ninety percent (90%) of the principal portion of the Series 2021 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 2021 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 2021 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to assume that the Series 2021 Special Assessments have not been Substantially Absorbed. Such covenant shall not prohibit the District from issuing refunding Bonds or any Bonds or other debt obligations secured by Special Assessments levied on District Lands outside of the Series 2021 Assessment Area, or to finance any other capital project that is necessary to remediate any natural disaster, catastrophic damage or failure with respect to the Series 2021 Project.

The District and/or other public entities may impose taxes or other special assessments on the same properties encumbered by the Series 2021 Special Assessments without the consent of the Owners of the Series 2021 Bonds. The District expects to impose certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the Series 2021 Special Assessments on the same lands upon which the Series 2021 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 City, 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**

The Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2021 Acquisition and Construction Account." Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Acquisition and Construction Account in the amount set forth in the First Supplemental Indenture, together with any moneys transferred or deposited thereto, and such moneys shall be applied as set forth in the Indenture and the Acquisition Agreement (as defined in the Indenture). Funds on deposit in the Series 2021 Acquisition and Construction Account shall only be requested by the District to be applied to the Costs of the Series 2021 Project.

After the Completion Date for the Series 2021 Project, any moneys remaining in the Series 2021 Acquisition and Construction Account after retaining costs to complete the Series 2021 Project, shall be transferred to the Series 2021 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 the First Supplemental Indenture, only upon presentment to the Trustee of a properly signed requisition in substantially the form attached as an exhibit to the First Supplemental Indenture, shall the Trustee withdraw moneys from the Series 2021 Acquisition and Construction Account. After no funds remain therein, the Series 2021 Acquisition and Construction Account

shall be closed. The Trustee shall not be responsible for determining the amounts in the Series 2021 Acquisition and Construction Account allocable to the respective components of the Series 2021 Project.

The Trustee shall make no transfers from the Series 2021 Acquisition and Construction Account to the Series 2021 General Redemption Subaccount if an Event of Default exists with respect to the Series 2021 Bonds of which the Trustee has notice as described in the Master Indenture or of which the Trustee has actual knowledge as described in the Master Indenture.

### **Reserve Account**

The Indenture establishes an Series 2021 Reserve Account within the Debt Service Reserve Fund solely for the benefit of the Series 2021 Bonds. Net proceeds of the Series 2021 Bonds in the amount of the Series 2021 Reserve Requirement will be deposited into the Series 2021 Reserve Account.

"Series 2021 Reserve Requirement" or "Reserve Requirement" shall be an amount equal to the fifty percent (50%) of the maximum annual debt service on the Series 2021 Bonds as calculated from time to time. The Series 2021 Reserve Requirement, shall be calculated as of the date of the original issuance and delivery and recalculated in connection with each extraordinary mandatory redemption of the Series 2021 Bonds resulting from a prepayment of Series 2021 Special Assessments, as described in the Indenture (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the Series 2021 Reserve Account and transferred to the Series 2021 Prepayment Subaccount in accordance with the provisions set forth in the First Supplemental Indenture. Amounts on deposit in the Series 2021 Reserve Account may, upon final maturity or redemption of all Outstanding Bonds of the Series 2021 Bonds, be used to pay principal of and interest on the Series 2021 Bonds, at that time. Initially, the Series 2021 Reserve Requirement shall be equal to \$\_\_\_\_\_.

Notwithstanding any provisions in the Master Indenture to the contrary, the District will covenant in the Indenture not to substitute the cash and Investment Securities on deposit in the Series 2021 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 2021 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 2021 Reserve Account and transfer any excess therein above the Reserve Requirement for the Series 2021 Bonds caused by investment earnings to Series 2021 Revenue Account in accordance with the Indenture.

In the event of a prepayment of Series 2021 Special Assessments in accordance with the First Supplemental Indenture forty-five days before the next Quarterly Redemption Date, after receiving the written direction from the District, the Trustee shall recalculate the Series 2021 Reserve Requirement taking into account the amount of Series 2021 Bonds that will be outstanding as a result of such prepayment of Series 2021 Special Assessments, and cause the amount on deposit in the Series 2021 Reserve Account in excess of the Series 2021 Reserve Requirement,

resulting from Series 2021 Prepayment Principal, to be transferred to the Series 2021 Prepayment Subaccount to be applied toward the extraordinary redemption of Series 2021 Bonds in accordance with the First Supplemental Indenture, as a credit against the Series 2021 Prepayment Principal otherwise required to be made by the owner of such property subject to Series 2021 Special Assessments.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2021 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holder of the Series 2021 Bonds, to the Series 2021 General Redemption Subaccount of the Series 2021 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 2021 Special Assessments and applied to redeem a portion of the Series 2021 Bonds is less than the principal amount of Series 2021 Bonds indebtedness attributable to such lands.

In addition, and together with the moneys transferred from the Series 2021 Reserve Account pursuant to this paragraph, if the amount on deposit in the Series 2021 Prepayment Subaccount is not sufficient to redeem a principal amount of the Series 2021 Bonds in an Authorized Denomination, the Trustee is authorized to withdraw amount from the Series 2021 Revenue Account to round up the amount in the Series 2021 Prepayment Subaccount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2021 Revenue Account shall be made to pay interest on and/or principal of the Series 2021 Bonds for the redemption pursuant to the First Supplemental Indenture if as a result the deposits required in FIRST through FIFTH below cannot be made in full.

It shall be an event of default under the Indenture if at any time the amount in the Series 2021 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 2021 Bonds and such amount has not been restored within ninety (90) days of such withdrawal.

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

The Indenture establishes an Series 2021 Revenue Account within the Revenue Fund. Series 2021 Special Assessments (except for Prepayments of Series 2021 Special Assessments which shall be identified as such by the District to the Trustee and deposited in the Series 2021 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2021 Revenue Account. Pursuant to the Indenture, the Trustee shall transfer from amounts on deposit in the Series 2021 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 [\_\_\_\_\_ 1, 20\_\_], to the Series 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Series 2021 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each [\_\_\_\_\_ 1,] commencing [\_\_\_\_\_ 1, 20\_\_], to the Series 2021 Sinking Fund Account, an amount equal



to the principal amount of Series 2021 Bonds subject to sinking fund redemption on such [ ] 1, less any amount on deposit in the Series 2021 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2021 Bonds remain Outstanding, to the Series 2021 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 2021 Bonds;

FOURTH, notwithstanding the foregoing, at any time the Series 2021 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 to the Series 2021 Interest Account, the amount necessary to pay interest on the Series 2021 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 2021 Costs of Issuance Account upon the written request of the District to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2021 Bonds and next, any balance in the Series 2021 Revenue Account shall remain on deposit in the Series 2021 Revenue Account, unless needed for the purposes of rounding the principal amount of an Series 2021 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 2021 Rebate Fund, in which case, the District shall direct the Trustee to make such deposit thereto.

Notwithstanding the foregoing, in the event of redemption of Series 2021 Bonds from Prepayments on deposit in the Series 2021 Prepayment Subaccount, the Trustee is further authorized, upon written direction from the District, to transfer from the Series 2021 Revenue Account to the Series 2021 Prepayment Subaccount, sufficient funds to cause the redemption of the next closest Authorized Denomination of Series 2021 Bonds, as provided in the Indenture.

## **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 2021 Reserve Account of the 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 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 Landowners**

For purposes the following, (a) the Series 2021 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) to the extent permitted by law, 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 and Related 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 2021 Bonds:

(a) if payment of any installment of interest on any Series 2021 Bond is not made when it becomes due and payable; or

(b) if payment of the principal or Redemption Price of any Series 2021 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 the Majority Holder of the Series 2021 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 2021 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 2021 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 2021 Reserve Account is less than the Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to pay debt service on the Series 2021 Bonds and such amount has not been restored within ninety (90) days of such withdrawal; or

(g) if, at any time after eighteen months following issuance of the Series 2021 Bonds, more than twenty percent (20%) of the "maintenance special assessments" levied by the District on District lands upon which the Series 2021 Special Assessments are levied to secure the Series 2021 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 2021 Bonds shall be subject to acceleration. Upon occurrence and continuance of an Event of Default with respect to the Series 2021 Bonds, no optional redemption or extraordinary mandatory redemption of Series 2021 Bonds pursuant to the Indenture shall occur unless all of the Series 2021 Bonds will be redeemed or if 100% of the Holders of the Series 2021 Bonds agree to such redemption.

If any Event of Default with respect to the Series 2021 Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Holders of not less than a majority of the aggregate principal amount of the Outstanding Series 2021 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 2021 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 2021 Bonds and to perform its or their duties under the Act;

(b) bring suit upon the Series 2021 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 2021 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 2021 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 2021 Bonds.

If any proceeding taken by the Trustee on account of any Event of Default with respect to the Series 2021 Bonds is discontinued or is determined adversely to the Trustee, then the District, the Trustee, the Paying Agent and the Bondholders of the Series 2021 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 Holders of a majority in aggregate principal amount of the Outstanding Series 2021 Series 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 2021 Bonds is the Series 2021 Special Assessments imposed on lands in Series 2021 Assessment Area specially benefited by the Series 2021 Project, pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto.

The determination, order, levy, and collection of Series 2021 Special Assessments must be done in compliance with procedural requirements and guidelines provided by State law. Failure by the District, the Leon County Tax Collector (the "Tax Collector") or the Leon County Property Appraiser (the "Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2021 Special Assessments during any year. Such delays in the collection of Series 2021 Special Assessments, or complete inability to collect the Series 2021 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 2021 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2021 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 2021 Bonds.

For the Series 2021 Special Assessments to be valid, the Series 2021 Special Assessments must meet two requirements: (1) the benefit from the Series 2021 Project to the lands subject to the Series 2021 Special Assessments must exceed or equal the amount of the Series 2021 Special Assessments, and (2) the Series 2021 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 2021 Special Assessments.

Pursuant to the Act and the Assessment Proceedings, the District may collect the Series 2021 Special Assessments through a variety of methods. See "BONDOWNERS' RISKS." Initially, the District will directly issue annual bills to landowners requiring payment of the Series 2021 Special Assessments for lands that have not yet been platted, and will enforce that bill through foreclosure proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto. As lands within Series 2021 Assessment Area are platted, the Series 2021 Special Assessments will be added to the Leon County tax roll and collected pursuant to the Uniform Method (as described below). 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, in certain circumstances the District shall directly levy, collect and enforce the Series 2021 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 2021 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 2021 Special Assessments and the ability to foreclose the lien of such Series 2021 Special Assessments upon the failure to pay such Series 2021 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 2021 Special Assessments. See "BONDOWNERS' RISKS."

### **Uniform Method Procedure**

Subject to certain conditions, and for platted lands (as described above), the District may alternatively elect to collect the Series 2021 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 2021 Special Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2021 Special Assessments will be collected together with County, City, 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 2021 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 2021 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 2021 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2021 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 2021 Bonds.

Under the Uniform Method, if the Series 2021 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 2021 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 2021 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2021 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 2021 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2021 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 2021 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 2021 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 County Commission that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three years from the date the property was offered for sale, unsold lands escheat to the County in which they are located, free and clear, and all tax certificates and liens against the property, including the Series 2021 Special Assessments, 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 2021 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 2021 Special Assessments, which is the primary source of payment of the Series 2021 Bonds. Additionally, legal proceedings under Federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates. See "BONDOWNERS' RISKS."

### **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 2021 Bonds offered hereby and are set forth below. Prospective investors in the Series 2021 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 2021 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 2021 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 2021 Bonds.

#### **Concentration of Land Ownership**

As of the date of delivery of the Series 2021 Bonds, the Landowners own all of the assessable lands within the Series 2021 Assessment Area which are the lands that will be subject to the Series 2021 Special Assessments securing the Series 2021 Bonds. Payment of the Series 2021 Special Assessments is primarily dependent upon their timely payment by the Landowners and the other future landowners in the Series 2021 Assessment Area. Non-payment of the Series 2021 Special Assessments by any of the landowners could have a substantial adverse impact upon the District's ability to pay debt service on the Series 2021 Bonds. See "THE LANDOWNERS" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS" herein.

#### **Bankruptcy and Related Risks**

In the event of the institution of bankruptcy or similar proceedings with respect to the Landowners or any other owner of benefited property, delays could occur in the payment of debt service on the Series 2021 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Landowners and any other landowner to pay the Series 2021 Special Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2021 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2021 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2021 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 2021 Bonds, including, without limitation, enforcement of the obligation to pay Series 2021 Special Assessments and the ability of the District to foreclose the lien of the Series 2021 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 2021 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the Series 2021 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 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 2021 BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner." The District cannot express any view whether such delegation would be enforceable.

### **Series 2021 Special Assessments Are Non-Recourse**

The principal security for the payment of the principal and interest on the Series 2021 Bonds is the timely collection of the Series 2021 Special Assessments. The Series 2021 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 Landowners or subsequent landowners will be able to pay the Series 2021 Special Assessments or that they will pay such Series 2021 Special Assessments even though financially able to do so. Neither the Landowners nor any other subsequent landowners have any personal obligation to pay the Series 2021 Special Assessments. Neither the Landowners nor any subsequent landowners are guarantors of payment of any Series 2021 Special Assessments, and the recourse for the failure of the Landowners or any subsequent landowner to pay the Series 2021 Special Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2021 Special Assessments, as described herein. Therefore the likelihood of collection of the Series 2021 Special Assessments may ultimately depend on the market value of the land subject to the Series 2021 Special Assessments. While the ability of the Landowners or subsequent landowners to pay the Series 2021 Special Assessments is a relevant factor, the willingness of the Landowners or subsequent landowners to pay the Series 2021 Special Assessments, which may also be affected by the value of the land subject to the Series 2021 Special Assessments, is also an important factor in the collection of Series 2021 Special Assessments. The failure of the Landowners or subsequent landowners to pay the Series 2021 Special Assessments could render the District unable to collect delinquent Series 2021 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 2021 Bonds.

## **Regulatory and Environmental Risks**

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

The value of the land within the District, the success of the Development, the development of the Series 2021 Assessment Area and the likelihood of timely payment of principal and interest on the Series 2021 Bonds could be affected by environmental factors with respect to the land in the District. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the land in the District, which could materially and adversely affect the success of the development of the lands within the District and the likelihood of the timely payment of the Series 2021 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 lands in the Series 2021 Assessment Area.

The value of the lands subject to the Series 2021 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 2021 Bonds. The Series 2021 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 2021 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 Landowners. Moreover, the Landowners have the right to modify or change plans for development of the Development from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and

number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of the District.

### **Other Taxes and Assessments**

The willingness and/or ability of an owner of benefited land to pay the Series 2021 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 2021 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 2021 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 2021 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 2021 Special Assessment, even though the landowner is not contesting the amount of the Series 2021 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 2021 Bonds**

The Series 2021 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2021 Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2021 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2021 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2021 Bonds, depending on the progress of development of the Development and the lands the Series 2021 Assessment Area, as applicable, existing real estate and financial market conditions and other factors.

### **Inadequacy of Series 2021 Reserve Account**

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2021 Special Assessments, may not adversely affect the timely payment

of debt service on the Series 2021 Bonds because of the Series 2021 Reserve Account. The ability of the Series 2021 Reserve Account to fund deficiencies caused by delinquencies in the Series 2021 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2021 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 such Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2021 Special Assessments, the Series 2021 Reserve Account would be rapidly depleted and the ability of the District to pay debt service on the Series 2021 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Series 2021 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 Series 2021 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 2021 Special Assessments in order to provide for the replenishment of the Series 2021 Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Series 2021 Reserve Account" herein for more information about the Series 2021 Reserve Account.

### **Legal Delays**

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2021 Special Assessments that are not being collected pursuant to the Uniform Method, such landowner and/or its mortgagee(s) may raise affirmative defenses to such foreclosure action. Although the District expects that such affirmative defenses would likely be proven to be without merit, they could result in delays in completing the foreclosure action. In addition, the District is required under the Indenture to fund the costs of such foreclosure. It is possible that the District will not have sufficient funds and will be compelled to request the Holders of the Series 2021 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 2021 Bonds that can be used for such purpose.

### **IRS Examination and Audit Risk**

The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. In 2016, the IRS concluded its lengthy examination of certain issues of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District (the "Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local government body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes. Village Center CDD received a second TAM dated June 17, 2015, which granted relief to Village Center CDD from retroactive application of the IRS's conclusion

regarding its failure to qualify as a political subdivision. Prior to the conclusion of the audits, the Audited Bonds were all refunded with taxable bonds. The audit of the Audited Bonds that were issued for utility improvements were closed without change to the tax exempt status of those Audited Bonds on April 25, 2016, and the audit of the remainder of the Audited Bonds (which funded recreational amenity acquisitions from entities related to the principal landowner in the Village Center CDD) was closed on July 14, 2016, without the IRS making a final determination that the interest on the Audited Bonds in question was required to be included in gross income. However, the IRS letter to the Village Center CDD with respect to this second set of Audited Bonds noted that the IRS found that the Village Center CDD was not a "proper issuer of tax-exempt bonds" and that those Audited Bonds were private-activity bonds that did not fall in any of the categories that qualify for tax-exemption. Although the TAMs and the letters to the Village Center CDD from the IRS referred to above are addressed to, and binding only on, the IRS and Village Center CDD in connection with the Audited Bonds, they reflect the audit position of the IRS, and there can be no assurance that the IRS would not commence additional audits of bonds issued by other community development districts raising issues similar to the issues raised in the case of the Audited Bonds based on the analysis set forth in the first TAM or on the related concerns addressed in the July 14, 2016 letter to the Village Center CDD.

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the interest on which is excluded from gross income for federal tax purposes. The proposed regulations 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 funds or assets otherwise controlled by a government unit with all three sovereign powers or by an electorate that is not controlled by an unreasonably small number of unrelated electors. On October 4, 2017, the Treasury Department ("Treasury") announced that it would withdraw the proposed regulations, stating that, "while Treasury and the IRS continue to study the legal issues relating to political subdivisions, Treasury and the IRS currently believe that these proposed regulations should be withdrawn in their entirety, and plan to publish a withdrawal of the proposed regulations shortly in the Federal Register. Treasury and the IRS may propose more targeted guidance in the future after further study of the relevant legal issues." Notice of withdrawal of the proposed regulations was published in the Federal Register on October 20, 2017.

It has been reported that the IRS has closed audits of other community development districts in 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 and none were elected by qualified electors.] The Landowners will certify as to their expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act, and their expectations as to compliance with the Act by any members

of the Board that they elect. Such certification by the Landowners does not ensure that such certification shall be determinative of, or may influence the outcome of any audit by the IRS, or any appeal from such audit, that may result in an adverse ruling that the District is not a political subdivision for purposes of Section 103(a) of the Code. Further, there can be no assurance that an audit by the IRS of the Series 2021 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 2021 Bonds are advised that, if the IRS does audit the Series 2021 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 2021 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 2021 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 2021 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 2021 Bonds would adversely affect the availability of any secondary market for the Series 2021 Bonds. Should interest on the Series 2021 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2021 Bonds be required to pay income taxes on the interest received on such Series 2021 Bonds and related penalties, but because the interest rate on such Series 2021 Bonds will not be adequate to compensate Owners of the Series 2021 Bonds for the income taxes due on such interest, the value of the Series 2021 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2021 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2021 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2021 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2021 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2021 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 2021 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 federal and state securities laws. Accordingly, the District and purchasers of Series 2021 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 2021 Bonds would need to ensure that subsequent transfers of the Series 2021 Bonds are made pursuant



to a transaction that is not subject to the registration requirements of the Securities Act and applicable state securities laws.

### **Federal Tax Reform**

Various legislative proposals are mentioned from time to time by members of Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. In addition, the IRS may, in the future, issue rulings that have the effect of challenging the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations or states and their political subdivisions, such as the Series 2021 Bonds, by eliminating or changing the tax-exempt status of interest on such bonds. Whether any such proposals will ultimately become or be upheld as law, and if so, the effect such proposals could have upon the value of bonds such as the Series 2021 Bonds cannot be predicted. However, it is possible that any such law or interpretation could have a material and adverse effect upon the availability of a liquid secondary market and/or the value of the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation. See also "TAX MATTERS."

### **State Tax Reform**

It is impossible to predict what new proposals may be presented regarding 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 2021 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 2021 Project or the Construction of Homes within the Series 2021 Assessment Area**

The cost to finish the Series 2021 Project will exceed the net proceeds from the Series 2021 Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the Series 2021 Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Series 2021 Project.

Further, the Indenture sets forth certain limitations on the issuance of additional bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Additional Bonds" for more information.

Although the respective Landowners will agree to fund or cause to be funded the completion of the Series 2021 Project regardless of the insufficiency of proceeds from the Series 2021 Bonds and will enter into a completion agreement with the District as evidence thereof, there can be no assurance that the Landowners will have sufficient resources to do so. Such obligation of the Landowners is an unsecured obligation, and the Landowners are special-purpose entities whose assets consist primarily of their respective interests in the Series 2021 Assessment Area]. See "THE LANDOWNERS" herein for more information.

[Further, there is a possibility that, even if the Series 2021 Assessment Area is developed, homebuilders 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 Series 2021 Assessment Area. Builder contracts may also be terminated by homebuilders upon the occurrence or failure to occur of certain conditions set forth therein.] See "THE DEVELOPMENT – Builder Contracts" herein for more information about the Development's builder program.

### **COVID-19 and Related Matters**

In addition to the general economic conditions discussed above, the timely and successful completion of the Development, the purchase of lots therein by homebuilders and the construction and sale to end users of residential units may be adversely impacted by the continued spread of the novel strain of coronavirus called COVID-19 or by other highly contagious or epidemic or pandemic diseases. The United States, the State and the County have all previously imposed certain health and public safety restrictions in response to COVID-19 in the past. The District cannot predict whether new actions may be taken by government authorities in the future to contain or otherwise address the impact of the COVID-19 or similar outbreak.

To date, the outbreak has resulted in severe impacts on global financial markets, unemployment levels and commerce generally. The Landowners may experience delays in obtaining certain development approvals as a result of the implementation of certain government actions and/or restrictions. The District and the Landowners cannot predict the duration of the current COVID-19 outbreak, and the ultimate impact the COVID-19 outbreak may have on the Development is unknown. It is possible that delays in lot purchases by the homebuilders, construction delays, delays in the receipt of permits or other government approvals, supply chain delays, increased costs, delays in sales to end users or other delays could occur, or continue to occur, as applicable, as a result of the COVID-19 outbreak or other highly contagious or epidemic or pandemic diseases that adversely impact the Development. See also "BONDOWNERS' RISKS – Economic Conditions and Changes in Development Plans" and "Insufficient Resources or Other Factors Causing Failure to Complete the Development of, or the Construction of Homes within, the Development" herein.

## **Cybersecurity**

The District relies on a technological environment to conduct its operations. The District, its agents and other third parties the District does business with or otherwise relies upon are subject to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to such parties' digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. No assurances can be given that any such attack(s) will not materially impact the operations or finances of the District, which could impact the timely payment of debt service on the Series 2021 Bonds.

## **Prepayment and Redemption Risk**

In addition to being subject to optional and mandatory sinking fund redemptions, the Series 2021 Bonds are subject to extraordinary mandatory redemption as a result of prepayments of the Series 2021 Special Assessments by the Landowners or subsequent owners of the property within the Series 2021 Assessment Area. Any such redemptions of the Series 2021 Bonds would be at the principal amount of such Series 2021 Bonds being redeemed plus accrued interest to the date of redemption. In such event, owners of the Series 2021 Bonds may not realize their anticipated rate of return on the Series 2021 Bonds and owners of any Premium Bonds (as defined herein) may receive less than the price they paid for the Series 2021 Bonds. See "DESCRIPTION OF THE SERIES 2021 BONDS – Redemption Provisions," "– Purchase of Series 2021 Bonds" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Prepayment of Series 2021 Special Assessments" herein for more information.

## **Payment of Series 2021 Special Assessments after Bank Foreclosure**

In the event a bank forecloses on property because of a default on a mortgage in favor of such bank on any of the assessable lands within the District, and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2021 Special Assessments levied on such property. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.

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**ESTIMATED SOURCES AND USES OF FUNDS**

The table that follows summarizes the estimated sources and uses of proceeds of the Series 2021 Bonds:

	Total Series 2021 Bonds
<b>Sources of Funds:</b>	
Principal Amount	\$ _____
[Less Original Issue Discount]	_____
Total Sources	<u>\$ _____</u>
 <b>Use of Funds:</b>	
Deposit to Series 2021 Acquisition and Construction Account	\$ _____
Deposit to Series 2021 Interest Account <sup>(1)</sup>	_____
Deposit to Series 2021 Reserve Account	_____
Costs of Issuance <sup>(2)</sup>	_____
Total Uses	<u>\$ _____</u>

(1) Includes capitalized interest through \_\_\_\_\_ 1, 20\_\_\_\_.

(2) Costs of issuance include, without limitation, underwriter's discount, legal fees and other costs associated with the issuance of the Series 2021 Bonds.

[Remainder of page intentionally left blank]

## DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2021 Bonds:

<b>Period Ending November 1</b>	<b>Series 2021 Bonds</b>		<b>Total Debt Service</b>
	<b>Principal</b>	<b>Interest</b>	

**Totals**

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## THE DISTRICT

### General

The District is an independent local unit of special-purpose government of the State created in accordance with the Act by the Ordinance (described below). The District encompasses approximately 356.47 gross acres of land, located within the Leon County, Florida, in Leon County. The District is generally located south of Buck Lake Road, near the intersection U.S. Highway 90 and State Road 10. The District was established under Ordinance No. 97-18, duly enacted by the Board of County Commissioners of the County with an effective date of October 14, 1997, as amended by County Ordinance No. 2007-12 effective May 2, 2007 [and by County Ordinance No. [ ], effective [ ], 2021]\* (collectively, the "Ordinance"). The District Lands are being developed as a residential community known as "Falls Chase" (the "Development"). For more information, see "THE DEVELOPMENT" herein.

### 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 a Supervisor for the remainder of the unexpired term.

The landowners in the District elect two Supervisors to four-year terms and three Supervisors to two-year terms at bi-annual elections. After the first election of the Board, the next election by landowners will be the first Tuesday in the applicable November. Thereafter, the elections will take place every two years on a date in November established by the Board. Upon the later of six years after the initial appointment of Supervisors and the year when the District next attains at least 250 qualified electors, Supervisors whose terms are expiring will begin to be elected (as their terms expire) by qualified electors of the District. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the District and the State and a citizen of the United States. At the election where Supervisors are first elected by qualified electors, two Supervisors must be qualified electors and be elected by qualified electors, each elected to four-year terms. The seat of the remaining Supervisor whose term is expiring at such election shall be filled by a Supervisor who is elected by the landowners for a four-year term and who is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and must be elected by qualified electors to serve staggered four-year terms.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors

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\* [Discuss timing of boundary contraction.]

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>
Richard Yates *	Chair	November 2023
Richard (Rick) Lewis Singletary, Jr.	Vice-Chair	November 2023
William C. Lamb	Assistant Secretary	November 2021
Jeff S. Phipps	Assistant Secretary	November 2021
Richard L. (Lewis) Singletary, III	Assistant Secretary	November 2021

\* Affiliated with the Landowners or their 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**

As a special district, the District has only those powers specifically delegated to it by the Act and the Ordinance, or necessarily implied from powers specifically delegated to it. The Act provides that the District has the power to issue general obligation, revenue and special assessment bonds in any combination to pay all or part of the cost of infrastructure improvements authorized under the Act. The Act further provides that the District has the power to levy and assess taxes on all taxable real and tangible personal property, and to levy Special Assessments on specially benefited lands, within its boundaries to pay the principal of and interest on bonds issued and to provide for any sinking or other funds established in connection with any such bond issues. The Act also authorizes the District to impose assessments to maintain assets of the District and to pay operating expenses of the District. The District may also impose user fees, rates and charges and may enter into agreements with property owner associations within and without the boundaries of the District in order to defray its administrative, maintenance and operating expenses.

Among other provisions, the Act gives the District the right (i) to hold, control, and acquire by donation, purchase, condemnation, or dispose of, any public easements, dedications to public use, platted reservations for public purposes, or any reservations for those purposes authorized by the Act and to make use of such easements, dedications, or reservations for any of the purposes authorized by the Act, (ii) to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for various basic

infrastructures, including District roads equal to or exceeding the specifications of the County in which such district roads are located, facilities for indoor and outdoor recreational, cultural and educational uses, and any other project within or without the boundaries of the District when a local government has issued a development order approving or expressly requiring the construction or funding of the project by the District, or when the project is the subject of an agreement between the District and a governmental entity and is consistent with the local government comprehensive plan of the local government within which the project is to be located, (iii) to borrow money and issue bonds of the District, and (iv) 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) and (d) of the Act and 190.012(3) of the Act. Such special powers include the right to (i) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain systems, facilities, and basic infrastructures for (a) water management and control for the lands within the District and to connect some or any of such facilities with roads and bridges, (b) water supply, sewer, and wastewater management, reclamation, and reuse or any combination thereof, and to construct and operate connecting intercepting or outlet sewers and sewer mains and pipes and water mains, conduits or pipelines, in along, and under any street, alley, highway or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system, (c) bridges or culverts that may be needed across any drain, ditch, canal, floodway, holding basin, excavation, public highway, tract, grade, fill, or cut and roadways over levees and embankments, and to construct any and all of such works and improvements across, through, or over any public right-of-way, highway, grade, fill or cut, (d) District roads equal to or exceeding the specifications of the County in which such District roads are located, and street lights, (e) buses, trolleys, transit shelters, ridesharing facilities and services, parking improvements, and related signage, (f) investigation and remediation costs associated with the cleanup of actual or perceived environmental contamination within the District under the supervision or direction of a competent governmental authority unless the covered costs benefit any person who is a landowner within the District and who caused or contributed to the contamination, (g) conservation areas, mitigation areas, and wildlife habitat, including the maintenance of any plant or animal species, and any related interest in real or personal property, and (h) any other project within or without the boundaries of the District when a local government issued a development order approving or expressly requiring the construction or funding of the project by the District, or when the project is the subject of an agreement between the District and a governmental entity and is consistent with the local government comprehensive plan of the local government within which the project is to be located, (ii) parks and facilities for indoor and outdoor recreational and cultural uses, (iii) security, including, but not limited to, guardhouses, fences and gates, electronic intrusion detection systems, and patrol cars, or industrial waste, and (iv) adopt and enforce appropriate rules in connection with the provision of one or more services through the District's systems and facilities.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances, and the Act does not empower the District to grant building permits; these functions are performed by the City and the County, as applicable, acting through their respective Commissions and departments of government.



The Act exempts all property of the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any owner of bonds of the District to pursue any remedy for enforcement of any lien or pledge of the District in connection with such bonds, including the Series 2021 Bonds.

### **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. Wrathell, Hunt and Associates, LLC, serves as District Manager. The District Manager's corporate office is located at 2300 Glades Rd., Ste. #410W, Boca Raton, Florida 33431.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of [van Assenderp Law], Tallahassee, Florida, as District Counsel; Greenberg Traurig, P.A., Miami, Florida, as Bond Counsel. Wrathell, Hunt and Associates, LLC, also serves as Methodology Consultant for the Series 2021 Bonds.

### **Outstanding Indebtedness**

[The District has not previously issued any bonds or other debt obligations.]

[Remainder of page intentionally left blank.]

## THE SERIES 2021 PROJECT

Moore Bass Consulting, Inc. (the "District Engineer") prepared a report entitled [Amended and Restated Engineer's Report on District Improvements and Estimated Probable Construction Cost dated April 23, 2007, as amended July 20, 2007 and December 1, 2017] (the "Engineer's Report"), which sets forth certain infrastructure improvements necessary for the development of [873] single-family residential lots planned for the District, including without limitation stormwater management, roadways, water and sewer facilities and off-site improvements (the "Capital Improvement Plan" or "CIP"). The District Engineer estimates the total cost of the CIP to be approximately \$[ ] million.

The net proceeds from the Series 2021 Bonds will fund a portion of the infrastructure associated with approximately [ ] acres of land within the District currently planned for [792] residential units and related improvements (the "Series 2021 Project"). The District Engineer estimates the total cost of the Series 2021 Project to be approximately \$[45,369,280], as set forth below.

Infrastructure	Estimated Costs
Offsite Improvements	\$ _____
Stormwater Management	_____
Utilities (Water, Sewer & Street Lighting)	_____
Roadway	_____
Entry Feature	_____
Parks and Amenities	_____
Contingency	_____
<b>Total</b>	<b>\$ _____</b>

The net proceeds of the Series 2021 Bonds, consisting of approximately \$[ ] million,\* will be used to construct or purchase a portion of the Series 2021 Project. See "THE DEVELOPMENT – Finance and Development Plan" herein. The Landowners will enter into a completion agreement at closing on the Series 2021 Bonds whereby they will agree to complete those portions of the Series 2021 Project not funded with proceeds of the Series 2021 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2021 Project or the Construction of Homes within Series 2021 Assessment Area" herein.

Land development associated with Series 2021 Assessment Area [commenced in \_\_\_\_\_ 20\_\_] and is expected to be completed by [\_\_\_\_\_ 20\_\_]. As of [September 14], 2021, the Landowners have spent approximately \$[5.9 million] towards land development, a portion of which includes the Series 2021 Project.

The District expects to issue additional series of bonds to fund the portion of the CIP associated with the remaining District Lands in the future. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Additional Bonds" for limitations on additional

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\* Preliminary, subject to change.

bonds contained in the Indenture. Such bonds, if issued, will be secured by assessments levied on lands that are separate and distinct from Series 2021 Assessment Area.

The District Engineer has indicated that all engineering permits necessary to construct the Series 2021 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.

See "APPENDIX A: ENGINEER'S REPORT" for more information regarding the above improvements.

Set forth on the following page is a map showing the boundaries and location of the District Lands, including the location of Series 2021 Assessment Area:

[Remainder of page intentionally left blank.]

[Map to come.]

**ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS**

The Amended and Restated Master Special Assessment Methodology Report, dated August 30, 2021, as supplemented by the [Supplemental Special Assessment Methodology], dated \_\_\_\_\_, 2021 (collectively, the "Assessment Methodology"), which allocates the Series 2021 Special Assessments to the lands within Series 2021 Assessment Area, has been prepared by Wrathell, Hunt and Associates, LLC, Boca Raton, Florida (the "Methodology Consultant"). See "EXPERTS" herein for more information. The Assessment Methodology is included herein as APPENDIX D. Once the final terms of the Series 2021 Bonds are determined, the Assessment Methodology will be supplemented to reflect such final terms. Once levied and imposed, the Series 2021 Special Assessments are a first lien on the assessed lands within Series 2021 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.

The Series 2021 Bonds are payable from and secured by a pledge of the Series 2021 Pledged Revenues, which consist primarily of the revenues received by the District from the Series 2021 Special Assessments levied on the assessed lands within Series 2021 Assessment Area. Series 2021 Assessment Area consists of approximately [274.97] gross acres planned for [792] single-family homes. The District will initially impose the Series 2021 Special Assessments across all of the lands within Series 2021 Assessment Area on an equal per acre basis. As parcels are platted within Series 2021 Assessment Area, the debt will be transferred from gross acres to platted lots in accordance with the Assessment Methodology. The Series 2021 Special Assessments will be allocated to the 261 lots planned for Series 2021 Assessment Area. See "APPENDIX D: ASSESSMENT METHODOLOGY" for more information.

Upon platting of Series 2021 Assessment Area, the estimated Series 2021 Special Assessments levied and allocated to platted units to pay debt service on the Series 2021 Bonds and the Series 2021 Bond estimated par per unit are expected to be as follows:

<b># of Units Planned</b>	<b>Net Annual Series 2021 Special Assessment*</b>	<b>Series 2021 Bonds Total Par Per Unit*</b>
30'	\$ _____	\$ _____
40'	_____	_____
50'	_____	_____
60'	_____	_____
70'	_____	_____
90'	_____	_____

\* Preliminary, subject to change. Annual assessments collected via the Uniform Method will be subject to a gross up to account for estimated County collection costs/payment discounts, which may fluctuate.

The District anticipates levying assessments to cover its operation and administrative costs that are initially expected not to exceed \$[\_\_\_\_\_] 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 2021 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 Leon 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.

[Remainder of page intentionally left blank]

*The information appearing below under the captions "THE DEVELOPMENT" and "THE LANDOWNERS" has been furnished by the Landowners 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 Landowners make any representation or warranty as to the accuracy or completeness of such information supplied by them. The following information is provided by the Landowners as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the Development. The Landowners are not guaranteeing payment of the Series 2021 Bonds or the Series 2021 Special Assessments.*

## **THE DEVELOPMENT**

### **General Overview**

The District encompasses approximately [375.53] gross acres located in Leon County, Florida.\* The District Lands are being developed as a single-family home residential community to be known as "Fallschase" (the "Development"). At buildout, the Development is planned to contain [1,080] residential units, together with recreation and amenity areas.

The Development is generally located south of Buck Lake Road and north of Upper Lake Lafayette, approximately 0.8 miles from U.S. Highway 90 and 4.33 miles from Interstate 10. The Development is expected to expand upon the Buckwood and Bucks Lake sub-market and has access to Tom Brown Park, Lafayette Heritage Trail and Fallschase Village Center Shopping Center, which includes a Walmart, Costco and multiple restaurant facilities.

The Development is being developed in phases. The Series 2021 Assessment Area, which corresponds to Phases 1 through 6 of the Development, consists of approximately [374.97] acres and is planned for [792] single-family homes. The remaining District Lands will be financed in the future.

[RMDC, Inc., a Florida corporation and Red Hills Property Holdings, LLC, a Florida limited liability company] (collectively, the "Landowners"), own all of the land within the District and are serving as the developers of the Development. See "THE LANDOWNERS" herein for more information. See "--Builder Contracts" herein for more information regarding the Development's builder program.

Single-family homes planned for the Development will range in size from approximately [\_\_\_\_] square feet to [\_\_\_\_] square feet, and price points will range from approximately \$300,000 to \$850,000. The target customers for units within the Development are [first-time homebuyers and move-up buyers]. See "--Residential Product Offerings" herein for more information.

### **Land Acquisition**

The Landowners acquired title to the lands within the District, including the Series 2021 Assessment Area, in [December 2016] for a purchase price of approximately \$[7,000,000]. [The lands within the District are also subject to a [mortgage] in favor of Thomasville National Bank in

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\* [Discuss boundary amendment]

the amount of \$4,600,000, which bears an interest rate of 3.75% per annum and has final maturity of December 12, 2021.]

### **Finance and Development Plan**

The total cost to develop the lots planned for Series 2021 Assessment Area is expected to be approximately \$[ ] million. As of [September 14], 2021, the Landowners have incurred approximately \$[5.9] million in development costs. Net proceeds of the Series 2021 Bonds will fund approximately \$[ ] million\* of the land development costs. The Landowners will enter into a completion agreement at closing on the Series 2021 Bonds whereby they will agree to fund the completion of the Series 2021 Project. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2021 Project or the Construction of Homes within Series 2021 Assessment Area" herein.

Land development of Series 2021 Assessment Area [commenced in \_\_\_\_ 20\_\_] is expected to be completed by [\_\_\_\_ 20\_\_]. The Landowners expect vertical construction and marketing of residential units to homebuyers to commence in [\_\_\_\_ 20\_\_], with closings anticipated to commence by [\_\_\_\_ 20\_\_]. The Development will have an on-site sales center that is expected to open in [\_\_\_\_ 20\_\_]. The Landowners expect to construct approximately six model homes, which are estimated to be completed by [\_\_\_\_ 20\_\_].

The Landowners anticipate that approximately [ ] homes will be sold per annum commencing in the [ ] quarter of 20[ ] until buildout, which is expected by the [ ] quarter of 20[ ]. This anticipated absorption is based upon estimates and assumptions made by the Landowners that are inherently uncertain, though considered reasonable by the Landowners, 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 Landowners. As a result, there can be no assurance such absorption rate will occur or be realized in the time frame anticipated.

### **Builder Contracts**

[To come.]

### **Residential Product Offerings**

The target customers for units within the Development are [first time homebuyers and move-up buyers]. The following table reflects the Landowners' current expectations for the homes planned for Series 2021 Assessment Area, all of which are subject to change:

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\* Preliminary, subject to change.



<b>Product Type</b>	<b>Approx. Square Footage</b>	<b>Bedrooms/ Bathrooms</b>	<b>Estimated Average Home Price</b>
30'	[____ – ____]	__ Bedrooms, __ Baths	\$[____]
40'	[____ – ____]	__ Bedrooms, __ Baths	\$[____]
50'	[____ – ____]	__ Bedrooms, __ Baths	\$[____]
60'	[____ – ____]	__ Bedrooms, __ Baths	\$[____]
70'	[____ – ____]	__ Bedrooms, __ Baths	\$[____]
90'	[____ – ____]	__ Bedrooms, __ Baths	\$[____]

### **Development Approvals**

[The District Lands have a PUD (Planned Unit Development) zoning designation from the City and are approved for the development of up to [\_\_\_\_] single-family lots. The Landowners have received approvals from the Northwest Florida Water Management District and the City for the development of Series 2021 Assessment Area. The District Engineer has indicated that all engineering permits necessary to construct the Assessment One Project have been obtained or are anticipated to be received in due course.] For more information regarding the permitting status of Series 2021 Assessment Area, see "THE SERIES 2021 PROJECT" herein and "APPENDIX A: ENGINEER'S REPORT" hereto. See also "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein.

### **Environmental**

A Phase I Environmental Site Assessment was performed on the District Lands, including lands within Series 2021 Assessment Area, on [February 13, 2013] (the "ESA"). [The ESA did not identify any recognized environmental conditions.] See "BONDOWNERS' RISK - Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

### **Amenities**

The Development will include an amenity center consisting of an approximately [\_\_\_\_]-square foot [clubhouse, pool, pocket parks, tennis courts and walking trails] (collectively, the "Amenities"). Construction of the Amenities is expected to commence in the [\_\_\_\_] quarter of 20[\_\_\_\_] and be completed by the [\_\_\_\_] quarter of 2022, at a cost of approximately \$[2.5 million], [a portion of which is included in the cost of the Series 2021 Project]. The Amenities will be owned and operated by the District upon completion.

### **Utilities**

Electric utilities will be provided to the Development by the City of Tallahassee. Potable water, wastewater treatment and reclaimed wastewater (reuse services) for the Development are expected to be provided by the City of Tallahassee. 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**

As set forth in the Assessment Methodology, the Series 2021 Special Assessments are initially levied on [274.97] gross acres until such time the lots are platted. Once platted, the assessments will be assigned to the platted lots in the District. Assuming that all of the planned [792] residential units are developed and platted, then the Series 2021 Special Assessments will be allocated on a per unit basis below and as set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein.

<b># of Units Planned</b>	<b>Net Annual Series 2021 Special Assessment*</b>	<b>Series 2021 Bonds Total Par Per Unit*</b>
30'	\$ _____	\$ _____
40'	_____	_____
50'	_____	_____
60'	_____	_____
70'	_____	_____
90'	_____	_____

\*Preliminary, subject to change. Annual assessments collected via the Uniform Method will be subject to a gross up to account for estimated County collection costs/payment discounts, which may fluctuate.

The District anticipates levying assessments to cover its operation and maintenance costs that will be approximately \$[\_\_\_\_] per residential unit annually, which amount is subject to change. In addition, residents will be required to pay homeowners association fees which are currently estimated to be \$100 per year per residential unit, which amount is subject to change. The land within the District has been and is expected to continue to be subject to taxes and assessments imposed by taxing authorities other than the District. The total millage rate imposed on taxable properties in the District in the 2020 tax year was approximately 14.80850 mills. These taxes would be payable in addition to the Series 2021 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 District of Leon County, Florida may 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.

**Education**

School age residents of the Development are expected to attend Buck Lake Elementary School, Swift Creek Middle School and Lincoln High School, which are located approximately 2 miles, 3 miles and 4 miles away from the Development, respectively, and which received grades of A, A and B, respectively, from the State in 2019 (the most recent year for which grades are available). The Leon 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.

## **Competition**

The Development is expected to compete with projects in the eastern Leon County market generally, which include Canopy, The Retreat at Mahan, Bannerman Crossings Residential and Southwood. The foregoing does not purport to summarize all of the existing or planned communities in the area of the Development.

## **Landowners Agreements**

The Landowners will enter into a completion agreement that will obligate the Landowners to complete any portions of the Series 2021 Project not funded with proceeds of the Series 2021 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2021 Project or the Construction of Homes within Series 2021 Assessment Area" herein.

In addition, the Landowners will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment"), pursuant to which the Landowners will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Landowners, development rights relating to the Series 2021 Project and the development of Series 2021 Assessment Area. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2021 Special Assessments as a result of the Landowners' 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 2021 Project or the development of Series 2021 Assessment Area.

Finally, the Landowners will also enter into a True-Up Agreement in connection with their obligations to pay true-up payments in the event that debt levels remaining on unplatted lands in Series 2021 Assessment Area increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism."

Such obligations of the Landowners are unsecured obligations. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2021 Project or the Construction of Homes within Series 2021 Assessment Area" and "THE LANDOWNERS" herein for more information regarding the Landowners.

## **THE LANDOWNERS**

[RMDC, Inc., a Florida corporation, and Red Hills Property Holdings, LLC, a Florida limited liability company] (collectively, "Landowners"), owns all of the land in the Development, including the Series 2021 Assessment Area, and is serving as the land developers for the Development. [Discuss corporate structure.]

Set forth below are biographies of the principals of [Westchester South Holdings].

Richard Yates. Mr. Yates is the Executive Manager for Westchester South Holdings. His early interest in real estate was an extension from his work in geochemistry and groundwater modeling. Mr. Yates has over a decade of experience with direct involvement in real estate

development, ranging from low-income housing to commercial property acquisition and improvement. From 2001, he has served as real estate investment manager and investment advisor to Robert Platek (biography below) and his investment fund. He currently manages at least 25 properties, including retail, office, residential and agricultural properties.

Robert & Laurie Platek. Mr. and Mrs. Platek are the senior investors of Westchester South Holdings. Mr. Platek began his career in 1986 as a financial analyst for Chase Manhattan Bank's Debt Restructuring Group and Financial Audit Group, before becoming a member of the High Yield Trading Group at Citicorp Securities, Chase Securities and The Printon Kane Group in 1991. From 1995 through 2001 he served as a hedge fund manager portfolio manager for the Propriety Group of Paine Webber, where he focused primarily on distressed and high yield bonds, as well as restructured entities, in addition to founding Griffin Partners, L.P. and Plymouth Partners, L.P. In 2002, Mr. Platek joined MSD Capital as co-manager of the Special Opportunities Group and became a partner in 2006. He holds a B.S. degree from Rutgers University.

Max F. Beverly. Mr. Beverly is a Manager of Westchester South Investments, LLC. He has held position in financial consulting with Coopers & Lybrand and Arthur Andersen before working in private investment. He was elected to the Thomasville, Georgia City Council and 2006 and served a term as Thomasville's Mayor. He has also served as the Chairman of the Payroll Development Authority, which recruits business to Thomasville. He holds a B.B.A in finance from the University of Georgia and an M.B.A. from Southern Methodist University.

*Neither the Landowners nor any of the other individuals or entities listed above is guaranteeing payment of the Series 2021 Special Assessments or the Series 2021 Special Assessments. None of the entities listed herein, other than the Landowners, has entered into any agreements in connection with the issuance of the Series 2021 Special Assessments.*

## **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 2021 Bonds in order that the interest on the Series 2021 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 2021 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2021 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 2021 Bonds.

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications and continuing compliance by the District with the tax covenants referred to above, under existing statutes, regulations, rulings, and court decisions, the interest on the Series 2021 Bonds is excludable from gross income of the holders thereof for federal income tax purposes; and, further, interest on the Series 2021 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 2021 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 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their own tax advisors as to the status of interest on the Series 2021 Bonds under the tax laws of any state other than the State.

The above opinion on federal tax matters with respect to the Series 2021 Bonds will be based on and will assume the accuracy of certain representations and certifications of the District and the Landowners, 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 2021 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 2021 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 2021 Bonds, or the ownership or disposition of the Series 2021 Bonds. Prospective purchasers of Series 2021 Bonds should be aware that the ownership of Series 2021 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 2021 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 2021 Bonds, (iii) the inclusion of the interest on the Series 2021 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 2021 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 2021 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 2021 Bonds. Prospective purchasers of the Series 2021 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 2021 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 2021 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 2021 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 2021 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 2021 Bonds, or adversely affect the market price or marketability of the Series 2021 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 2021 Bonds. Prospective purchasers of the Series 2021 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 2021 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 2021 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 2021 Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2021 Bonds and proceeds from the sale of Series 2021 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2021 Bonds. This withholding generally applies if the owner of Series 2021 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 2021 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 2021 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 2021 Project funded by the Series 2021 Bonds, subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

### **LEGALITY FOR INVESTMENT**

The Act provides that 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 2021 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 2021 Bonds. Investment in the Series 2021

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 2021 Bonds upon an event of default under the respective 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 2021 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2021 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 ended September 30, 2021. Attached hereto as APPENDIX F is a copy of the District's audited financial statements for the District's fiscal year ended September 30, 2020, as well as the District's unaudited monthly financial statements for the period ended [\_\_\_\_\_, 20\_\_]. Such financial statements, including the auditor's report included within the audited financial statements, have been included in this Limited Offering Memorandum as public documents and consent from the auditor was not requested. Further, the auditors have not performed any services related to, and therefore are not associated with, the preparation of this Limited Offering Memorandum. The Series 2021 Bonds are not general obligation bonds of the District and are payable solely from the Series 2021 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 2021 Bonds, or in any way contesting or affecting (i) the validity of the Series 2021 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 2021 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings.

### **The Landowners**

The Landowners have represented to the District that there is no litigation of any nature now pending or, to the knowledge of such entity, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Landowners to complete the development of the lands within Series 2021 Assessment Area, as described herein, materially and adversely affect the ability of such entity to pay the Series 2021 Special Assessments imposed against the land within Series 2021 Assessment Area owned by the Landowners or materially and adversely affect the ability of the Landowners to perform their various obligations described in this Limited Offering Memorandum.

### **NO RATING**

No application for a rating of the Series 2021 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 2021 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 Landowners will enter into the Continuing Disclosure Agreement (the "Disclosure Agreement") in the proposed form of APPENDIX E, for the benefit of the Series 2021 Bondholders (including owners of beneficial interests in such Series 2021 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 Landowners 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 2021 Bondholders (including owners of beneficial interests in such Series 2021 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 Wrathell, Hunt and Associates, LLC as the dissemination agent in the Disclosure Agreement.

[The Landowners have not previously entered into any continuing disclosure obligations pursuant to the Rule.] The Landowners fully anticipate satisfying all future 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 2021 Bonds from the District at a purchase price of \$ \_\_\_\_\_ (par amount of the Series 2021 Bonds, less [an original issue discount of \$ \_\_\_\_\_ and] 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 2021 Bonds if any Series 2021 Bonds are purchased.

The Series 2021 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 Consulting Engineer, the District Manager/Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (which has retained Trustee's counsel), with respect to the authorization, sale, execution and delivery of the Series 2021 Bonds. Except for the payment of certain fees to District Counsel, the Consulting Engineer and the District Manager, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2021 Bonds.

## **EXPERTS**

Moore Bass Consulting, Inc., as District Engineer, has prepared the Engineer's Report included herein as APPENDIX A, which report should be read in its entirety. Wrathell, Hunt and Associates, LLC, as the District Manager, 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 2021 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 Second Judicial Circuit Court of Florida in and for Leon County, Florida, issued on July 2, 2007. The period of time during which an appeal can be taken from such judgment has expired without an appeal having been taken.

## **LEGAL MATTERS**

Certain legal matters related to the authorization, sale and delivery of the Series 2021 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, van Assenderp Law, Tallahassee, Florida. Certain legal matters will be passed upon for the Landowners by their counsel, KE Law Group, PLLC, Tallahassee, 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 2021 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 2021 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 2021 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 Fallschase Community Development District.

**FALLSCHASE 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**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

**APPENDIX F**  
**DISTRICT'S FINANCIAL STATEMENTS**

**EXHIBIT E**

**FORM OF RULE 15c2-12 CERTIFICATE**

**Fallschase Community Development District  
\$ \_\_\_\_\_ \* Special Assessment Bonds,  
Series 2021**

The undersigned hereby certifies and represents to FMSbonds, Inc. (“Underwriter”) that he is the Chair of the Board of Supervisors of Fallschase 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 2021 Bonds”).

2. In connection with the offering and sale of the Series 2021 Bonds, there has been prepared a Preliminary Limited Offering Memorandum, dated the date hereof, setting forth information concerning the Series 2021 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 2021 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 \_\_\_\_\_, 2021.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_

\_\_\_\_\_

\* Preliminary, subject to change.

Chair

**EXHIBIT F**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

## CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of \_\_\_\_\_, 2021 is executed and delivered by the Fallschase Community Development District (the "Issuer" or the "District"), [RMDC, Inc., a Florida corporation and Red Hills Property Holdings, LLC, a Florida limited liability company] (the "Landowners"), and Wrathell, Hunt and Associates, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Special Assessment Bonds, Series 2021 (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2021 (the "Master Indenture") and a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2021 (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 Ft. Lauderdale, Florida, as trustee (the "Trustee"). The Issuer, the Landowners 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 Landowners 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, as more particularly described in the Limited Offering Memorandum as the Series 2021 Assessment Area.

"Assessments" shall mean the non-ad valorem Series 2021 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.

"Bond Year" means the annual period beginning on the second day of [November] of each year and ending on the first day of [November] of the following year.

"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. Wrathell, Hunt and Associates, LLC has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean Wrathell, Hunt and Associates, LLC, 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 \_\_\_\_\_, 2021, 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 Landowners for so long as such Landowners or their 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, 2022].

"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 March 31st following the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ending September 30, 2022. 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 file its Audited Financial Statements for the Fiscal Year ended September 30, 2021 on or before June 30, 2022. 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 be in the form set in Schedule A attached hereto and shall contain the following Annual Financial Information with respect to the Issuer:

(i) All fund balances in all Funds, Accounts and subaccounts for the Bonds and the total amount of Bonds Outstanding, in each case as of December 31st following the end of the most recent prior Fiscal Year.

(ii) The method by which Assessments are being levied (whether on-roll or off-roll) and the amounts being levied by each method in the Assessment Area for the current Fiscal Year.

(iii) The method by which Assessments were levied (whether on-roll or off-roll) and the amounts levied by each method in the Assessment Area for the most recent prior Fiscal Year.

(iv) The amount of Assessments collected in the Assessment Area from the property owners during the most recent prior Fiscal Year.

(v) 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.

(vi) 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.

(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 later than March 31st 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), or the Landowners on behalf of any other Obligated Person that fails to execute an Assignment (as hereinafter defined), 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 be in the form set in Schedule B attached hereto and contain an update of the following information to the extent available:

(i) The number and type of lots planned in the Assessment Area subject to the Assessments.

(ii) With respect to lots owned in the Assessment Area by the Obligated Person: the total number of lots owned, the number of lots under contract but not closed with a homebuilder and the name of such homebuilder, the number of lots closed with a homebuilder, the number of lots not under contract with a homebuilder.

(iii) The number and type of lots developed in the Assessment Area.

(iv) The number and type of lots platted in the Assessment Area.

(v) With respect undeveloped and unplatted lands owned in the Assessment Area by the Obligated Person, a description of the status for lot development within such lands.

(vi) The cumulative number and type of homes closed with homebuyers (delivered to end users) in the Assessment Area.

(vii) The number and type of homes under contract and not closed with homebuyers in the Assessment Area in such quarter.

(viii) With respect to the Assessment Area, material changes to (1) builder contracts, (2) the number or type of lots planned to be developed, (3) permits/approvals, and (4) existing mortgage debt of the Obligated Person or the incurrence of new mortgage debt by the Obligated Person.

(ix) Any sale, assignment or transfer of ownership by the Obligated Person of lands in the Assessment Area to a third party which will in turn become an Obligated Person hereunder.

(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 Landowners from 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 2021 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

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\* Not applicable to the Bonds at their date of issuance.

authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person);

(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 Events 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.

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 Wrathell, Hunt and Associates, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Wrathell, Hunt and Associates, LLC. Wrathell, Hunt and Associates, LLC, may terminate its role as Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the District and each Obligated Person. The District may terminate the agreement hereunder with the Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the Dissemination Agent 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.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment and/or waiver in the next Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change 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.

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 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 Landowners 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 Landowners 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 Landowners, 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 Leon 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 Leon County, Florida.

16. **Counterparts.** This Disclosure Agreement may be executed in several counterparts and each of which shall be considered an original and all of which shall constitute but one and the same instrument. A scanned copy of the signatures delivered in a PDF format may be relied upon as if the original had been received.

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 Landowners 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.

**FALLSCHASE COMMUNITY  
DEVELOPMENT DISTRICT, AS ISSUER**

[SEAL]

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

ATTEST:

By: \_\_\_\_\_  
\_\_\_\_\_, Secretary

**[RMDC, INC., a Florida corporation], AS  
LANDOWNER**

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

**[RED HILLS PROPERTY HOLDINGS, LLC, a  
Florida limited liability company], AS  
LANDOWNERS**

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

**WRATHELL, HUNT AND ASSOCIATES,  
LLC, and its successors and assigns, AS  
DISSEMINATION AGENT**

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

**CONSENTED TO AND AGREED TO BY:**

**DISTRICT MANAGER**

**WRATHELL, HUNT AND  
ASSOCIATES, 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: Fallschase Community Development District

Name of Bond Issue: \$\_\_\_\_\_ original aggregate principal amount of Special Assessment Bonds, Series 2021

Obligated Person(s): Fallschase Community Development District;  
\_\_\_\_\_.

Original Date of Issuance: \_\_\_\_\_, 2021

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 \_\_\_\_\_, 2021, by and between the Issuer, the Landowners 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

**SCHEDULE A**

**FORM OF DISTRICT'S ANNUAL REPORT (Due 3/31)**

**1. Fund Balances**

<b>Combined Trust Estate Assets</b>	<b><u>Quarter Ended – 12/31</u></b>
Acquisition and Construction Fund	
Revenue Fund	
Reserve Fund	
Prepayment Fund	
Other	
<b>Total Bonds Outstanding</b>	
<b>TOTAL</b>	

**2. Assessment Certification and Collection Information**

1. For the Current District Fiscal Year – Manner in which Assessments are collected (On Roll vs. Off Roll)

	<b><u>\$ Certified</u></b>
On Roll	\$ _____
Off Roll	\$ _____
TOTAL	\$ _____

2. Attach to Report the following:

- A. On Roll – Copy of certified assessment roll for the District's current Fiscal Year
- B. Off Roll – List of folios and ownership for all off roll Assessments, together with par and annual Assessment assigned to each folio

**3. For the immediately ended Bond Year, provide the levy and collection information**

<b><u>Total Levy</u></b>	<b><u>\$ Levied</u></b>	<b><u>\$ Collected</u></b>	<b><u>% Collected</u></b>	<b><u>% Delinquent</u></b>
On Roll	\$ _____	\$ _____	____%	____%
Off Roll	\$ _____	\$ _____	____%	____%
TOTAL				

4. 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 amount of the Assessments due in any year, a list of delinquent property owners

5. 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

6. The amount of principal and interest to be paid on the Bonds in the current Fiscal Year

**SCHEDULE B**

**FORM OF OBLIGATED PERSON'S QUARTERLY REPORT**

**Bond Information**

Fallschase Community Development District

Date of Quarterly Report \_\_\_\_\_

Bond Series

2021

Area/Project

Series 2021 Project

**1. Unit Mix For Land Subject To Assessments**

<u>Type</u>	<u>Number of Lots/Units</u>	<u>Ownership Information</u>		
		<u>Developer Owned</u>	<u>Builder Owned</u>	<u>Homeowner Owned</u>
Total				

**2. For Lots owned by Obligated Person (if applicable)**

<u>Type</u>	<u># of Lots Owned by Obligated Person</u>	<u># of Lots Under Contract With Builders (NOT CLOSED)</u>	<u># of Lots NOT Under Contract</u>	<u>Name of Builder</u>	<u>Expected Takedown Date(s)</u>
Total					

**3. Status of Land Subject to Assessments**

**A. Lots developed (cumulative, not quarterly activity), by phase or sub-phase:**

Total Assessment Area

**B. Lots platted (cumulative, not quarterly activity), by phase or sub-phase:**

Total Assessment Area

**C. For lots not developed, and platted, provide brief description on status of lot development for land area securing the Bonds:**

1. When do you anticipate lots will be developed (for each phase or sub phase)?
2. When do you anticipate lots will be platted (for each phase or sub phase)?
3. Provide total amount of money spent on land development to date (include money funded with bonds and with other sources)

**D. Homes Closed with End-Users:**

Total CUMULATIVE

**E. Homes Sold To End Users (AND NOT CLOSED):**

Total QUARTER ONLY

**4. Development Changes and Status Updates**

1. Material changes to Builder Contracts (i.e., change of terms or cancellation of contract, change of takedown dates)?
2. Any bulk sales of land within the District to other developers or builders?
3. Any material changes to the number or type of lots planned to be developed in the Assessment Area?
4. Any materially adverse changes or determinations to permits/approvals for the Assessment Area which necessitate changes to the development plans?
5. Incurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area (amount, rate, and term)?
6. Sale, assignment or transfer of ownership of real property in the Assessment Area to a third party, which will in turn be an Obligated Person?

\*This report contains statements, which to the extent they are not recitations of historical fact, constitute "forward-looking statements." In this respect, the words "anticipate", "estimate", "expect", and "belief", and similar expressions are intended to identify forward-looking statements. Such statements may be subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements.

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**9A**



## COMPLETION AGREEMENT

**THIS COMPLETION AGREEMENT (“Agreement”)** is made and entered into, by and between:

**Fallschase Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and re-established pursuant to County ordinance, being situated in Leon County, Florida, and whose mailing address is c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (“**District**”); and

**RMDC, Inc.**, a Florida corporation, the owner and developer of lands within the boundary of the District, whose mailing address is 2810 Remington Green Circle, Florida 32308 (together with its permitted successors and assigns, “**Developer**”).

### RECITALS

**WHEREAS**, the District was re-established by ordinance adopted by the Board of County Commissioners in and for Leon County, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (“**Act**”), and is validly existing under the Constitution and laws of the State of Florida; and

**WHEREAS**, the Act authorizes the District to issue bonds for the purposes, among others, of planning, financing, constructing, operating and/or maintaining certain infrastructure, roadways, stormwater management, utilities (water & sewer), offsite improvements, landscaping/lighting, and other infrastructure within or without the boundaries of the District; and

**WHEREAS**, the Developer is the developer of certain lands in within the boundaries of the District; and

**WHEREAS**, the District presently intends to undertake the planning, design, acquisition, construction, and installation of certain public infrastructure improvements for what is known as the “**2021 Project**”;

**WHEREAS**, the 2021 Project is anticipated to cost \$45,369,280.19 and is described in the *Fallschase Community Development District Amended and Restated Engineer’s Report on District Improvements and Estimated Probable Construction Cost*, dated August 29, 2021 as supplemented \_\_\_\_\_, 2021 (together, “**Engineer’s Report**”), and is attached to this Agreement as **Exhibit A**; and

**WHEREAS**, the District intends to finance a portion of the 2021 Project through the use of proceeds from the anticipated sale of its \$\_\_\_\_\_ Special Assessment Revenue Bonds, Series 2021 (“**Series 2021 Bonds**”); and

**WHEREAS**, in order to ensure that the 2021 Project is completed, the Developer and the District hereby agree that the District will be obligated to issue \$\_\_\_\_\_ in Series 2021 Bonds to fund the 2021 Project and, subject to the terms and conditions of this Agreement, the Developer will make provision for any additional funds that may be needed in the future for the completion of the 2021 Project.

**NOW, THEREFORE**, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the District and the Developer agree as follows:

1. **INCORPORATION OF RECITALS.** The recitals stated above are true and correct and by this reference are incorporated herein as a material part of this Agreement.

2. **COMPLETION OF 2021 PROJECT.** The Developer and District agree and acknowledge that the District's proposed Series 2021 Bonds will provide only a portion of the funds necessary to complete the 2021 Project. Therefore, the Developer hereby agrees to complete, cause to be completed, provide funds or cause funds to be provided to the District in an amount sufficient to allow the District to complete or cause to be completed, those portions of the improvements in the 2021 Project which remain unfunded including, but not limited to, all administrative, legal, warranty, engineering, permitting or other related work product and soft costs (together, "**Remaining Improvements**") whether pursuant to existing contracts, including change orders thereto, or future contracts. The District and Developer hereby acknowledge and agree that the District's execution of this Agreement constitutes the manner and means by which the District has elected to provide any and all portions of the Remaining Improvements not funded by the Series 2021 Bonds.

- a. **Subject to Existing Contract** - When all or any portion of the Remaining Improvements are the subject of an existing District contract, the Developer shall provide funds or cause funds to be provided directly to the District in an amount sufficient to complete the Remaining Improvements pursuant to such contract, including change orders thereto.
- b. **Not Subject to Existing Contract** – When any portion of the Remaining Improvements is not the subject of an existing District contract, the Developer may choose to complete, cause to be completed, provide funds or cause funds to be provided to the District in an amount sufficient to allow the District to complete or cause to be completed, those Remaining Improvements.
- c. **Future Bonds** – Subject to the terms of the *Acquisition and Advanced Funding Agreement*, dated \_\_\_\_\_, 2021 ("**Acquisition Agreement**"), entered into by the parties, the parties agree that any funds provided by Developer to fund the Remaining Improvements may be later payable from, and the District's acquisition of the Remaining Improvements may be payable from, the proceeds of a future issuance of bonds by the District (i.e., other than the Series 2021 Bonds). Within forty-five (45) days of receipt of sufficient funds by the District for the District's improvements and facilities and from the issuance of such future bonds, the District shall reimburse Developer in full, exclusive of interest, for the funds and/or improvements provided pursuant to this Agreement; provided, however, that no such obligation shall exist where the Developer is in default on the payment of any debt service assessments due on any property owned by the Developer, and, further, in the event the District's bond counsel determines that any such monies advanced or expenses incurred are not properly reimbursable for any reason, including, but not limited to federal tax restrictions imposed on tax-exempt financing, the District shall not be obligated to reimburse such monies advanced or expenses incurred. Nothing herein shall cause or be construed to require the District to issue additional bonds or indebtedness – other than the Series 2021 Bonds – to provide funds for any portion of the Remaining Improvements. The Developer shall be required to meet its

obligations hereunder and complete the 2021 Project regardless whether the District issues any future bonds (other than the Series 2021 Bonds) or otherwise pays the Developer for any of the Remaining Improvements. Interest shall not accrue on any amounts owed hereunder. If within five (5) years of the date of this Agreement, the District does not or cannot issue such future bonds, and, thus does not reimburse the Developer for the funds or improvements advanced hereunder, then the parties agree that the District shall have no reimbursement obligation whatsoever.

### 3. OTHER CONDITIONS AND ACKNOWLEDGMENTS

- a. **Material Changes to 2021 Project** – The District and the Developer agree and acknowledge that the exact location, size, configuration and composition of the 2021 Project may change from that described in the Engineer’s Report, depending upon final design of the development, permitting or other regulatory requirements over time, or other factors. Material changes to the 2021 Project shall be made by a written amendment to the Engineer’s Report, which shall include an estimate of the cost of the changes, and shall require the consent of the Developer and the District, as well as the Trustee to the extent required by Section 9. Such consent is not necessary and the Developer must meet the completion obligations, or cause them to be met, when the scope, configuration, size and/or composition of the 2021 Project is materially changed in response to a requirement imposed by a regulatory agency.
- b. **Conveyances** – The District and Developer agree and acknowledge that any and all portions of the Remaining Improvements which are constructed, or caused to be constructed, by the Developer shall be conveyed to the District or such other appropriate unit of local government as is designated in the Engineer’s Report or required by governmental regulation or development approval. All conveyances to another governmental entity shall be in accordance with and in the same manner as provided in any agreement between the District and the appropriate unit of local government. Further, all such conveyances shall done in a manner consistent with the Acquisition Agreement and, without intending to limit the same, shall include all necessary real property interests for the District to own, operate and maintain the Remaining Improvements. Further, and in addition to any requirements under the Acquisition Agreement, such conveyances shall also include all right, title, interest, and benefit of the Developer, if any, in, to and under any and all contracts, guaranties, affidavits, warranties, bonds, insurance rights, indemnification, defense and hold harmless rights, enforcement rights, claims, lien waivers, and other rights of any kind, with respect to the creation of the Remaining Improvements.

4. **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 and/or specific performance. Any default under the applicable trust indenture for the Bonds caused by the Developer and/or its affiliates shall be a default hereunder, and the District shall have no obligation to fund the 2021 Project with the proceeds of the Bonds in the event of such a default. Prior to commencing any action for a default hereunder, the party seeking to commence such action shall first provide notice to the defaulting party of the default and an opportunity to cure such default within 30 days.

5. **ATTORNEYS' FEES AND COSTS.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

6. **AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Developer; both the District and the Developer have complied with all the requirements of law; and both the District and the Developer have full power and authority to comply with the terms and provisions of this instrument.

7. **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, at the addresses first set forth above. Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Developer may deliver Notice on behalf of the District and the Developer, respectively. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

8. **ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the District and the Developer as an arm's length transaction. Both parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Developer.

9. **THIRD PARTY BENEFICIARIES.** Except as set forth below, this Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective representatives, successors, and assigns.

Notwithstanding the foregoing, the Trustee, acting at the direction of the Majority Owners of the Series 2021 Bonds, shall have the right to directly enforce the provisions of this Agreement. The Trustee shall not be deemed to have assumed any obligations under this Agreement. This Agreement may not be assigned or materially amended, and the 2021 Project may not be materially amended, without the consent of the Trustee, acting at the direction of the Majority Owners of the Series 2021 Bonds, which consent shall not be unreasonably withheld.

10. **ASSIGNMENT.** Except as set forth in Section 9, neither the District nor the Developer may assign this Agreement or any monies to become due hereunder without the prior written approval of the other.

11. **AMENDMENTS.** Except as set forth in Section 9, amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Developer.

12. **APPLICABLE LAW AND VENUE.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in Leon County, Florida.

13. **PUBLIC RECORDS.** The Developer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and shall be treated as such in accordance with Florida law.

14. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

15. **LIMITATIONS ON GOVERNMENTAL LIABILITY.** Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other law, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred by sovereign immunity or by other operation of law.

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.

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.

[CONTINUED ON NEXT PAGE]

**WHEREFORE**, the parties below execute the Completion Agreement to be effective as of the \_\_\_\_ day of October, 2021.

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

**RMDC, INC.**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Exhibit A:**     *Engineer's Report*

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**9B**

This instrument was prepared by:

KE LAW GROUP, PLLC  
2800 S. Adams Street, #6386  
Tallahassee, Florida 32301

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### COLLATERAL ASSIGNMENT AGREEMENT

**THIS COLLATERAL ASSIGNMENT AGREEMENT (“Agreement”)** is made and entered into as of this \_\_\_\_ day of October, 2021, by and between:

**Fallschase Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and re-established pursuant to County ordinance, being situated in Leon County, Florida, and whose mailing address is c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (“**District**”); and

**RMDC, Inc.**, a Florida corporation, the owner and developer of lands within the boundary of the District, whose mailing address is 2810 Remington Green Circle, Tallahassee, FL 32308 (together with its permitted successors and assigns, “**Developer**”).

### RECITALS

**WHEREAS**, the District was re-established by ordinance adopted by the Board of County Commissioners in and for Leon County, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (“**Act**”), and is validly existing under the Constitution and laws of the State of Florida; and

**WHEREAS**, the Act authorizes the District to issue bonds for the purposes, among others, of planning, financing, constructing, operating and/or maintaining certain infrastructure, including roadways, stormwater management, utilities (water & sewer), offsite improvements, landscaping/lighting, and other infrastructure within or without the boundaries of the District; and

**WHEREAS**, the District proposes to issue its \$\_\_\_\_\_ Special Assessment Revenue Bonds, Series 2021 (“**Bonds**”) to finance certain public infrastructure, as defined in that certain *Fallschase Community Development District Amended and Restated Engineer’s Report on District Improvements and Estimated Probable Construction Cost*, dated August 29, 2021 as supplemented \_\_\_\_\_, 2021 (together “**Engineer’s Report**”); and

**WHEREAS**, the security for the repayment of the Bonds is the special assessments (“**Assessments**”) levied against benefitted lands within the District (“**Property**”), the legal description of which is attached hereto as **Exhibit A**; and



**WHEREAS**, the District is presently planned to include 1080 residential units<sup>1</sup> initially (as used herein with respect to the planned units and/or the undeveloped lands within the Property that may be developed into the planned units, which include single family and multi-family, hereafter, the “**Lots**”) within the Property, which have been or will ultimately be developed and sold to homebuilders or homeowners within the District (“**Development Completion**”); and

**WHEREAS**, during the time that the Lots are not owned by end user residents, there is an increased likelihood that adverse changes to local or national economic conditions may result in a default in the payment of the Assessments securing the Bonds; and

**WHEREAS**, in the event of default in the payment of the Assessments, the District has certain remedies – namely, if the Assessments are direct billed, the remedy available to the District would be an action in foreclosure, or if the Assessments are collected pursuant to Florida’s uniform method of collection, the remedy for non-payment of the Assessments is the sale of tax-certificates (collectively, “**Remedial Rights**”); and

**WHEREAS**, in the event the District exercises its Remedial Rights, the District will require the assignment of certain Development Rights (defined below) to complete development of the community; and

**WHEREAS**, the rights assigned to the District hereunder shall be exercised in a manner which will not materially affect the intended development of the Property.

**NOW, THEREFORE**, in consideration of the above recitals which the parties hereby agree are true and correct and are hereby incorporated by reference and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Developer and the District agree as follows:

1. **COLLATERAL ASSIGNMENT.**

**Development Rights.** The Developer hereby collaterally assigns to the District, to the extent assignable and to the extent that they are owned or controlled by the Developer at execution of this Agreement or subsequently acquired by the Developer, all of the Developer’s development rights relating to development of the Property, and the Developer’s rights as declarant under any homeowner’s association or other similar governing entity with respect to the Property (herein, collectively, “**Development Rights**”) as security for the Developer’s payment and performance and discharge of its obligation to pay the Assessments levied against the Property owned by the Developer from time to time. The Development Rights shall include the items listed in subsections (a) through (h) below as they pertain to development of the Property:

(a) Zoning approvals, density approvals and entitlements, concurrency and capacity certificates, and development agreements.

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<sup>1</sup> The number and type of Lots may vary based on final development. Ultimately, and subject to true-up determinations, the Developer is obligated the develop sufficient residential units (i.e., presently planned for 1080 residential units, with a total of 1,340.6854 total ERU’s) that would absorb the full allocation of Assessments securing the Bonds, where such Assessments are based on the assessment levels for each residential product type established in the *Fallschase Community Development District Amended and Restated Master Special Assessment Methodology Report*, dated August 30, 2021, as supplemented by the *Final Supplemental Special Assessment Methodology Report*, dated October 11, 2021 (together, “**Assessment Report**”).

(b) Engineering and construction plans and specifications for grading, roadways, site drainage, stormwater drainage, signage, water distribution, wastewater collection, and other improvements.

(c) Preliminary and final site plans.

(d) Architectural plans and specifications for public buildings and other public improvements to the developable property within the Property.

(e) Permits, approvals, resolutions, variances, licenses, and franchises granted by governmental authorities, or any of their respective agencies, for or affecting the development within the Property and construction of improvements thereon, or off-site to the extent such off-site improvements are necessary or required for Development Completion.

(f) Contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the construction of the development within the Property or the construction of improvements thereon.

(g) All prepaid impact fees and impact fee credits.

(h) All future creations, changes, extensions, revisions, modifications, substitutions, and replacements of any of the foregoing.

**Exclusions.** Notwithstanding the foregoing, the Development Rights shall not include any rights which relate solely to: (i) Lots conveyed to homebuilders or end-users, (ii) any property which has been conveyed, or is in the future conveyed, to Leon County, Florida, the City of Tallahassee, the District, any homebuilder not affiliated with the Developer, any utility provider, any governmental or quasi-governmental entity, any applicable homeowner's association or other governing entity or association as may be required by applicable permits, approvals, plats, entitlements or regulations affecting the District, if any (items (i) and (ii) referred to herein as "**Permitted Transfer**"), or (iii) lands outside the District or improvements not included in the Property.

**Rights Inchoate.** The assignment and assumption of rights under this Agreement shall be inchoate and shall only become an effective and absolute assignment and assumption of the Development Rights, upon failure of the Developer to pay the Assessments levied against the Property; provided, however, that such assignment shall only be effective and absolute to the extent that: (i) this Agreement has not been terminated earlier pursuant to the term of this Agreement, (ii) a Permitted Transfer has not already occurred with respect to the Development Rights, or (iii) a Lot is conveyed to a homebuilder or end-user resident, in which event such Lot shall be released automatically here from.

**Rights Severable.** To the extent that any Development Rights apply to the Property, the Developer shall at the request of the District cooperate and take reasonable steps to separate such rights for the District's use.

2. **WARRANTIES BY DEVELOPER.** The Developer represents and warrants to the District that:

(a) Other than Permitted Transfers, the Developer has made no assignment of the Development Rights to any person other than District.

(b) The Developer is not prohibited under an agreement with any other person or under any judgment or decree from the execution and delivery of this Agreement.

(c) No action has been brought or threatened which would in any way interfere with the right of the Developer to execute this Agreement and perform all of the Developer's obligations herein contained.

(d) Any transfer, conveyance or sale of the Property shall subject any and all affiliated entities or successors-in-interest of the Developer to the Agreement, except to the extent of a Permitted Transfer.

3. **COVENANTS.** The Developer covenants with District that during the Term (as defined herein):

(a) The Developer will use reasonable, good faith efforts to: (i) fulfill, perform, and observe each and every material condition and covenant of the Developer relating to the Development Rights and (ii) give notice to the District of any claim of default relating to the Development Rights given to or by the Developer, together with a complete copy of any such claim.

(b) The Development Rights include all of the Developer's right to modify the Development Rights, to terminate the Development Rights, and to waive or release the performance or observance of any obligation or condition of the Development Rights; provided that no such modification, termination, waiver or release affects any of the Development Rights which pertain to lands outside of the District not relating to development of the Property.

(c) The Developer agrees not to take any action that would decrease the Development Rights to a level that would materially and adversely affect the then outstanding Assessments.

4. **EVENTS OF DEFAULT.** Any breach of the Developer's warranties contained in Section 2 hereof or breach of covenants contained in Section 3 hereof shall, after the giving of written notice and an opportunity to cure (which cure period shall be not more than thirty (30) days), constitute an Event of Default under this Agreement.

5. **REMEDIES UPON DEFAULT.** Upon an Event of Default, or the transfer of title to Lots owned by Developer pursuant to a judgment of foreclosure entered by a court of competent jurisdiction in favor of District (or its designee) or a deed in lieu of foreclosure to District (or its designee), or the acquisition of title to such Lots through the sale of tax certificates, the District may, as the District's sole and exclusive remedies, take any or all of the following actions, at the District's option:

(a) Perform any and all obligations of the Developer relating to the Development Rights and exercise any and all rights of the Developer therein as fully as the Developer could.

(b) Initiate, appear in, or defend any action arising out of or affecting the Development Rights.

(c) Further assign any and all of the Development Rights to a third party acquiring title to the Property or any portion thereof from the District or at a District foreclosure sale.

6. **AUTHORIZATION IN EVENT OF DEFAULT.** In the Event of Default, the Developer does hereby authorize and shall direct any party to any agreement relating to the Development Rights to tender performance thereunder to the District upon written notice and request from the District. Any such performance in favor of the District shall constitute a full release and discharge to the extent of such performance as fully as though made directly to the Developer.

7. **SECURITY AGREEMENT.** This Agreement shall be a security agreement between the Developer, as the debtor, and the District, as the secured party, covering the Development Rights that constitute personal property governed by the Florida Uniform Commercial Code ("**Code**"), and the Developer grants to the District a security interest in such Development Rights. In addition to the District's other rights hereunder, and upon an Event of Default, the District shall have the right to file any and all financing statements that may be required by the District to establish and maintain the validity and priority of the District's security interest rights of a secured party under the Code.

8. **TERM; TERMINATION.** Absent this Agreement becoming effective and absolute, this Agreement shall automatically terminate upon the earliest to occur of the following: (i) payment of the Bonds in full; (ii) Development Completion; and (iii) upon occurrence of a Permitted Transfer, but only to the extent that such Development Rights are subject to the Permitted Transfer ("**Term**").

9. **AMENDMENT.** Except as set forth in Section 15, this Agreement may be modified in writing only by the mutual agreement of all parties hereto.

10. **ASSIGNMENT.** This Agreement shall constitute a covenant running with title to the Property, binding upon the Developer and its successors and assigns as to the Property or portions thereof. Any transferee shall take title subject to the terms of this Agreement and with respect to the portion of the Property so transferred, provided however that this Agreement shall not apply to any portion of the Property that is the subject of a Permitted Transfer.

11. **ATTORNEYS' FEES AND COSTS.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

12. **AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Developer; both the District and the Developer have complied with all the requirements of law; and both the District and the Developer have full power and authority to comply with the terms and provisions of this instrument.

13. **NOTICES.** All notices, requests, consents and other communications under this Agreement ("**Notices**") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, at the addresses first set forth above. Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Developer may deliver Notice on behalf of the District and the Developer, respectively. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of

any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

14. **ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the District and the Developer as an arm's length transaction. Both parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Developer.

15. **THIRD PARTY BENEFICIARIES.** Except as set forth in the following, this Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective representatives, successors, and assigns.

Notwithstanding the foregoing, the Trustee, acting at the direction of the Majority Owners of the Bonds, shall have the right to directly enforce the provisions of this Agreement. The Trustee shall not be deemed to have assumed any obligations under this Agreement. This Agreement may not be assigned or materially amended without the consent of the Trustee, acting at the direction of the Majority Owners of the Bonds, which consent shall not be unreasonably withheld.

16. **APPLICABLE LAW AND VENUE.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in Leon County, Florida.

17. **PUBLIC RECORDS.** The Developer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and treated as such in accordance with Florida law.

18. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

19. **LIMITATIONS ON GOVERNMENTAL LIABILITY.** Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other law, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred by sovereign immunity or by other operation of law.

20. **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.

21. **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 TO FOLLOW]

**WHEREFORE**, the part(ies) below execute the Collateral Assignment Agreement to be effective as of the \_\_\_\_ day of October, 2021.

**WITNESS**

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT**

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

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

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

**STATE OF FLORIDA**  
**COUNTY OF \_\_\_\_\_**

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, as \_\_\_\_\_ of **FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT**, who appeared before me this day in person, and who is either personally known to me, or produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed, Stamped or Typed as Commissioned)

**WHEREFORE**, the part(ies) below execute the Collateral Assignment Agreement to be effective as of the \_\_\_\_ day of October, 2021.

**WITNESS**

**RMDC, INC.**

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

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

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

**STATE OF FLORIDA**  
**COUNTY OF \_\_\_\_\_**

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, as \_\_\_\_\_ of RMDC, INC., who appeared before me this day in person, and who is either personally known to me, or produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed, Stamped or  
Typed as Commissioned)

**EXHIBIT A:** Legal Description for Property



**EXHIBIT A**  
Legal Description of Boundaries of District

**LESS AND EXCEPT:**

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**9C**

This instrument was prepared by:

KE LAW GROUP, PLLC  
2800 S. Adams Street, #6386  
Tallahassee, Florida 32301

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## DECLARATION OF CONSENT

**Red Hills Property Holdings, LLC**, a Delaware limited liability company, together with its successors and assigns (together, "**Landowner**"), represents that it is the owner of developable land described in **Exhibit A** attached hereto and made a part hereof ("**Property**"), and further declares, acknowledges and agrees as follows:

1. The Fallschase Community Development District ("**District**") is, and has been at all times, on and after October 14, 1997, a legally created, duly organized, and validly existing community development district created by and chartered by general law under the provisions of Chapter 190, *Florida Statutes*, as amended ("**Act**") and re-established on the Property by County ordinance pursuant to Section 199.004(3), *Florida Statutes*. Without limiting the generality of the foregoing, the Landowner acknowledges that: (a) the petition filed with the Board of County Commissioners for Leon County, Florida ("**County**"), relating to the creation by law and reestablishment by County ordinance of the District contained all matters required by the Act to be contained therein and was filed in the manner and by the persons required by the Act; (b) County Ordinance 97-18, effective as of October 14, 1997 was duly and properly adopted by the County in compliance with all applicable requirements of law; and (c) the members of the Board of Supervisors of the District were duly and properly designated pursuant to the Act to serve in their capacities, and had the authority and right to authorize, approve and undertake all actions of the District approved and undertaken from October 14, 1997, to and including the date of this Declaration.

2. The Landowner understands and acknowledges that the District has adopted Resolution Nos. 2018-03, 2018-04, 2008-06 and 2022-\_\_\_ (collectively, "**Assessment Resolutions**") that levied and imposed debt service special assessment liens on the Property (together, "**Assessments**"). Such Assessments are legal, valid and binding first liens upon the Property, coequal with the lien of all state, county, district and municipal taxes, and superior in dignity to all other liens, titles and claims, until paid.

3. The Landowner hereby expressly acknowledges, represents and agrees that: (i) the Assessments, the Assessment Resolutions, and the terms of the financing documents related to the District's issuance of its \$\_\_\_\_\_ Special Assessment Revenue Bonds, Series 2021, or securing payment thereof ("**Financing Documents**"), are, to the extent of the Landowner's obligations thereunder and with respect thereto, valid and binding obligations enforceable in accordance with their terms; (ii) the Landowner has no claims or offsets whatsoever against, or defenses or counterclaims whatsoever to, payments of the Assessments and/or amounts due under the Financing Documents, and the Landowner expressly waives any such claims, offsets, defenses or counterclaims; (iii) the Landowner hereby waives any and all rights, remedies, and other actions now or hereafter contemplated to contest, challenge, or otherwise dispute or object to the Assessment Resolutions, the Assessments, the Financing Documents, and all proceedings undertaken by the District in connection therewith; (iv) the Landowner expressly waives and relinquishes any argument, claim or defense that foreclosure proceedings cannot

be commenced until one (1) year after the date of the Landowner's default and agrees that, immediate use of remedies in Chapter 170, *Florida Statutes*, is an appropriate and available remedy, notwithstanding the provisions of Section 190.026, *Florida Statutes*; and (v) to the extent Landowner fails to timely pay any special assessments collected by mailed notice of the District, such unpaid special assessments and future special assessments may be placed on the tax roll by the District for collection by the Tax Collector pursuant to section 197.3632, *Florida Statutes*, in any subsequent year.

4. The Landowner hereby waives the right granted in Section 170.09, *Florida Statutes*, to prepay the Assessments within thirty (30) days after the improvements are completed, without interest, in consideration of, among other things, rights granted by the District to prepay Assessments in full at any time, but with interest, under the circumstances set forth in the resolutions of the District levying such Assessments.

5. This Declaration shall represent a lien of record for purposes of Florida law, including but not limited to Chapter 197, *Florida Statutes*, and Sections 197.552 and 197.573, *Florida Statutes*, among others. Other information regarding the Assessments is available from the District's Manager, c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, Ph: (561) 571-0010.

**THE DECLARATIONS, ACKNOWLEDGEMENTS AND AGREEMENTS CONTAINED HEREIN SHALL RUN WITH THE PROPERTY DESCRIBED IN EXHIBIT A HERETO AND SHALL BE BINDING ON THE LANDOWNERS AND ON ALL PERSONS (INCLUDING BUT NOT LIMITED TO INDIVIDUALS AS WELL AS CORPORATIONS, ASSOCIATIONS, TRUSTS, AND OTHER LEGAL ENTITIES) TAKING TITLE TO ALL OR ANY PART OF THE PROPERTY, AND THEIR SUCCESSORS IN INTEREST, WHETHER OR NOT THE PROPERTY IS PLATTED AT SUCH TIME. BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE DEEMED TO HAVE CONSENTED AND AGREED TO THE PROVISIONS OF THIS DECLARATION TO THE SAME EXTENT AS IF THEY HAD EXECUTED IT AND BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE ESTOPPED FROM CONTESTING, IN COURT OR OTHERWISE, THE VALIDITY, LEGALITY AND ENFORCEABILITY OF THIS DECLARATION.**

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

To be effective as of the \_\_\_\_\_ day of October, 2021.

**WITNESS**

**RED HILLS PROPERTY HOLDINGS, LLC**

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

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

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

**STATE OF FLORIDA**  
**COUNTY OF \_\_\_\_\_**

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, as \_\_\_\_\_ of Red Hills Property Holdings, LLC who appeared before me this day in person, and who is either personally known to me, or produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed, Stamped or Typed as Commissioned)

**EXHIBIT A: Legal Description of Property**

**EXHIBIT A**

Legal Description of Property

This instrument was prepared by:

KE LAW GROUP, PLLC  
2800 S. Adams Street, #6386  
Tallahassee, Florida 32301

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## DECLARATION OF CONSENT

**RMDC, Inc.**, a Florida corporation, together with its successors and assigns (together, "**Landowner**"), represents that it is the owner of certain developable land described in **Exhibit A** attached hereto and made a part hereof ("**Property**"), and further declares, acknowledges and agrees as follows:

1. The Fallschase Community Development District ("**District**") is, and has been at all times, on and after October 14, 1997, a legally created, duly organized, and validly existing community development district created by and chartered by general law under the provisions of Chapter 190, *Florida Statutes*, as amended ("**Act**") and re-established on the Property by County ordinance pursuant to Section 199.004(3), *Florida Statutes*. Without limiting the generality of the foregoing, the Landowner acknowledges that: (a) the petition filed with the Board of County Commissioners for Leon County, Florida ("**County**"), relating to the creation by law and reestablishment by County ordinance of the District contained all matters required by the Act to be contained therein and was filed in the manner and by the persons required by the Act; (b) County Ordinance 97-18, effective as of October 14, 1997 was duly and properly adopted by the County in compliance with all applicable requirements of law; and (c) the members of the Board of Supervisors of the District were duly and properly designated pursuant to the Act to serve in their capacities, and had the authority and right to authorize, approve and undertake all actions of the District approved and undertaken from October 14, 1997, to and including the date of this Declaration.

2. The Landowner understands and acknowledges that the District has adopted Resolution Nos. 2018-03, 2018-04, 2008-06 and 2022-\_\_\_ (collectively, "**Assessment Resolutions**") that levied and imposed debt service special assessment liens on the Property (together, "**Assessments**"). Such Assessments are legal, valid and binding first liens upon the Property, coequal with the lien of all state, county, district and municipal taxes, and superior in dignity to all other liens, titles and claims, until paid.

3. The Landowner hereby expressly acknowledges, represents and agrees that: (i) the Assessments, the Assessment Resolutions, and the terms of the financing documents related to the District's issuance of its \$\_\_\_\_\_ Special Assessment Revenue Bonds, Series 2021, or securing payment thereof ("**Financing Documents**"), are, to the extent of the Landowner's obligations thereunder and with respect thereto, valid and binding obligations enforceable in accordance with their terms; (ii) the Landowner has no claims or offsets whatsoever against, or defenses or counterclaims whatsoever to, payments of the Assessments and/or amounts due under the Financing Documents, and the Landowner expressly waives any such claims, offsets, defenses or counterclaims; (iii) the Landowner hereby waives any and all rights, remedies, and other actions now or hereafter contemplated to contest, challenge, or otherwise dispute or object to the Assessment Resolutions, the Assessments, the Financing Documents, and all proceedings undertaken by the District in connection therewith; (iv) the Landowner expressly waives and relinquishes any argument, claim or defense that foreclosure proceedings cannot



be commenced until one (1) year after the date of the Landowner's default and agrees that, immediate use of remedies in Chapter 170, *Florida Statutes*, is an appropriate and available remedy, notwithstanding the provisions of Section 190.026, *Florida Statutes*; and (v) to the extent Landowner fails to timely pay any special assessments collected by mailed notice of the District, such unpaid special assessments and future special assessments may be placed on the tax roll by the District for collection by the Tax Collector pursuant to section 197.3632, *Florida Statutes*, in any subsequent year.

4. The Landowner hereby waives the right granted in Section 170.09, *Florida Statutes*, to prepay the Assessments within thirty (30) days after the improvements are completed, without interest, in consideration of, among other things, rights granted by the District to prepay Assessments in full at any time, but with interest, under the circumstances set forth in the resolutions of the District levying such Assessments.

5. This Declaration shall represent a lien of record for purposes of Florida law, including but not limited to Chapter 197, *Florida Statutes*, and Sections 197.552 and 197.573, *Florida Statutes*, among others. Other information regarding the Assessments is available from the District's Manager, c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431, Ph: (561) 571-0010.

**THE DECLARATIONS, ACKNOWLEDGEMENTS AND AGREEMENTS CONTAINED HEREIN SHALL RUN WITH THE PROPERTY DESCRIBED IN EXHIBIT A HERETO AND SHALL BE BINDING ON THE LANDOWNERS AND ON ALL PERSONS (INCLUDING BUT NOT LIMITED TO INDIVIDUALS AS WELL AS CORPORATIONS, ASSOCIATIONS, TRUSTS, AND OTHER LEGAL ENTITIES) TAKING TITLE TO ALL OR ANY PART OF THE PROPERTY, AND THEIR SUCCESSORS IN INTEREST, WHETHER OR NOT THE PROPERTY IS PLATTED AT SUCH TIME. BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE DEEMED TO HAVE CONSENTED AND AGREED TO THE PROVISIONS OF THIS DECLARATION TO THE SAME EXTENT AS IF THEY HAD EXECUTED IT AND BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE ESTOPPED FROM CONTESTING, IN COURT OR OTHERWISE, THE VALIDITY, LEGALITY AND ENFORCEABILITY OF THIS DECLARATION.**

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

To be effective as of the \_\_\_\_\_ day of October, 2021.

**WITNESS**

**RMDC, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

**STATE OF FLORIDA**

**COUNTY OF \_\_\_\_\_**

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, as \_\_\_\_\_ of RMDC, INC., who appeared before me this day in person, and who is either personally known to me, or produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_

(Name of Notary Public, Printed, Stamped or Typed as Commissioned)

**EXHIBIT A: Legal Description of Property**

**EXHIBIT A**

Legal Description of Property

**FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**9D**

This instrument was prepared by:

KE LAW GROUP, PLLC  
2800 S. Adams Street, #6386  
Tallahassee, Florida 32301

---

## TRUE-UP AGREEMENT

**THIS TRUE-UP AGREEMENT (“Agreement”)** is made and entered into as of this \_\_\_\_ of October, 2021, by and between:

**Fallschase Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in Leon County, Florida, and whose mailing address is c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (“**District**”); and

**RMDC, Inc.**, a Florida corporation, the owner and developer of lands within the boundary of the District, whose mailing address is 2810 Remington Green Circle, Tallahassee, FL 32308 (together with its permitted successors and assigns, “**Landowner**”).

## RECITALS

**WHEREAS**, the District was re-established by ordinance adopted by the Board of County Commissioners in and for Leon County, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (“**Act**”), and is validly existing under the Constitution and laws of the State of Florida; and

**WHEREAS**, the Act authorizes the District to issue bonds for the purpose, among others, of planning, financing, constructing, operating and/or maintaining certain infrastructure, roadways, stormwater management, utilities (water & sewer), offsite improvements, landscaping/lighting, and other infrastructure within or without the boundaries of the District; and

**WHEREAS**, the Landowner is currently the owner and developer of the lands (“**Property**”) within the District, as described in **Exhibit A** attached hereto; and

**WHEREAS**, for the benefit of the Property, the District presently intends to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements, facilities, and services known as the “**2021 Project**” and as defined in the *Fallschase Community Development District Amended and Restated Engineer’s Report on District Improvements and Estimated Probable Construction Cost*, dated August 29, 2021 as supplemented \_\_\_\_\_, 2021 (together, “**Engineer’s Report**”); and

**WHEREAS**, the District intends to finance a portion of the 2021 Project through the use of proceeds from the anticipated sale of \$\_\_\_\_\_ Special Assessment Revenue Bonds, Series 2021 (“**Series 2021 Bonds**”); and

**WHEREAS**, pursuant to Resolution Nos. 2018-03, 2018-04, 2018-06 and 2022-\_\_ (together, “**Assessment Resolutions**”), the District has taken certain steps necessary to impose debt service special assessment lien(s) (“**Debt Assessments**”) on the Property pursuant to Chapters 170, 190 and 197, *Florida Statutes*, to secure repayment of the Series 2021 Bonds; and

**WHEREAS**, as part of the Assessment Resolutions, the District adopted the *Fallschase Community Development District Amended and Restated Master Special Assessment Methodology Report*, dated August 30, 2021, as supplemented by the *Final Supplemental Special Assessment Methodology Report*, dated October 11, 2021 (together, “**Assessment Report**”), which is on file with the District and expressly incorporated herein by this reference; and

**WHEREAS**, Landowner agrees that the Property benefits from the timely design, construction, or acquisition of the 2021 Project; and

**WHEREAS**, Landowner agrees that the Debt Assessments, which were imposed on the lands within the District, have been validly imposed and constitute valid, legal, and binding liens upon the lands within the District; and

**WHEREAS**, the Assessment Resolutions together with the Assessment Report provide that as the lands within the District are platted, the allocation of the amounts assessed to and constituting a lien upon the lands within the District would be calculated based upon certain density assumptions relating to the number of each type of residential unit to be constructed on the developable acres within the District, which assumptions were provided by Landowner; and

**WHEREAS**, Landowner intends to plat and develop its lands within the District based on then-existing market conditions, and the actual densities developed may be at some density less than the densities assumed in the Assessment Report; and

**WHEREAS**, as more fully described by the Assessment Resolutions, the Assessment Report anticipates a “true-up” mechanism by which the Landowner shall make certain payments to the District in order to satisfy, in whole or in part, the assessments allocated and the liens imposed pursuant to the Assessment Resolutions, with the amount of such payments being determined generally by a calculation of the principal amount of assessments to be assigned under the Assessment Report as compared to the amount able to be assigned as reconfigured.

**NOW, THEREFORE**, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the parties agree as follows:

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

2. **VALIDITY OF ASSESSMENTS.** Landowner agrees that the Assessment Resolutions have been duly adopted by the District. Landowner further agrees that the Debt Assessments imposed as liens by the District are legal, valid, and binding liens on the land against which assessed until paid, coequal with the liens of all state, county, district, and municipal taxes, and superior in dignity to all other liens, titles, and claims. Landowner waives any defect in notice or publication or in the proceedings to levy, impose, and collect the Debt Assessments on the lands within the District, and

further waives and relinquishes any rights it may have to challenge, object to or otherwise fail to pay such Debt Assessments. Landowner further agrees that to the extent Landowner fails to timely pay all Debt Assessments collected by mailed notice of the District, said unpaid Debt Assessments (including True-Up Payments) may be placed on the tax roll by the District for collection by the County Tax Collector pursuant to Section 197.3632, *Florida Statutes*, in any subsequent year.

3. **WAIVER OF PREPAYMENT RIGHT.** Landowner waives any rights it may have under Section 170.09, *Florida Statutes*, to prepay the Debt Assessments without interest within thirty (30) days of completion of the improvements.

4. **SPECIAL ASSESSMENT REALLOCATION; TRUE-UP PAYMENTS.** The Assessment Report identifies the amount of equivalent assessment units (and/or product types and unit counts) planned for the Property. At such time as lands are to be platted (or re-platted) or site plans are to be approved (or re-approved), and subject to the conditions set forth in the Assessment Report, the plat or site plan (either, "**Proposed Plat**") shall be presented to the District for review pursuant to the terms herein. Such review shall be limited solely to the function and the enforcement of the District's assessment liens and/or this Agreement. Nothing herein shall in any way operate to or be construed as providing any other plat approval or disapproval powers to the District. If such Proposed Plat is consistent with the development plan as identified in the Assessment Report, the District shall allocate the Debt Assessments to the product types being platted and the remaining property in accordance with the Assessment Report, and cause the Debt Assessments to be recorded in the District's Improvement Lien Book. If a change in development shows a net increase in the overall principal amount of Debt Assessments able to be assigned to the Property, then the District may undertake a pro rata reduction of Debt Assessments for all assessed properties within the Property, or may otherwise address such net increase as permitted by law.

However, if a change in development as reflected in a Proposed Plat results in a net decrease in the overall principal amount of Debt Assessments able to be assigned to the planned units described in the Assessment Report, and located within the Property, and using any applicable test(s) set forth in the Assessment Report (if any), then the District shall, subject to the provisions below, require the landowner(s) of the lands encompassed by the Proposed Plat and the remaining undeveloped lands (as applicable) to pay a "**True-Up Payment**" equal to the difference between the actual Assessment per ERU and \$42,426.06, multiplied by the actual number of ERUs, as described in the Assessment Report. In considering whether to require a True-Up Payment, the District shall consider any requests for a deferral of true-up. In order to obtain such a deferral, a landowner seeking such deferral must provide to the District the following: a) proof of the amount of entitlements remaining on the undeveloped lands, b) a revised overall development plan showing the number and type of units reasonably planned for the remainder of the development, c) evidence of allowable zoning conditions that would enable those entitlements to be placed in accordance with the revised development plan, and d) documentation prepared by a licensed engineer that shows the feasibility of implementing the proposed development plan. The District's decision whether to grant a deferral shall be in its reasonable discretion, and such decision may require that the Landowner provide additional information. Prior to any decision by the District not to impose a True-Up Payment, a supplemental methodology shall be produced demonstrating that there will be sufficient Debt Assessments to pay debt service on the Series 2021 Bonds and the District will conduct new proceedings under Chapter 170, *Florida Statutes*, upon the advice of District Counsel. Any True-Up Payment shall become due and payable in the tax year in which assessed by the landowner of the lands subject to the Proposed Plat, shall be in addition to the regular assessment installment payable for such lands, and shall constitute part of the debt assessment liens

imposed against the Proposed Plat property until paid. A True-Up Payment shall include accrued interest on the Series 2021 Bonds to the interest payment date that occurs at least 45 days after the True-Up Payment (or the second succeeding interest payment date if such True-Up Payment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indentures for the Series 2021 Bonds)).

All Debt Assessments levied run with the land, and such assessment liens include any True-Up Payments. The District will not release any liens on property for which True-Up Payments are due, until provision for such payment has been satisfactorily made. Further, upon the District's review of the final plat for the developable acres, any unallocated Debt Assessments shall become due and payable and must be paid prior to the District's approval of that plat. This true-up process applies for both plats and/or re-plats.

5. **ENFORCEMENT.** This Agreement is intended to be an additional method of enforcement of Landowner's obligation to pay the Debt Assessments and to abide by the requirements of the reallocation of Debt Assessments, including the making of the True-Up Payment, as set forth in the Assessment Resolutions. A default by either party under this Agreement shall entitle any other party to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief, and specific performance. Prior to commencing any action for a default hereunder, the party seeking to commence such action shall first provide notice to the defaulting party of the default and an opportunity to cure such default within 30 days.

6. **ASSIGNMENT.** This Agreement shall constitute a covenant running with title to the Property, binding upon Landowner and its successors and assigns as to the Property or portions thereof, and any transferee of any portion of the Property as set forth in this Section. Landowner shall not transfer any portion of the Property to any third party, without first satisfying any True-Up Payment that results from any true-up determinations made by the District. Regardless of whether the conditions of this subsection are met, any transferee shall take title subject to the terms of this Agreement and with respect to the portion of the Property so transferred. As a point of clarification, and provided that any True-Up Payment is first made (which may be confirmed from an estoppel letter issued by the District through its District Manager), any platted lot conveyed to an end user with a home that has received a certificate of occupancy is automatically and forever released from the terms and conditions of this Agreement. Also provided that any True-Up Payment is first made (which may be confirmed from an estoppel letter issued by the District through its District Manager), any platted lot that is restricted from re-platting and is conveyed to a homebuilder is automatically and forever released from the terms and conditions of this Agreement, provided however that such platted lot is not in fact re-platted.

7. **ATTORNEYS' FEES AND COSTS.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

8. **AMENDMENTS.** Except as set forth in Section 12, amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Landowner.

9. **AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Landowner; both the District and the Landowner have



complied with all the requirements of law; and both the District and the Landowner have full power and authority to comply with the terms and provisions of this instrument.

10. **NOTICE.** All notices, requests, consents, and other communications hereunder (“Notices”) shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or telecopied or hand delivered to the parties, at the addresses first set forth above. Except as otherwise provided herein, any Notice shall be deemed received only upon actual delivery at the address or telecopy number set forth herein. If mailed as provided above, Notices shall be deemed delivered on the third business day unless actually received earlier. Notices hand 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 addressees of any change in name, address or telecopy number to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein. Notwithstanding the foregoing, to the extent Florida law requires notice to enforce the collection of assessments placed on property by the District, then the provision of such notice shall be in lieu of any additional notice required by this Agreement.

11. **ARM’S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the District and the Landowner as an arm’s length transaction. Both parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Landowner.

12. **THIRD PARTY BENEFICIARIES.** Except as set forth below, this Agreement is solely for the benefit of the District and the Landowner and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and the Landowner any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Landowner and their respective representatives, successors, and assigns.

Notwithstanding the foregoing, the Trustee, acting at the direction of the Majority Owners of the Series 2021 Bonds, shall have the right to directly enforce the provisions of this Agreement. The Trustee shall not be deemed to have assumed any obligations under this Agreement. This Agreement may not be assigned (except as set forth in Section 6) or materially amended without the consent of the Trustee, acting at the direction of the Majority Owners of the Series 2021 Bonds, which consent shall not be unreasonably withheld.

13. **APPLICABLE LAW AND VENUE.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in Leon County, Florida.

14. **PUBLIC RECORDS.** The Landowner understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and treated as such in accordance with Florida law.

15. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

16. **LIMITATIONS ON GOVERNMENTAL LIABILITY.** Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other law, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred by sovereign immunity or by other operation of law.

17. **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.

18. **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.

[THIS SPACE INTENTIONALLY LEFT BLANK]

**WHEREFORE**, the part(ies) below execute the *True-Up Agreement* to be effective as of the \_\_\_\_ day of October, 2021.

**WITNESS**

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT**

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

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

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

**STATE OF FLORIDA**  
**COUNTY OF \_\_\_\_\_**

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, as \_\_\_\_\_ of the Fallschase Community Development District, who appeared before me this day in person, and who is either personally known to me, or produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed, Stamped or  
Typed as Commissioned)

**WHEREFORE**, the part(ies) below execute the *True-Up Agreement* to be effective as of the \_\_\_\_ day of October, 2021.

**WITNESS**

**RMDC, INC.**

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

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

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

**STATE OF FLORIDA**  
**COUNTY OF \_\_\_\_\_**

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2021, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_, who appeared before me this day in person, and who is either personally known to me, or produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: \_\_\_\_\_  
(Name of Notary Public, Printed, Stamped or Typed as Commissioned)

**EXHIBIT A:** Legal Description

**EXHIBIT A**

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**10**

**FALLSCHASE  
COMMUNITY DEVELOPMENT DISTRICT  
FINANCIAL STATEMENTS  
UNAUDITED  
AUGUST 31, 2021**

**FALLSCHASE  
COMMUNITY DEVELOPMENT DISTRICT  
BALANCE SHEET  
AUGUST 31, 2021**

	Major Funds General	Total Governmental Funds
<b>ASSETS</b>		
Cash	\$ 10,584	\$ 10,584
Due from Developer	10,171	10,171
Total assets	\$ 20,755	\$ 20,755
 <b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	\$ 8,233	\$ 8,233
Due to Developer	4,179	4,179
Accrued wages payable	1,800	1,800
Accrued taxes payable	138	138
Total liabilities	14,350	14,350
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred receipts	10,171	10,171
Total deferred inflows of resources	10,171	10,171
 Fund balances:		
Unassigned	(3,766)	(3,766)
Total fund balances	(3,766)	(3,766)
 Total liabilities, deferred inflows of resources & fund balances	 \$ 20,755	 \$ 20,755



**FALLSCHASE  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GENERAL FUND  
FOR THE PERIOD ENDED AUGUST 31, 2021**

	Current Month	Year to Date	Adopted Budget	% of Budget
<b>REVENUES</b>				
Developer contribution	\$ -	\$ 24,891	\$ 66,699	37%
Interest	-	10	-	N/A
Total revenues	<u>-</u>	<u>24,901</u>	<u>66,699</u>	37%
<b>EXPENDITURES</b>				
Supervisors	1,600	2,600	6,000	43%
FICA	122	199	459	43%
Management/accounting/recording	2,000	22,000	24,000	92%
Legal	-	-	9,000	0%
Engineering	-	-	3,500	0%
Audit	-	5,000	5,100	98%
Arbitrage rebate calculation	-	-	750	0%
Dissemination agent	-	-	1,000	0%
Trustee	-	-	6,500	0%
Telephone	17	183	200	92%
Postage	-	-	600	0%
Printing & binding	42	458	500	92%
Legal advertising	-	-	1,200	0%
Annual district filing fee	-	-	175	0%
Insurance	-	6,188	6,400	97%
Contingencies	-	-	400	0%
ADA website compliance	-	-	210	0%
Website	-	705	705	100%
Total expenditures	<u>3,781</u>	<u>37,333</u>	<u>66,699</u>	56%
Excess/(deficiency) of revenues over/(under) expenditures	(3,781)	(12,432)	-	
Fund balance - beginning	15	8,666	-	
Fund balance - ending	<u>\$ (3,766)</u>	<u>\$ (3,766)</u>	<u>\$ -</u>	

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**11**

**DRAFT**  
**MINUTES OF MEETING**  
**FALLSCHASE**  
**COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Fallschase Community Development District held a Public Hearing and Regular Meeting on August 30, 2021 at 11:00 a.m., at 2810 Remington Green Circle, Tallahassee, Florida 32308.

**Present at the meeting were:**

Richard Yates	Chair
Rick Singletary	Vice Chair
William Lamb	Assistant Secretary
Lewis Singletary	Assistant Secretary

**Also present were:**

Cindy Cerbone	District Manager
Craig Wrathell (via telephone)	Wrathell, Hunt and Associates, LLC (WHA)
Jamie Sanchez	Wrathell, Hunt and Associates, LLC (WHA)
Michal Szymonowicz (via telephone)	Wrathell, Hunt and Associates, LLC (WHA)
Ken van Assenderp (via telephone)	District Counsel
Roger Wynn	District Engineer
Eddie Bass	District Engineer
Fred Harris (via telephone)	Greenberg Traurig, P.A.

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Ms. Cerbone called the meeting to order at 11:02 a.m. Supervisors Yates, Rick Singletary, Lamb and Lewis Singletary were present in person. Supervisor Phipps was not present.

**SECOND ORDER OF BUSINESS**

**Public Comments**

There were no public comments.

- **Presentation/Consideration of Amended and Restated Engineer's Report on District Improvements and Estimated Probable Construction Cost**

**This item, previously the Seventh Order of Business was presented out of order.**

40 Mr. Wynn stated the Engineer's Report covers what is casually known as the Fallschase  
41 Residential and summarized the development project as follows:

42 ➤ The total area of the CDD is 375 acres.

43 ➤ Phases I, II and III are currently under construction and have been annexed into the City;  
44 Staff is in the process of performing as-built surveys and recording plats.

45 ➤ Phases IV, V and VI are currently in the permitting stage with Leon County; it is  
46 anticipated that Phases IV, V and VI will also be annexed.

47 ➤ In addition to the six phases and the multi-family projects, an undeveloped and  
48 currently unplanned area on the east side of the property will likely be built out to  
49 accommodate 411 single-family units.

50 ➤ The total cost of improvements for all phases, excluding the multi-family projects, is \$45  
51 million, as outlined on Page 11.

52 ➤ The "Lot Distribution and Phasing" Table, on Page 8, is also notable.

53 The following question was asked and answered:

54 Mr. van Assenderp: Would you confirm for the Board that, near the very end of your  
55 Report, you indicated you made many monitorings of the construction materials and  
56 construction procedures and found that they comport with the purpose of the District and the  
57 requirement.

58 Mr. Wynn: That's correct.

59 Discussion ensued regarding the completed as-builts, project completion time frames,  
60 the review and inspection processes by Engineering Staff and the City, plat recordation, etc.

61 Mr. Wynn recapped that there is an ongoing inspection process and a final inspection  
62 process, which has not yet occurred; once the as-builts are reviewed, they would be submitted  
63 to the City, with the Compliance Report, and an environmental inspector from the City would  
64 conduct the final inspection.

65

66 **On MOTION by Mr. Rick Singletary and seconded by Mr. Lamb, with all in**  
67 **favor, the Amended and Restated Engineer's Report on District Improvements**  
68 **and Estimated Probable Construction Cost, was approved.**

69

70

71 ■ **Presentation/Consideration of Amended and Restated Master Special Assessment**  
72 **Methodology Report**

73           **This item, previously the Eighth Order of Business, was presented out of order.**

74           Mr. Szymonowicz presented the Master Special Assessment Methodology Report dated  
75 August 30, 2021 and highlighted the following:

76           ➤       The Report is an amendment and restatement of the prior Master Methodology  
77 Reports. It was updated to conform to the changes in the Development Plan, as well as the  
78 updated Engineer's Report dated August 29, 2021 that was previously presented by Mr. Wynn.

79           ➤       The Report takes exactly the same approach as the prior Reports and apportions the  
80 benefit of the public infrastructure improvements to the different land uses that are now  
81 projected to be developed in the CDD and specifically singles out the multi-family homes.

82           ➤       Although the multi-family project, within what is referred to as Phase IA, will cost  
83 roughly a total of \$43,790, the multi-family units that are slated to be developed will enjoy  
84 additional benefits as a result of the infrastructure that will be built in other Phases, specifically  
85 Phases I through VI, and there will be an additional benefit of \$1,516,876 that will be accruing  
86 to the multi-family uses.

87           ➤       Mr. Szymonowicz segregated the benefits of the capital infrastructure program (CIP)  
88 that are accruing to the multi-family uses and subtracted it out from the cost estimates of the  
89 balance of the CIP that is accruing to the benefit of the single-family uses and derived what  
90 proportion of the total CIP should therefore be considered to be benefiting the single-family  
91 versus multi-family uses in the exact same proportion apportioned to the principal amounts of  
92 the bonds as well as annual debt service to the different unit types.

93           ➤       The calculations represented in Table 7, on Page 16, showed the bond allocations of the  
94 different unit types in the CDD.

95           ➤       In terms of dollar value, the infrastructure that benefits the multi-family uses is  
96 significantly less than that which benefits the single family uses, as outlined in the Engineer's  
97 Report.

98           Mr. Szymonowicz gave a detailed explanation of Appendix Tables 1 through 7, on Pages  
99 13 through 16 of the Report.

100           Asked about the bond assessment allocation per unit and the annual bond assessment  
101 payment per unit for the 40' single-family product type, Mr. Szymonowicz stated \$42,426.06 is  
102 for each 30' lot's principal portion of the bond and \$3,138.86 is the annual assessment that  
103 would be required to pay the \$42,426.06 within the 30-year repayment period on the bonds.

104 Mr. Wrathell stated it was important to mention that the Master Methodology shows a  
105 financing model of the Engineer's CIP, which sets the maximum par amount of bonds and  
106 maximum annual debt assessment for each of the product types; however, when the bonds are  
107 issued, the debt assessment will be significantly lower than what is reflected in the Report  
108 because Management will coordinate with the Bond Underwriters to structure the final sizing  
109 of the bonds and a Supplemental Special Assessment Methodology Report would be produced  
110 and utilized to market the bonds. The Supplemental Special Assessment Methodology would be  
111 presented at an upcoming meeting prior to being used for marketing purposes and would be  
112 followed by a final Supplemental Methodology Report that will represent the final parameters  
113 of the bonds. The intent of the Report is to define the special and peculiar benefit the property  
114 owners will receive, related to the CIP, and it would not be possible to build the development  
115 without putting the infrastructure in place and the Developer will execute a Completion  
116 Agreement with the CDD to privately fund the balance of the CIP.

117 Asked about the timing, Ms. Cerbone stated that the Underwriter, Mr. Bill Reagan,  
118 provided the following timeline, depending on the Board's approval of the updated Engineer's  
119 and Master Methodology Reports today:

- 120 ➤ Week of September 30, 2021: Drafts of the Master and Supplemental Trust Indenture,  
121 bond resolutions and other documents would be sent by the Underwriter.
- 122 ➤ Week of October 1, 2021: Staff would prepare a draft offering document.
- 123 ➤ Week of October 11, 2021: Board meeting to approve the documents and Preliminary  
124 Off Limited Offering Memorandum (PLOM).
- 125 ➤ End of October: Schedule an additional Board meeting.
- 126 ➤ Week of November 15, 2021: Schedule the bond closing.

127 Mr. Wrathell stated the timeline was a likely summary and the Underwriters would  
128 coordinate with Mr. Yates to assemble due diligence items, which can be time-consuming.

129 Mr. van Assenderp made the following points:

- 130 ➤ Mr. Szymonowicz and Mr. Wynn submitted excellent Reports.
- 131 ➤ Additional taxes would be imposed by the County and the City.
- 132 ➤ The debt assessment is a special assessment that will be reduced substantially and is  
133 based on the special apportionment of benefits to the property.

134 ➤ The law states that once infrastructure, including roads, water and sewer, drainage etc.,  
135 is in place, it serves as a special benefit, which flows to all of the properties in the CDD.

136 ➤ The Board should acknowledge that every property within the jurisdiction of the CDD  
137 receives a list of special benefits, namely, added use of the property, added enjoyment of the  
138 property, increased property values, marketability and decreased insurance premiums that the  
139 property would not otherwise have because it would still be raw property and those  
140 improvements are needed before homes can be constructed.

141 ➤ The law states the apportionment of the special benefits, followed by the translation of  
142 the special benefit to the dollar amount allocated per parcel of property, all the special  
143 assessments that the Tax Collector will collect and that it will be sent to pay the bond investors.

144 ➤ Article 4, Section 10 of the Constitution of Florida states that homeowners can lose their  
145 properties if they fail to pay a tax or a special assessment and the Tax Collector may sell tax  
146 certificates to recoup losses.

147

148 **On MOTION by Mr. Rick Singletary and seconded by Mr. Lewis Singletary, with**  
149 **all in favor, the Amended and Restated Master Special Assessment**  
150 **Methodology Report, dated August 30, 2021, was approved.**

151

152

153 **▪ Update: Bond Financing**

154 **• Consider Engagement of GT Law as Bond Counsel**

155 **This item, previously the Ninth Order of Business, was presented out of order.**

156 Mr. Harris presented the revised Greenberg Traurig proposal letter to serve as Bond  
157 Counsel and highlighted the following:

158 ➤ This is a short-form Engagement Agreement.

159 ➤ Greenberg Traurig served as Bond Counsel in the previous financing.

160 ➤ The fee has been adjusted accordingly for the Series 2021 financing.

161 ➤ Greenberg Traurig will provide all the Supplemental Indentures, opinions, etc.

162

163 **On MOTION by Mr. Rick Singletary and seconded by Mr. Lewis Singletary, with**  
164 **all in favor, engagement of Greenberg Traurig P.A., to serve as Bond Counsel,**  
165 **and the Engagement Agreement, was approved.**

166

167

168 **THIRD ORDER OF BUSINESS**

**Presentation of Audited Financial Statements for Fiscal Year Ended September 30, 2020, Prepared by Lanigan & Associates, P.C.**

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172

173 Ms. Cerbone presented the Audited Financial Statements for Fiscal Year Ended  
174 September 30, 2020 and noted the pertinent information. There were no findings,  
175 recommendations, deficiencies on internal control or instances of non-compliance; it was a  
176 clean audit.

177 Mr. van Assenderp stated a few technical changes would be made to the subsequent  
178 Audit, per the preparers of the Audit.

179 Asked for a clarification of the Audited Report, Ms. Cerbone stated it is a financial view  
180 of the CDD, as of September 30, 2020. The State of Florida requires CDDs to have an external  
181 party examine the financial transactions that have occurred within the CDD.

182

183 **FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2021-05, Hereby Accepting the Audited Financial Statements for the Fiscal Year Ended September 30, 2020**

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188 Ms. Cerbone presented Resolution 2021-05.

189

**On MOTION by Mr. Yates and seconded by Mr. Lewis Singletary, with all in favor, Resolution 2021-05, Hereby Accepting the Audited Financial Statements for the Fiscal Year Ended September 30, 2020, was adopted.**

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195 **FIFTH ORDER OF BUSINESS**

**Public Hearing on Adoption of Fiscal Year 2021/2022 Budget**

196

197  
198 **A. Proof/Affidavit of Publication**

199 The affidavit of publication was included for informational purposes.

200 **B. Consideration of Resolution 2021-06, Relating to the Annual Appropriations and**  
201 **Adopting the Budget for the Fiscal Year Beginning October 1, 2021, and Ending**  
202 **September 30, 2022; Authorizing Budget Amendments; and Providing an Effective**  
203 **Date**



204 Ms. Cerbone reviewed the proposed Fiscal Year 2022 budget and stated no changes  
205 were made since the last meeting.

206 Mr. van Assenderp stated, when the bonds are issued, not only must Bond Counsel  
207 render an opinion on taxes, securities and related matters but District Counsel must also render  
208 an opinion on the CDD’s behalf, confirming that all the proper steps were taken by CDD Staff  
209 and the processes met all legal requirements. The fees would be declaration of facts paid out of  
210 the bond proceeds.

211

**On MOTION by Mr. Rick Singletary and seconded by Mr. Lamb, with all in favor, the Public Hearing was opened.**

212

213

214

215

216

No members of the public spoke.

217

**On MOTION by Mr. Rick Singletary and seconded by Mr. Lamb, with all in favor, the Public Hearing was closed.**

218

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222

Ms. Cerbone presented Resolution 2021-06 and read the title.

223

**On MOTION by Mr. Rick Singletary and seconded by Mr. Lewis Singletary, with all in favor, Resolution 2021-06, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2021, and Ending September 30, 2022; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.**

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**SIXTH ORDER OF BUSINESS**

**Consideration of Landowners’ Funding Agreement**

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232

233

234

Ms. Cerbone presented the Landowners’ Funding Agreement between the CDD and Red Hills Property Holdings LLC and 2<sup>nd</sup> Elevated Development, LLC.

235

236

**On MOTION by Mr. Rick Singletary and seconded by Mr. Lamb, with all in favor, the Landowners’ Funding Agreement, was approved.**

237

238

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240

241 SEVENTH ORDER OF BUSINESS

Presentation/Consideration of Amended and Restated Engineer’s Report on District Improvements and Estimated Probable Construction Cost

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This item was presented following the Second Order of Business.

247

248 EIGHTH ORDER OF BUSINESS

Presentation/Consideration of Amended and Restated Master Special Assessment Methodology Report

249  
250  
251  
252

This item was presented following the Second Order of Business.

253

254 NINTH ORDER OF BUSINESS

Update: Bond Financing

255  
256

- Consider Engagement of GT Law as Bond Counsel

257 This item was presented following the Second Order of Business.

258

259 TENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of July 31, 2021

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261  
262

Ms. Cerbone presented the Unaudited Financial Statements as of July 31, 2021

263

264 On MOTION by Mr. Lewis Singletary and seconded by Mr. Rick Singletary, with  
265 all in favor, the Unaudited Financial Statements as of July 31, 2021, were  
266 accepted.

267  
268

269 ELEVENTH ORDER OF BUSINESS

Approval of June 7, 2021 Regular Meeting Minutes

270  
271

272 Ms. Cerbone presented the June 7, 2021 Regular Meeting Minutes. District Counsel  
273 previously submitted changes to Management. Mr. van Assenderp reviewed the two items that  
274 needed to be changed.

275

276 On MOTION by Mr. Rick Singletary and seconded by Mr. Lewis Singletary, with  
277 all in favor, the June 7, 2021 Regular Meeting Minutes, as amended to  
278 incorporate edits previously submitted to Management, were approved.

279  
280

## 281 TWELFTH ORDER OF BUSINESS

## Staff Reports

282

283 A. **Attorney: *van Assenderp Law***

284 There was nothing further to report.

285 B. **Engineer: *Moore Bass Consulting, Inc.***

286 There was nothing further to report.

287 C. **Manager: *Wrathell, Hunt and Associates, LLC***

- 288 •
- NEXT MEETING DATE: October 4, 2021 at 11:00 A.M.**

- 289 ▪
- Consider Change of Meeting Time to 10:00 A.M.**

290 Ms. Cerbone asked if the Board was amenable to changing the meeting time to 10:00

291 a.m. The Board agreed to 10:30 a.m.

292

293 **On MOTION by Mr. Lewis Singletary and seconded by Mr. Rick Singletary, with**  
294 **all in favor, changing the meeting time from 11:00 a.m., to 10:30 a.m., was**  
295 **approved.**

296

297

298 Mr. van Assenderp stated that Mr. Wynn and Mr. Szymonowicz have been assisting  
299 District Counsel to modify a legal description in a petition to contract the boundary of the CDD  
300 for transmission to the County.

301 ○ **QUORUM CHECK**

302 The next meeting would be held on October 4, 2021 at 10:30 a.m., unless rescheduled  
303 or cancelled.

304

305 **THIRTEENTH ORDER OF BUSINESS****Audience Comments/Supervisors Requests**

306

307 There were no audience comments or Supervisors' requests.

308

309 **FOURTEENTH ORDER OF BUSINESS****Adjournment**

310

311 There being nothing further to discuss, the meeting adjourned.

312

313 **On MOTION by Mr. Lamb and seconded by Mr. Lewis Singletary, with all in**  
314 **favor, the meeting adjourned at 12:15 p.m.**

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Secretary/Assistant Secretary

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Chair/Vice Chair

# **FALLSCHASE**

**COMMUNITY DEVELOPMENT DISTRICT**

**12C**

**FALLSCHASE COMMUNITY DEVELOPMENT DISTRICT**

**BOARD OF SUPERVISORS FISCAL YEAR 2021/2022 MEETING SCHEDULE**

**LOCATION**

*2810 Remington Green Circle, Tallahassee, Florida 32308*

<b>DATE</b>	<b>POTENTIAL DISCUSSION/FOCUS</b>	<b>TIME</b>
<b>October 4, 2021 CANCELED</b>	<b>Regular Meeting</b>	<b>10:30 AM</b>
<b>October 11, 2021</b>	<b>Regular Meeting</b>	<b>10:30 AM</b>
<b>October 18, 2021</b>	<b>Continued Regular Meeting</b>	<b>10:30 AM</b>
<b>November 1, 2021</b>	<b>Landowners' Meeting</b>	<b>10:30 AM</b>
<b>March 7, 2022</b>	<b>Regular Meeting</b>	<b>10:30 AM</b>
<b>April 4, 2022</b>	<b>Regular Meeting</b>	<b>10:30 AM</b>
<b>June 6, 2022</b>	<b>Regular Meeting</b>	<b>10:30 AM</b>
<b>August 1, 2022</b>	<b>Public Hearing &amp; Regular Meeting</b>	<b>10:30 AM</b>