

# **FRERC**

**COMMUNITY DEVELOPMENT  
DISTRICT**

**REGULAR MEETING  
AGENDA**

**December 20, 2018**

**FRERC Community Development District**  
**OFFICE OF THE DISTRICT MANAGER**  
**2300 Glades Road, Suite 410W•Boca Raton, Florida 334313**  
**Phone: (561) 571-0010•Toll-free: (877) 276-0889•Fax: (561) 571-0013**

December 13, 2018

Board of Supervisors  
FRERC Community Development District

<p><b><u>ATTENDEES:</u></b> Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.</p>
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Dear Board Members:

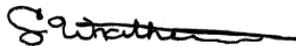
A Regular Meeting will be held on December 20, 2018, at 3:00 p.m., at City Center West Orange, 7380 West Sand Lake Road, Suite 305/395, Orlando, Florida 32819. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Engineers' Report, dated October 9, 2018 *(for informational purposes)*
4. Consideration of Supplemental Special Assessment Methodology Report, dated December 20, 2018
5. Presentation: Market Report
6. Consideration of Resolution 2019-11, Authorizing the Issuance of Not to Exceed \$40,000,000 Aggregate Principal Amount of its FRERC Community Development District Special Assessment Bonds in One or More Series (the "Series 2019 Bonds"); Determining Certain Details of the Series 2019 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a First Supplemental Trust Indenture; Authorizing the Negotiated Sale of the Series 2019 Bonds; Appointing the Underwriter; Approving the Form of and Authorizing the Execution and Delivery of a Contract of Purchase With Respect to the Series 2019 Bonds and Awarding the Series 2019 Bonds to the Underwriter Named Therein Pursuant to the Parameters Set Forth in this Resolution; Approving the Form of and Authorizing the Distribution of the Preliminary Limited Offering Memorandum and its Use by the Underwriter in Connection with the Offering for Sale of the Series 2019 Bonds and Approving the Execution and Delivery of a Final Limited Offering Memorandum; Authorizing the Execution and Delivery of a Continuing Disclosure Agreement and the Appointment of a Dissemination Agent; Providing for the Application of Series 2019 Bond Proceeds; Authorizing the Proper Officials to do All Things Deemed Necessary in Connection with the Issuance, Sale and Delivery of the Series 2019 Bonds; Making Certain Declarations; Appointing a Trustee; Providing for the Registration of the Bonds Pursuant to the DTC Book-Entry System; Providing an Effective Date and for Other Purposes

- A. Form of First Supplemental Trust Indenture
  - B. Form of Contract of Purchase
  - C. Form of Preliminary Limited Offering Memorandum
  - D. Form of Continuing Disclosure Agreement
7. Consideration of Minutes
- A. October 24, 2018 Landowners' Meeting
  - B. October 24, 2018 Regular Meeting and Public Hearing
  - C. November 29, 2018 Public Hearing and Regular Meeting
8. Staff Reports
- A. District Counsel: *Hopping, Green & Sams, P.A.*
  - B. District Engineer: *Terra-Max Engineering, Inc.*
  - C. District Manager: *Wrathell, Hunt and Associates, LLC*
    - NEXT MEETING DATE: January 23, 2019 at 10:00 AM
9. Board Members' Comments/Requests
10. Public Comments
11. Adjournment

I look forward to seeing all of you at the upcoming meeting. In the meantime, should you have any questions or concerns, please do not hesitate to contact me directly at (561) 719-8675.

Sincerely,



Craig Wrathell  
District Manager

**FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE**

**Call-in number: 1-888-354-0094**

**Conference ID: 2144145**

# **FREERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**3**

Engineer's Report

# FRERC Community Development District

**Revised: October 9, 2018**

**Prepared for:**

Board of Supervisors  
FRERC  
Community Development District

**Prepared By:**



Terra-Max Engineering, Inc.  
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## **Exhibits**

1. LOCATION MAP
2. DISTRICT BOUNDARY
3. DISTRICT IMPROVEMENT PLAN
4. WATER DISTRIBUTION SYSTEM
5. RECLAIMED WATER DISTRIBUTION SYSTEM
6. SANITARY SEWER SYSTEM
7. ROADWAY IMPROVEMENTS
8. STORM WATER PLAN
9. ZONING MAP
10. FUTURE LAND USE MAP

## **Appendices**

1. FRERC COMMUNITY DEVELOPMENT DISTRICT BUDGET SUMMARY

## I. INTRODUCTION

### **Purpose**

The purpose of this report is to describe the 97.404+/- acre FRERC development (hereinafter referred to as 'FRERC') Community Development District (hereinafter referred to as the 'District') which is located in the City of Ocoee, in Orange County, Florida. The report will also describe the capital improvements to be constructed and financed by the District and their probable construction cost.

### **General Description of the Proposed Development**

The proposed mixed-use development is located north of West Colonial Drive, east of Bluford Avenue, south of East Geneva Street and west of Montgomery Avenue in the City of Ocoee, in Orange County, Florida. The location of the proposed development is shown in Exhibit 1.

The development will include multi-family residential units, retail, restaurant, parking garages, recreation spaces and open space areas, storm water management systems, utility infrastructure, and landscaped roadways.

The District will encompass the entire 97.404+/- acres shown in Exhibit 2. The District will construct, operate, and maintain portions of the infrastructure to support the proposed development.

### **Overview**

At this time, the land use plan for FRERC is summarized in the table below. The development program consists of 514,000 ft<sup>2</sup> of retail space, 232,000 ft<sup>2</sup> of office space, 2,300 condominiums, 300 vacation rental units, 77,000 ft<sup>2</sup> convention center and 244 hotel rooms. Proposed development by Parcel is shown in table below:

<b>Development Area Parcels</b>	<b>Residential Units</b>	<b>Office (S.F.)</b>	<b>Retail (S.F.)</b>	<b>Hotel Rooms</b>	<b>Convention</b>	<b>Parking Garage Spaces</b>
1	500	32,000	200,000	122	-	1,867
5,6	-	-	-	-	77,000	-
2	-	10,000	24,000	-	-	-
13,14	-	90,000	90,000	-	-	-
3,4,7,8,9,10,11 and 12	2,100	100,000	200,000	122	-	2,500
<b>CDD Total</b>	<b>2,600</b>	<b>232,000</b>	<b>514,000</b>	<b>244</b>	<b>77,000</b>	<b>4,367</b>

In order to serve the residents and property owners of the District, the District is developing a Capital Improvement Plan (hereinafter referred to as the 'Plan') for the financing, construction and maintenance of certain improvements and facilities within, and adjacent to, the District as described below. These improvements are required by, or are consistent

with, the requirements of Orange County, Florida, the City of Ocoee, the Florida Department of Transportation (FDOT) and other applicable regulatory and jurisdictional entities. Brief descriptions of the improvements are included in the body of this report.

The Plan contained in this report reflects the present intentions of the District. The exact location of facilities may be modified during the course of approval and implementation, but these changes will not diminish or alter the benefits to be received by the land. The District retains the right to make reasonable adjustments in the Plan to meet the requirements of any governmental agency while providing the same or greater benefits to the land. Regulatory criteria will continue to evolve, and future changes may affect the implementation of the Plan, as it may be changed from time to time. The implementation of any improvement outlined within the Plan requires the final approval of the District's Board of Supervisors.

Costs contained in this report have been prepared based on opinions of probable costs using available information. It is possible that the probable costs will vary based on final engineering and ultimate construction bids.

A summary of the improvements to be funded and associated opinions of probable cost are included in Attachment 1.

## II. DISTRICT BOUNDARY AND PROPERTY SERVED

### ***District Boundary***

Exhibit 2 illustrates the boundaries of the District. North of the District, residential and institutional uses border the site. Single family, multi-family, and mixed retail/office land uses border the east side of the District. Multi-Family uses boarder the west side of the district. South of the District, commercial uses and W. Colonial drive border the south side.

### ***Property Served***

The site is currently partially developed, with no active uses other than one occupied residential structure. South of Maine Street right-of-way, the terrain elevations fall south to south east towards Lake Bennett. North of Maine Street right-of-way, the elevations fall from south to northeast and northwest towards the wetland area to the north, with elevations ranging from approximately 125.92 to 116.95 ft. North American Vertical Datum of 1988 (NAVD 88). Construction of the proposed District infrastructure associated with Phase I of the proposed development began in January of 2017. The overall 97.404 +/- acre site will be platted to include streets, open spaces, and developable tracts of land upon submittal of the last phase design plans.

### ***Existing Utility Infrastructure***

Currently, there are numerous utilities providing service along the periphery of the District. The existing infrastructure will require extensions into the district area in order to serve the development. Roadways and utilities exist within all abutting rights-of-ways. Street lighting, landscaping, and sidewalks exist on West Colonial Drive, Maine Street (between Bluford Ave. and Richmond Ave.) and Blackwood Avenue. Water mains exist within and surrounding the District, but several improvements are being proposed as shown in Exhibit 4. Reclaimed Water mains exist within and surrounding the District, but several improvements are being proposed as shown in Exhibit 5. Gravity sewer mains exist within the rights-of-way surrounding the District, but several improvements are proposed as shown in Exhibit 6. Although these utilities exist within the abutting rights-of-ways, water, reclaimed water and sewer main upgrades are required within many of the abutting streets and within the District boundaries, as required by the City of Ocoee.

### III. DESCRIPTION OF INFRASTRUCTURE

#### ***Summary of District Facilities and Services***

The proposed infrastructure is a network of roadways, parking, storm water management systems, sanitary sewer collection systems, electrical, fiber, gas, reclaimed water distribution systems and water distribution systems, as well as the creation of proposed open space areas, water features, art, and pedestrian friendly sidewalks within the District that will give access and service to the residential and commercial buildings. Exhibit 3 illustrates the district improvement plan.

#### ***Water, Reclaimed Water & Sanitary Sewer Systems***

Water, reclaimed water and wastewater facilities will be provided within the District. The water, reclaimed water and sewer services operation and maintenance will be provided by the City of Ocoee, Florida (the 'City'). The City has sufficient capacity to serve the District's water, reclaimed water and sewer needs for the overall proposed development. Facilities will be designed and constructed in accordance with the City and Florida Department of Environmental Protection standards. The District will convey all water, reclaimed water and sanitary sewer improvements to the City upon completion of construction.

#### **Water Distribution System outside the Boundary of the District (Off-site)**

Exhibit 4 illustrates the proposed Water Distribution system. The following improvements to the City's system will be made:

- New 12" WM extension from the intersection of Maine Street and Richmond Avenue along Maine Street, east to Blackwood Avenue.
- New 10" WM extension from the intersection of Ocoee Town Center Blvd and Richmond Avenue along Ocoee Town Center Blvd, east and then north to Maine Street.
- New 10" WM extension from Lake Bennet Drive, north to Ocoee Town Center Blvd.

#### **Reclaimed Water System outside the Boundary of the District (Off-Site)**

Exhibit 5 illustrates the proposed Reclaimed Water Collection system. The following improvements to the City's system will be made:

- New 8" RWM extension from the intersection of Maine Street and Richmond Avenue along Maine Street east to Blackwood Avenue.
- New 8" WM extension east of the intersection of Ocoee Town Center Blvd and Richmond Avenue along Ocoee Town Center Blvd.
- New 8" RWM extension from Lake Bennet Drive north to Ocoee Town Center Blvd.

#### **Sewer System outside the Boundary of the District (Off-Site)**

Exhibit 6 illustrates the proposed Sanitary Sewer Collection system. The following improvements to the City's system will be made:

- Construction of a 18" SS main on Maine Street, between Richmond Ave and Street B.

- Construction of a 18" SS main on Ocoee Town Center Blvd., between Street B and Richmond Ave.

**Water Distribution System within the Boundary of the District (On-site)**

The domestic water supply facilities will include distribution mains with necessary valving, fire hydrants and water services to the rights-of-way lines.

**Reclaimed Water Distribution System within the Boundary of the District (On-site)** – The reclaimed water supply facilities will include distribution mains with necessary valving, fire hydrants and water services to the rights-of-way lines.

**Sewer System within the Boundary of the District (On-Site)** - Wastewater facilities include proposed gravity sewer main with individual services connected to the existing or proposed City system.

***Power Distribution Improvements***

Power Distribution Improvements costs included in the CDD are for the installation and upgrade of existing electrical distribution facilities owned by Duke Energy.

***Telecommunication Improvements***

Telecommunication Improvements' costs included in the CDD are for the installation and upgrade of existing copper and fiber-optic telecommunication facilities.

***Stormwater Management and Roadway Improvements***

The Storm Water Management System will include drainage systems abutting the District and within the open spaces identified in the attached Exhibits. The stormwater management systems will be constructed in accordance with the City of Ocoee, Florida Department of Environmental Protection (FDEP) and Saint John River Water Management District (SJRWMD) standards for storm water quality treatment and flood control. The proposed conceptual drainage plan is referenced in Exhibit 8.

All roads will be designed and will be constructed in accordance with applicable jurisdictional agency standards (i.e. City of Ocoee and Florida Department of Transportation (FDOT)). Roadway construction may consist of sub-grade base, curbing, sidewalks, signage, striping, landscaping, irrigation and lighting, or simply milling and resurfacing. The proposed conceptual roadway plan is referenced in Exhibit 7.

**Maine Street – West of Richmond Ave.** – Remove and reconstruct approximately 225ft. of an existing 3-lane urban roadway using a vertical curb matching the proposed vertical alignment of Maine Street, east of Richmond Avenue.

**Maine Street – East of Richmond Ave. to Street B** - The improvements consist of constructing approximately 1,190ft of a 3-lane urban roadway with parallel parking on both sides.

**Maine Street – East of Street B to Blackwood Ave.** - The improvements consist of constructing approximately 1,475 ft of a 3-lane urban roadway.

**Richmond Ave. – Between Ocoee Town Center Blvd. and Maine Street** - The improvements consist of constructing approximately 540ft of a 2-lane urban roadway with parallel parking on the east side.

**Richmond Ave. – Between Maine Street and Townsend Loop** - The improvements consist of constructing approximately 350ft of a 2-lane urban roadway with parallel parking on the east side.

**Street A – Between Ocoee Town Center Blvd. and Maine Street** - The improvements consist of constructing approximately 510ft of a 2-lane urban roadway with parallel parking on both sides.

**Street A – Between Ocoee Town Center Blvd. and Lake Bennet Drive** - The improvements consist of constructing approximately 380ft of a 2-lane urban roadway with parallel parking on both sides.

**Street A – Between Maine Street and Townsend Loop** - The improvements consist of constructing approximately 395ft of a 2-lane urban roadway with parallel parking on both sides.

**Street B – From proposed Ocoee Town Center Blvd. to Maine Street** - The improvements consist of constructing approximately 670ft of a 2-lane urban roadway with parallel parking on both sides.

**Street B – From proposed Ocoee Town Center Blvd. to Lake Bennet Drive** - The improvements consist of constructing approximately 615ft of a 2-lane urban roadway with parallel parking on both sides.

**Street B – From Maine Street to Townsend Loop**- The improvements consist of constructing approximately 395ft of a 2-lane urban roadway with parallel parking on both sides.

**Street C – From Maine Street to Townsend Loop**- The improvements consist of constructing approximately 395ft of a 2-lane urban roadway with parallel parking on both sides.

**Ocoee Town Center Blvd. – From Richmond Ave. to Street B**- The improvements consist of constructing approximately 810ft of a 2-lane urban roadway with parallel parking on both sides.

**Townsend Loop – From Maine Street to Richmond Ave.** - The improvements consist of constructing approximately 2,185ft of a 2-lane urban roadway with parallel parking on both sides.

**Via Geneva – From Townsend Loop to Geneva Ave.** – The improvements consist of constructing approximately 1,100ft of a 2-lane urban roadway with parallel parking on both sides and a bridge over the flood pathway.

**Roundabout 1 – Intersection of Street A and Ocoee Town Center Blvd.** - 110 radius roundabout.

### ***Streetscape, Landscape & Hardscape***

Streetscape and landscape improvements planned for the District will include open space, water features and signage within public areas. Landscape and streetscape elements will be provided along all new roadways within and abutting the District. Landscaping will include canopy trees, palm trees, shrubs and ground cover within the streets and public spaces. Streetscape features to be constructed within the District include decorative pavers at specific locations, decorative street lights, bollards, trash receptacles and benches. Master transportation improvements will consist of right-of-way dedications, new traffic signals, roadway reconstruction, and improved circulation within the District boundaries. Utility and other infrastructure upgrades will consist of water and sewer main installations to increase capacity, electrical, fiber, and gas line extensions, new streets and the creation of open spaces and shaded pedestrian spaces. These improvements are proposed to be constructed and financed by the District.

### ***Open Space***

The CDD development plan includes allocations for the design and construction of improvements to create open spaces and pedestrian friendly streetscapes with special landscape and hardscape features.

### ***Signalization***

In order to serve the residents, customers, and surrounding community, the construction of new traffic signals is included in the CDD.

### ***Water Features***

The planned development calls for the creation of a boardwalk and a manmade island along and within Lake Bennet within the CDD boundaries.

### ***Miscellaneous Improvements***

In addition to items above, miscellaneous improvements will be constructed, such as earthwork not previously accounted for, demolition, utility undergrounding, on-site clearing and grubbing, miscellaneous improvements to the offsite roadways, onsite water connections from the main to the meters, offsite sewer gravity main and allowances for utility conflicts, professional fees, contingency and mobilization.

#### **IV. OWNERSHIP AND MAINTENANCE**

The District will finance the land acquisition, dedications, and construction of the improvements. It will then transfer the improvements to the following agencies for ownership and maintenance:

**FRERC  
Ownership, Operations and Maintenance Assignment**

	Own	Operate	Maintain	Other
<b>Maine Street</b>				
Roadway/Drainage	City	City	City	
Utilitites	City	City	City	
Drianage	City	City	City	
Streetscape/LA	District	District	District	
Irrigation	Distirct	Distirct	Distirct	
Lighting	City	City	City	
<b>Street A</b>				
Roadway/Drainage	City	City	City	
Utilitites	City	City	City	
Drianage	City	City	City	
Streetscape/LA	District	District	District	
Irrigation	Distirct	Distirct	Distirct	
Lighting	City	City	City	
<b>Street B</b>				
Roadway/Drainage	City	City	City	
Utilitites	City	City	City	
Drianage	City	City	City	
Streetscape/LA	District	District	District	
Irrigation	Distirct	Distirct	Distirct	
Lighting	City	City	City	
<b>Street C</b>				
Roadway/Drainage	City	City	City	
Utilitites	City	City	City	
Drianage	City	City	City	
Streetscape/LA	District	District	District	
Irrigation	Distirct	Distirct	Distirct	
Lighting	City	City	City	
<b>Richmond Avenue</b>				
Roadway/Drainage	City	City	City	
Utilitites	City	City	City	
Drianage	City	City	City	
Streetscape/LA	District	District	District	
Irrigation	Distirct	Distirct	Distirct	
Lighting	City	City	City	
<b>Townsend Loop</b>				
Roadway/Drainage	City	City	City	
Utilitites	City	City	City	
Drianage	City	City	City	
Streetscape/LA	District	District	District	
Irrigation	Distirct	Distirct	Distirct	
Lighting	City	City	City	
<b>Via Geneva</b>				
Roadway/Drainage	City	City	City	
Utilitites	City	City	City	
Drianage	City	City	City	
Streetscape/LA	District	District	District	
Irrigation	Distirct	Distirct	Distirct	
Lighting	City	City	City	
<b>Storm Water Management</b>	City	City	City	
<b>Public Parking Structures</b>	Distirct	Distirct	Distirct	
<b>Retaining Walls / Bridges</b>	City	City	City	
<b>Water Features</b>	Distirct	Distirct	Distirct	
<b>Signalization</b>	City	City	City	

improvements within the District's boundary, not financed by the District, include but are not limited to private landscape areas, irrigation systems, parking lots and driveways, private drainage systems and backflow preventers will belong to, and be maintained by, either the owner of the tract or by a property owner's association. In association with typical maintenance of standard improvements to be performed by the City Ocoee, restoration and maintenance of non-standard roadway improvements will be the responsibility of the District.

## V. PERMITTING

The following is a list of Permit Applications previously submitted and to be submitted:

Permit Applications/Approvals	Department	Actual/ Estimated Submittal Date	Actual/ Estimated Approval Date	Expiration Date	Permit #
Preliminary Site Plan - Phase I	City of Ocoee	1/27/2015	4/21/2015		
Development & economic Incentive Agreement (Phase I)	City of Ocoee	8/26/2016	9/20/2016	NA	DOC# 20160517992
Site Clearing & Grading Plan (Parcel II)	City of Ocoee	3/17/2015	4/30/2015		
Site Clearing & Grading Plan (Parcels III & IV)	City of Ocoee	3/28/2016	6/14/2016		
Signal Plans	City of Ocoee	9/2/2015	6/1/2018		
Traffic Study Phase I	City of Ocoee	1/23/2015	5/1/2016		
Preliminary Site Plan - Phase II	City of Ocoee	12/1/2018	2/1/2019		
Final Site Plan - Phase II	City of Ocoee	4/1/2019	6/1/2019		
Developer Agreement Phase III	City of Ocoee	10/1/2019	4/1/2020		
Final Site Plan - Phase I	City of Ocoee	9/17/2015	8/8/2016		
Commercial/Site Work/Site Development Permit ( <b>362 Maine</b> St)	City of Ocoee	9/17/2015	1/25/2017	7/23/2017	0151-2017
Commercial/Site Work/Site Development Permit ( <b>576 Maine</b> St)	City of Ocoee	9/17/2015	1/25/2017	7/23/2017	0155-2017
Construction Trailer	City of Ocoee	2/8/2017	2/20/2018		0275-2017
FDEP Water & Sewer Applications for Phase II	FDEP	4/1/2019	6/1/2019		
NOI to Use Generic Permit for Stormwater Discharge from Large and Small Construction Activities & Dewatering Operations (NOI)	FDEP	5/14/2015	5/17/2015	5/16/2020	FLR20AD19-001
NOI to Use the General Permit for Construction of <b>Water Main</b> Extensions for PWSs	FDEP	12/22/2016	12/27/2016	12/26/2021	0122422-166-DSGP
Notification/Application for Constructing a Domestic <b>Wastewater Collection/</b> Transmission System	FDEP	12/22/2016	1/13/2017	1/12/2022	0349983-001-DWC/CG
Environmental Resource Permit (ERP) Phase I	SJRWMD	10/27/2016	1/11/2017	5 yrs from issuance	147883-1
Environmental Resource Permit (ERP) Phase II	SJRWMD	6/1/2020	8/1/2020		
Dewatering Activities	SJRWMD	3/8/2017	3/14/2017	190 days from submittal	Item 1324171
Maine Street Extension Minor Modification	SJRWMD	11/1/2016	11/22/2016	5 yrs from issuance	129980-2
OCPS School Concurrency Mitigation Agreement	OCPS	5/3/2016	12/7/2016	NA	OCE-16-004

**VI. OPINIONS OF PROBABLE CONSTRUCTION COST**

Opinions of Probable Cost for the proposed improvements are provided in Attachment 1. The opinions of cost are based on unit prices currently being experienced for ongoing and similar items of work in the City/County, and quantities as represented on the construction plans or estimated from available conceptual plans. The budget includes engineering design and management of the installation. The labor market, future costs of equipment and materials, and the actual construction process are all beyond the Engineer's control. Due to this inherent opportunity for fluctuation in cost, the total final cost may be more or less than this estimate. The opinions of probable cost for the improvements within the CDD have been prepared by Terra-Max Engineering, Inc. unless otherwise noted.

***Water, Reclaimed & Sewer Systems***

In general, the Water & Sewer costs include: water mains and their relocation, tapping connections, gate valves, gravity sewers, fire hydrants, Jack and Bore Crossings, manholes, cleanouts, meter assemblies, backflow preventers and corporation stops. Professional fees, contingency and mobilization are also included as part of the costs.

**Total Water, Reclaimed Water and Sewer Systems ..... \$3,883,533.00**

***Power Distribution Improvements***

In general, the Power Distribution Improvements' costs include installation, relocation, and upgrade of existing electrical distribution facilities and associated duct banks owned by Duke Energy. Professional fees, contingency and mobilization are also included as part of the costs.

**Total Power Distribution Improvements ..... \$3,539,415.00**

***Telecommunications Improvements***

In general, the Telecommunications Improvements costs include installation and upgrade of existing copper and fiber-optic telecommunications facilities. Professional fees, contingency and mobilization are also included as part of the costs.

**Total Telecommunication Improvements..... \$500,000.00**

***Stormwater Management, Roadway Improvements, Fill and Retaining Walls***

The estimated costs for the Stormwater Management System include allocations for manholes, pipe, inlets, baffles, drainage wells, dry wells and well boxes, exfiltration trench and water quality treatment markup. Professional fees, contingency and mobilization are also taken into account. In general, the roadway improvement costs include the furnishing and installation of the following road components and construction services: Excavation/fill, sub-grade, road base, asphalt, curb, sidewalk, pedestrian light poles, decorative pavers, valley gutter, milling, lime-rock, fire hydrants, professional fees, contingency and mobilization.

**Total Stormwater Management, Roadway Improvements, Fill and Retaining Walls ..... \$53,449,283.00**

**Landscaping & Hardscaping**

In general, the estimated costs for Landscaping and Hardscaping include: trees and pits, planting, up lighting, trash receptacles, planters, pavers, palms, coping stones, bicycle racks and benches. Professional fees, contingency and mobilization are also taken into account.

**Total Landscaping & Hardscaping ..... \$4,857,316.00**

**Signalization**

In general, the estimated costs for the Signalization include allocations for the design and construction of new traffic signals and improvements to existing traffic signals. Professional fees, contingency and mobilization are also taken into account.

**Total Signalization ..... \$1,001,443.00**

**Water Features**

In general, the estimated costs for the Water Features include allocations for the design and construction of improvements to create new water features within the CDD. Professional fees, contingency and mobilization are also taken into account.

**Total Water Features ..... \$745,223.00**

**Public Parking Structures**

The Public Parking Structure Costs include the costs of public parking spaces that will be located in parking structures within the CDD.

**Total Parking Space Mitigation..... \$39,705,000.00**

**Cumulative Summary of Costs**

Item	Estimated Costs
Water, Reclaimed Water and Sewer Systems	\$ 3,833,533
Power Distribution Improvements	\$ 3,539,415
Telecommunications Improvements	\$ 500,000
Roadway Improvements	\$ 6,062,352
Stormwater Management	\$ 34,007,666
Retaining Walls/Bridges	\$ 13,379,266
Landscaping & Hardscaping	\$ 4,857,316
Signalization	\$ 1,001,443
Water Features	\$ 745,223
Public Parking Structures	\$ 39,705,000
<b>Subtotal</b>	<b>\$ 107,631,214</b>
Builder Fees/Soft Costs/Escalation	\$ 5,381,561
Unforeseen Utility Relocations	\$ 500,000
Contingency for Other Conditions	\$ 5,381,561
<b>GRAND TOTAL</b>	<b>\$ 118,894,335</b>

## **VII. PROBABLE SCHEDULE OF CAPITAL DISTRIBUTION**

Within the District there are primarily streets, parking garages and public areas to construct. Construction of the roadway, drainage, water, reclaimed water and sewer utilities began in the summer of 2017. The construction of the public areas will range between the summer of 2017 and the spring of 2024. Fiscal Year will be from Oct. 1<sup>ST</sup> to Sept. 30<sup>TH</sup> of the following year.

## VIII. SUMMARY AND CONCLUSION

The infrastructure, as outlined above, is necessary for the functional development of the District, as required by the applicable jurisdictional and governmental agencies. The planning and design of the infrastructure will be in accordance with current governmental regulatory requirements and industrial standards. The infrastructure will serve its intended function so long as the construction is in substantial compliance with the design, permits and local governing agencies. Items for construction in this report are based on current plan quantities for infrastructure construction and these infrastructure improvements will benefit and add value to the District.

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Totals
Water & Sewer Systems	\$ 2,389,777	\$ 481,252	\$ 481,252	\$ 481,252	\$ -	\$ -	\$ -	\$ 3,833,533
Power Distribution Improvements	\$ 3,030,269	\$ 409,147	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 3,539,415
Telecommunications Improvements	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Roadway Improvements	\$ 3,996,260	\$ 988,917	\$ 359,058	\$ 359,058	\$ 359,058	\$ -	\$ -	\$ 6,062,352
Stormwater Management/Grading	\$ 15,755,659	\$ 3,997,087	\$ 3,452,972	\$ 3,452,972	\$ 1,858,620	\$ 2,246,218	\$ 3,244,138	\$ 34,007,666
Retaining Walls/Bridges	\$ 3,820,052	\$ 3,453,974	\$ 3,052,620	\$ 3,052,620	\$ -	\$ -	\$ -	\$ 13,379,266
Landscaping and Hardscaping	\$ -	\$ 1,214,329	\$ 1,214,329	\$ 1,214,329	\$ 1,214,329	\$ -	\$ -	\$ 4,857,316
Signalization	\$ -	\$ 616,273		\$ 385,170				\$ 1,001,443
Water Features	\$ 643,042	\$ -	\$ -	\$ -	\$ 102,181	\$ -	\$ -	\$ 745,223
Miscellaneous Public Parking Structures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 15,555,000	\$ -	\$ 24,150,000	\$ -	\$ -	\$ -	\$ -	\$ 39,705,000
<b>Subtotal</b>	<b>\$ 45,190,058</b>	<b>\$ 11,660,979</b>	<b>\$ 32,760,231</b>	<b>\$ 8,995,402</b>	<b>\$ 3,534,188</b>	<b>\$ 2,246,218</b>	<b>\$ 3,244,138</b>	<b>\$ 107,631,214</b>
Escalation (5%)	\$ 2,259,503	\$ 583,049	\$ 1,638,012	\$ 449,770	\$ 176,709	\$ 112,311	\$ 162,207	\$ 5,381,561
Unforeseen Utilities Relocation		\$ 500,000.00						\$ 500,000.00
Contingency (5%)	\$ 2,259,503	\$ 583,049	\$ 1,638,012	\$ 449,770	\$ 176,709	\$ 112,311	\$ 162,207	\$ 5,381,561
<b>Grand Total</b>	<b>\$ 49,709,064</b>	<b>\$ 13,327,077</b>	<b>\$ 36,036,254</b>	<b>\$ 9,894,942</b>	<b>\$ 3,887,607</b>	<b>\$ 2,470,840</b>	<b>\$ 3,568,552</b>	<b>\$ 118,894,335</b>

## **IX. ENGINEER'S CERTIFICATION**

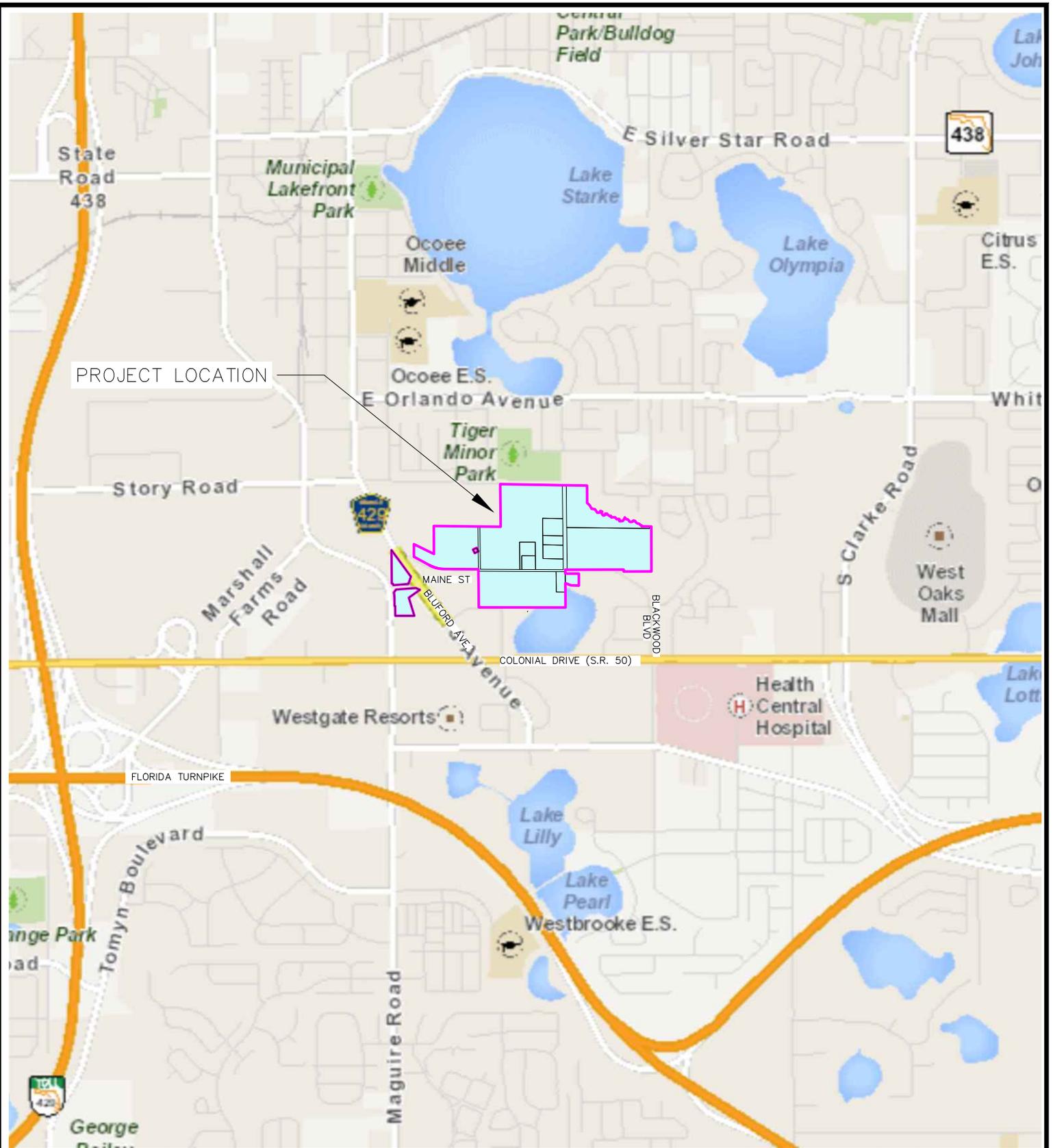
It is our opinion that the extent of proposed improvements and probable costs are fair and reasonable. It is our opinion that the land within the District being assessed will receive a special benefit equal to, or greater than the cost of the infrastructure improvements. The impact of market conditions increased regulatory actions and other factors that may affect future costs cannot be completely assessed and may impact the project over time. Where necessary, information from other professionals and contractors has been used in the preparation of this report. Qualified professionals from these entities have provided design, permitting, and cost information for the purposes of this report. Assuming the construction occurs as scheduled, it is our opinion that the improvements can be permitted, constructed and installed at the costs described in this report. I hereby certify that the foregoing is a true and correct copy of the Engineer's Report for the FRERC Community Development District.

---

Momtaz Barq, P.E.  
Terra-Max Engineering, Inc.  
Florida Registration No. 40924  
October 9, 2018

## **Exhibits**

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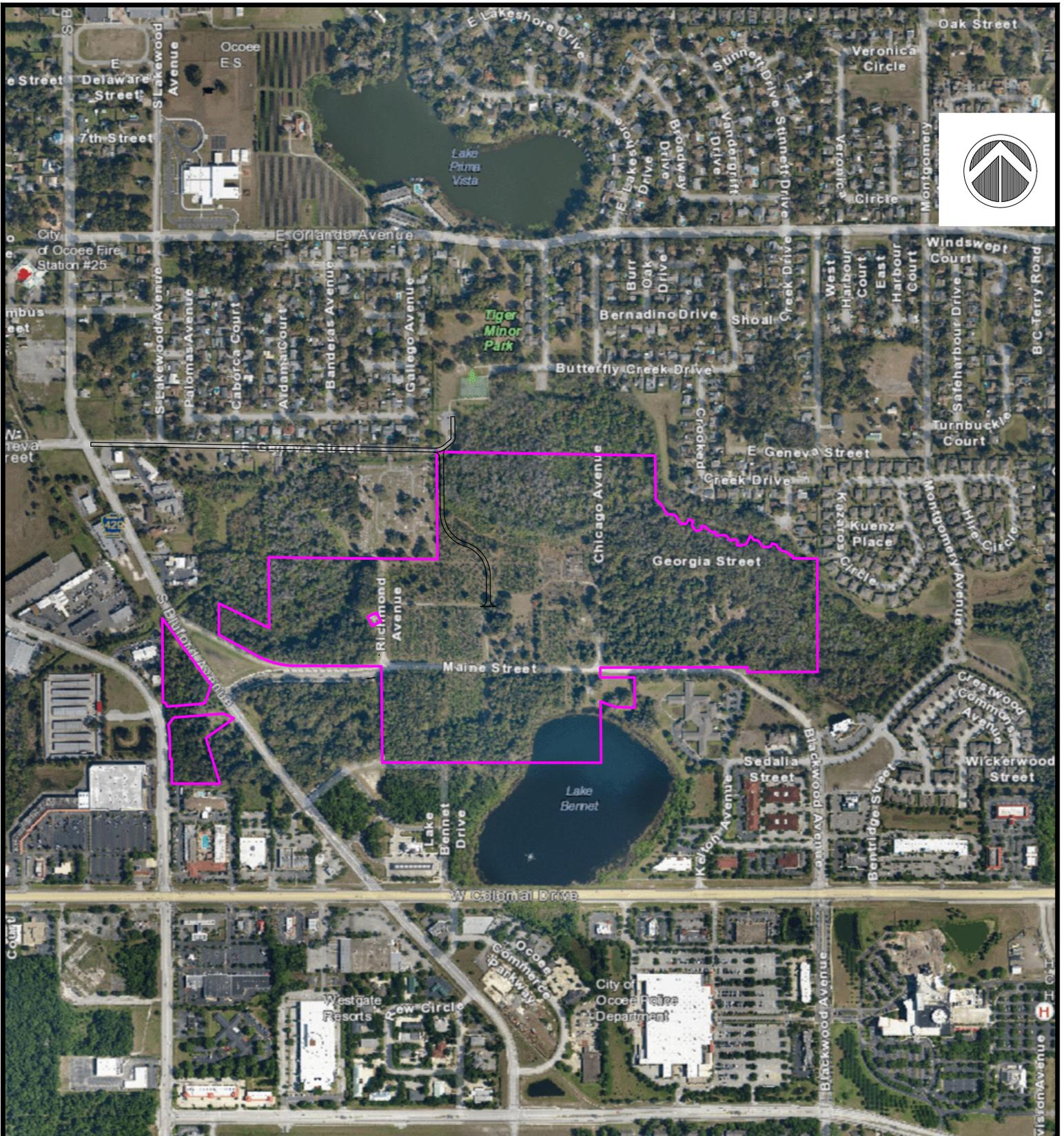
TERRA-MAX ENGINEERING, INC.  
 1507 S. HIAWASSEE ROAD, SUITE 211  
 ORLANDO, FL 32835  
 O: (407) 578-2763 F: (407) 578-2953  
 INFO@TERRAMAXINC.COM

## LOCATION MAP

## FRERC COMMUNITY DEVELOPMENT DISTRICT

CITY OF OCOEE  
FLORIDA

DRAWN	MCO
CHECKED	MMB
DATE	03/01/18
SCALE	AS SHOWN
JOB NO.	VPAC-02-001
CONTROL NO.	-
SHEET	-
<b>EXHIBIT 1</b>	



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## DISTRICT BOUNDARY

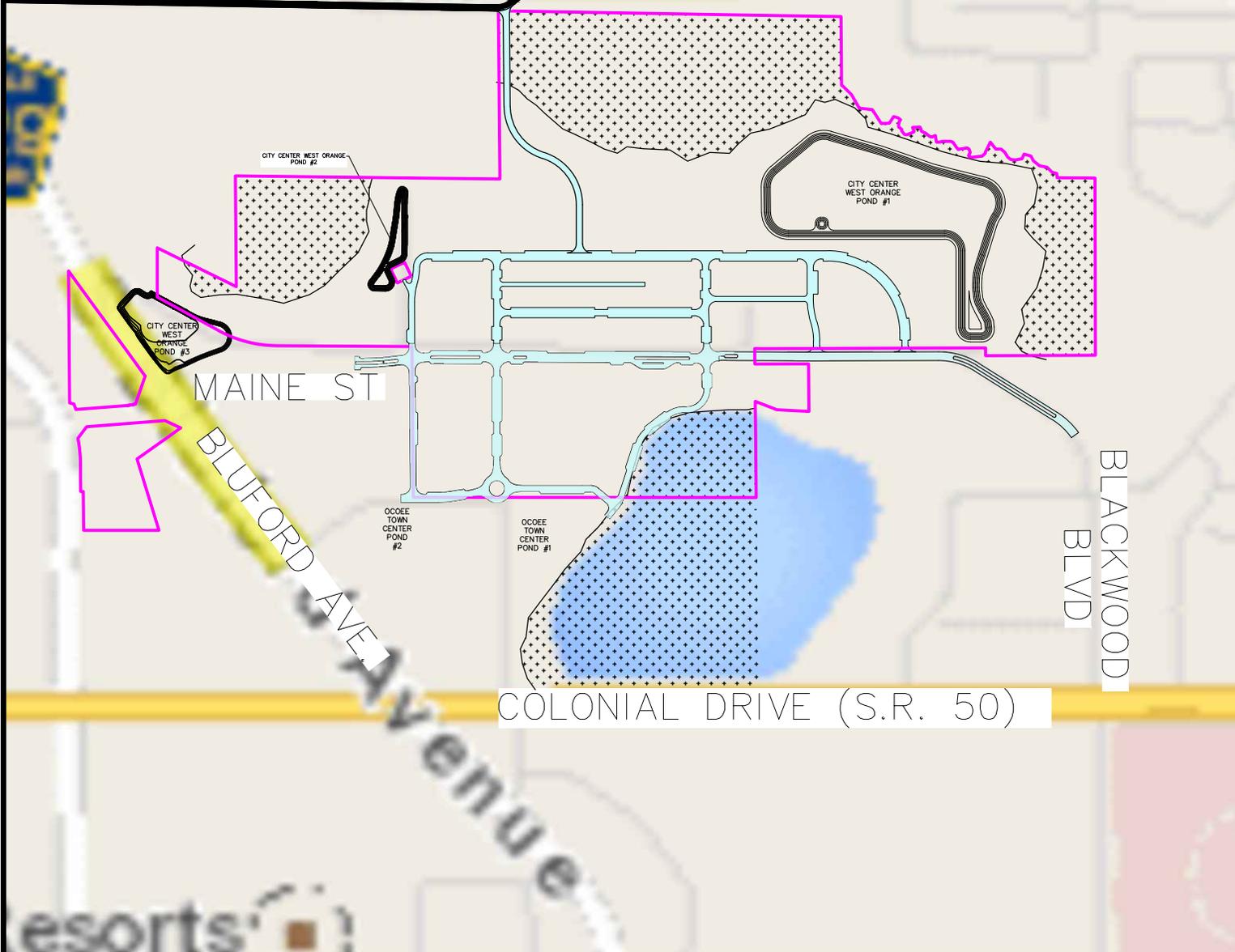
## FRERC COMMUNITY DEVELOPMENT DISTRICT

CITY OF OCOEE  
 FLORIDA

DRAWN	MCO
CHECKED	MMB
DATE	03/01/18
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JOB NO.	VPAC-02-001
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SHEET	EXHIBIT 2

# Orlando Avenue

## Tiger Minor Park



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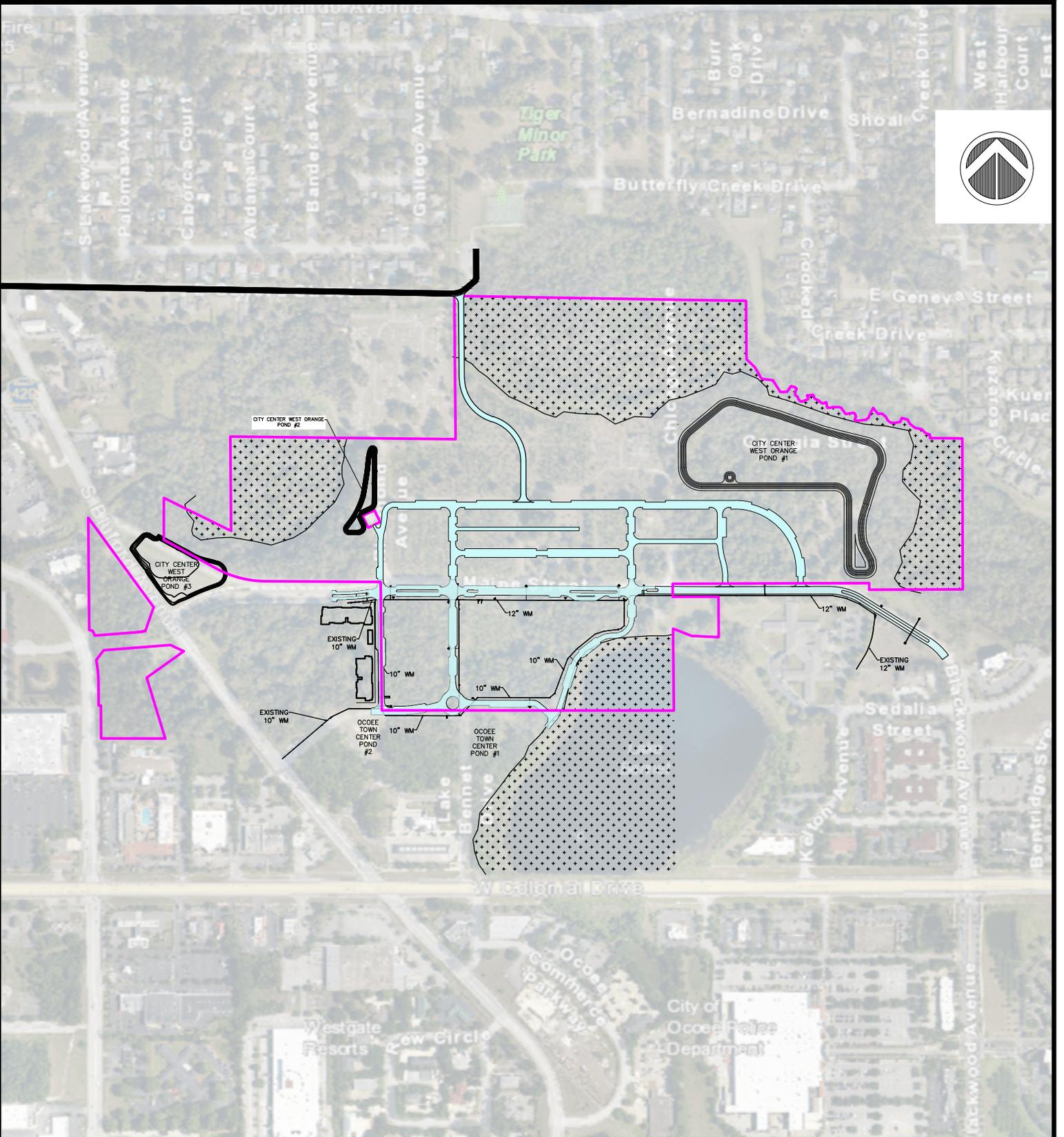
### DISTRICT IMPROVEMENT PLAN

### FRERC COMMUNITY DEVELOPMENT DISTRICT

CITY OF OCOEE  
FLORIDA

DRAWN  
MCO  
CHECKED  
MMB  
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03/01/18  
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SHEET  
EXHIBIT 3



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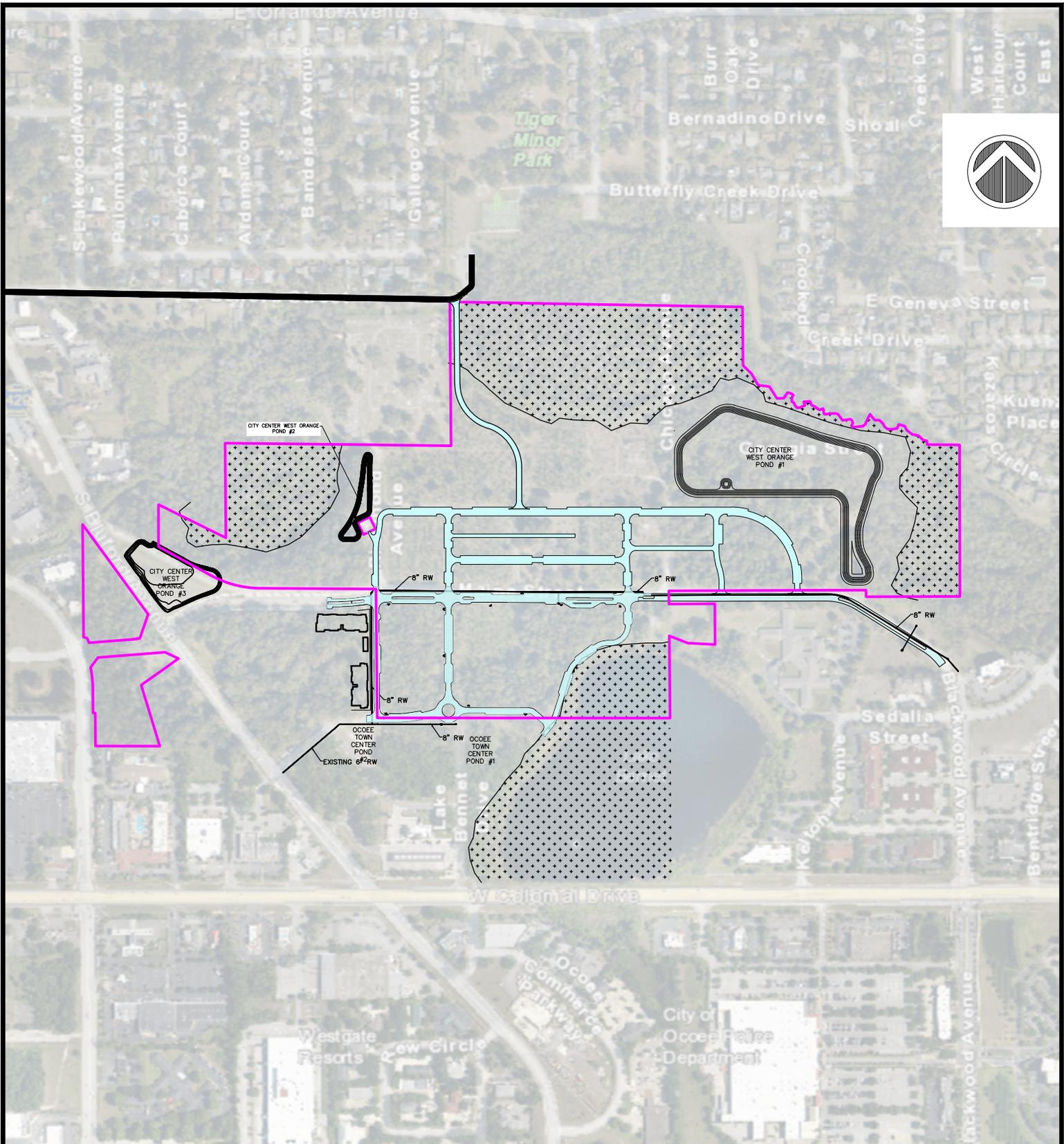
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# WATER DISTRIBUTION SYSTEM

# FRERC COMMUNITY DEVELOPMENT DISTRICT

CITY OF OCOEE  
FLORIDA

DRAWN	MCO
CHECKED	MMB
DATE	03/01/18
SCALE	AS SHOWN
JOB NO.	VPAC-02-001
CONTROL NO.	
SHEET	
	<b>EXHIBIT 4</b>



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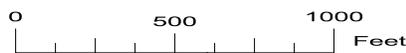
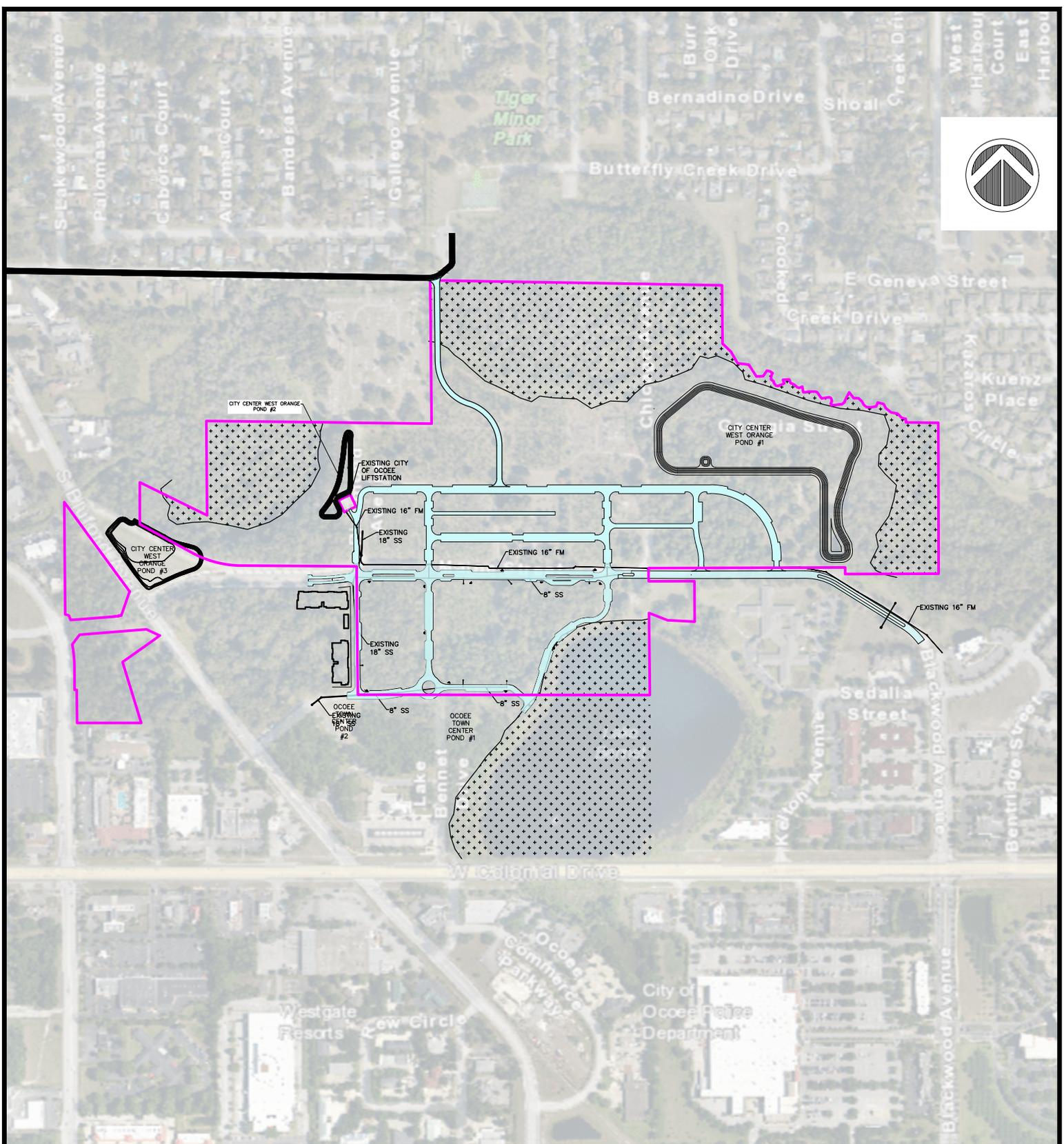
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 ORLANDO, FL 32835  
 O: (407) 578-2763 F: (407) 578-2953  
 INFO@TERRAMAXINC.COM

# RECLAIMED WATER DISTRIBUTION SYSTEM

# FRERC COMMUNITY DEVELOPMENT DISTRICT

CITY OF OCOEE  
 FLORIDA

DRAWN	MCO
CHECKED	MMB
DATE	03/01/18
SCALE	AS SHOWN
JOB NO.	VPAC-02-001
CONTROL NO.	
SHEET	EXHIBIT 5



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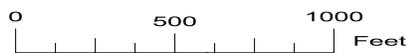
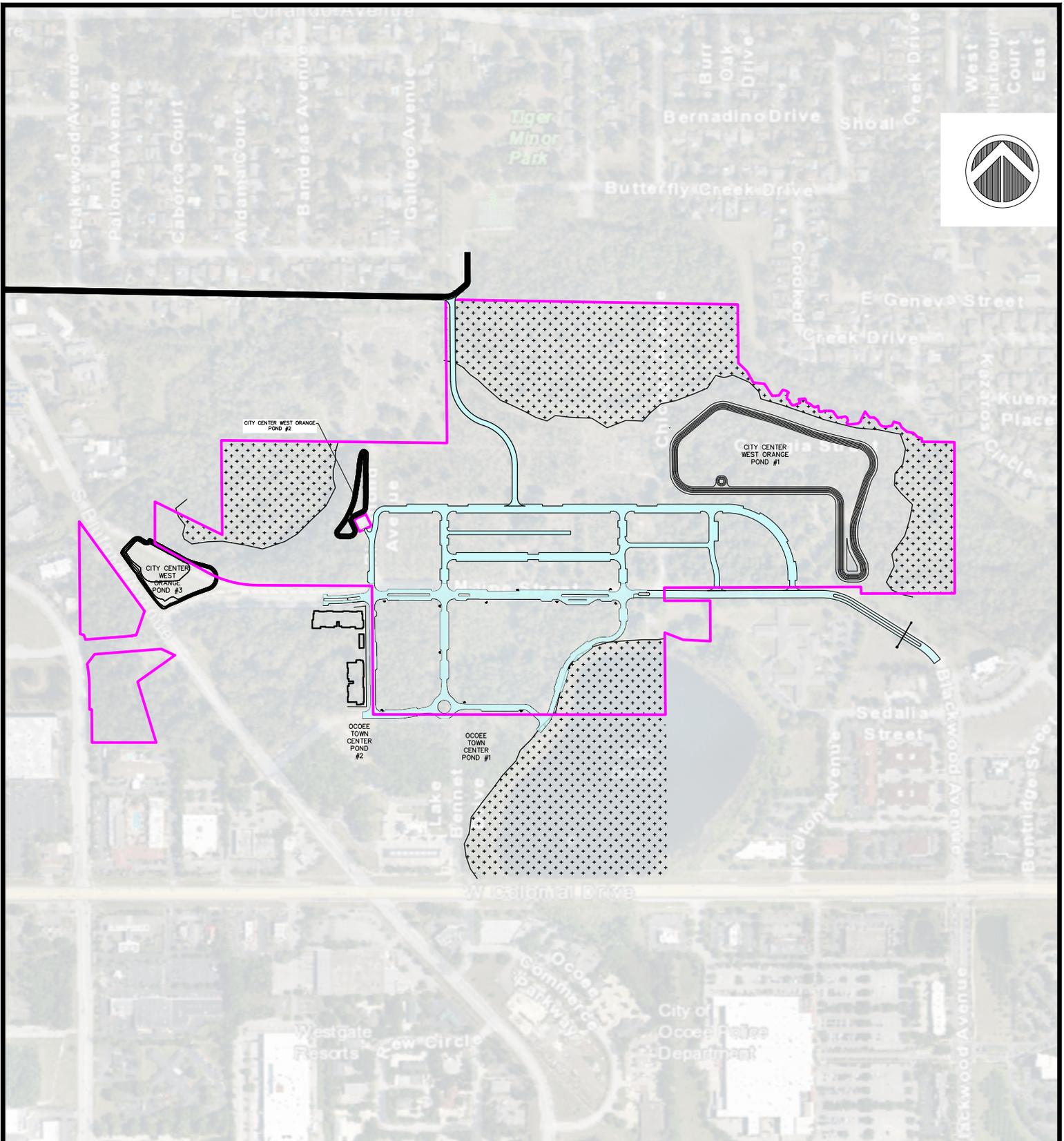
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 ORLANDO, FL 32835  
 O: (407) 578-2763 F: (407) 578-2953  
 INFO@TERRAMAXINC.COM

**SANITARY  
 SEWER  
 SYSTEM**

**FRERC COMMUNITY  
 DEVELOPMENT DISTRICT**

**CITY OF OCOEE  
 FLORIDA**

DRAWN MCO
CHECKED MMB
DATE 03/01/18
SCALE AS SHOWN
JOB NO. VPAC-02-001
CONTROL NO.
SHEET <b>EXHIBIT 6</b>



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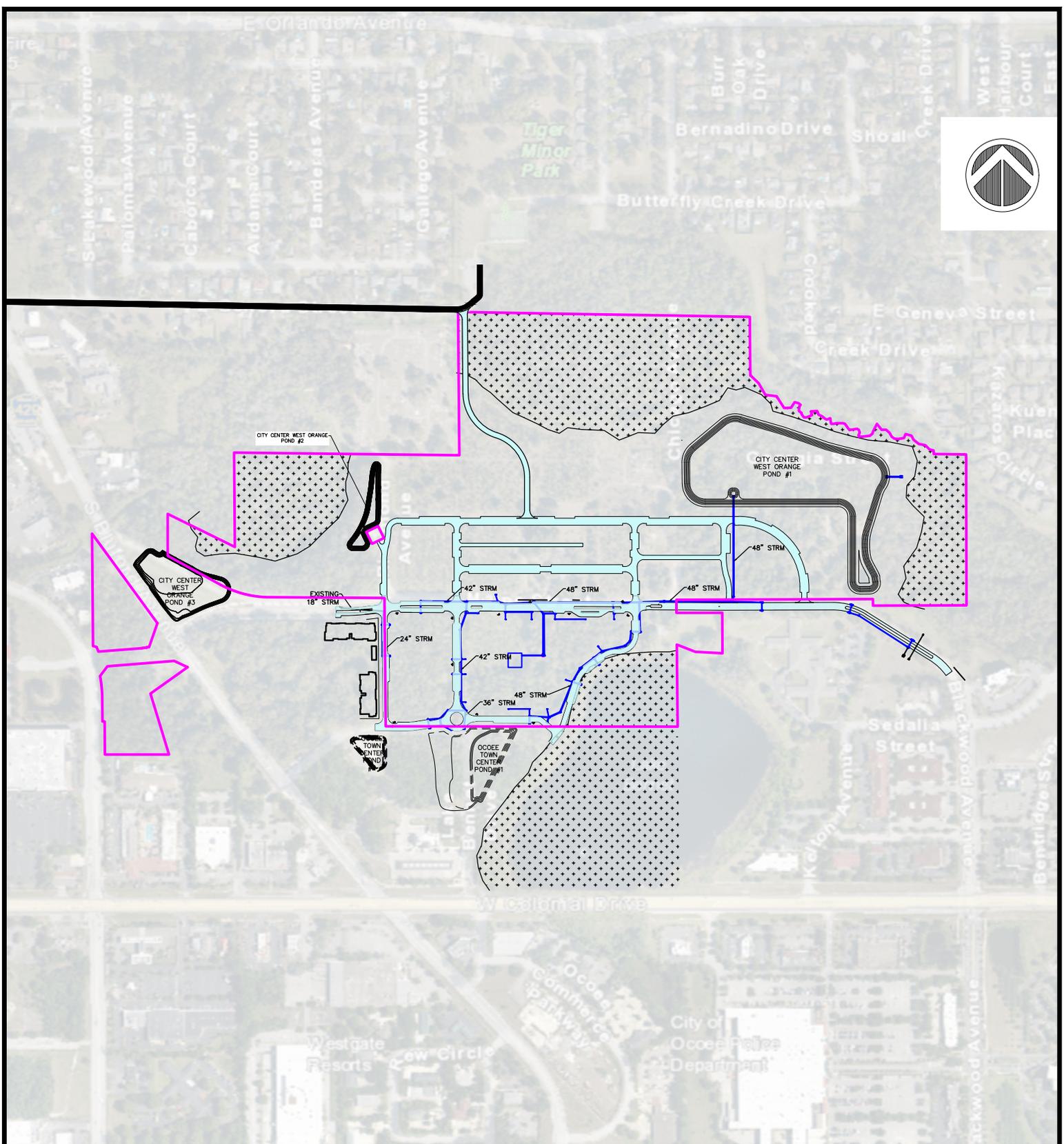
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INFO@TERRAMAXINC.COM

# ROADWAY IMPROVEMENTS PLAN

# FRERC COMMUNITY DEVELOPMENT DISTRICT

CITY OF OCOEE  
FLORIDA

DRAWN	MCO
CHECKED	MMB
DATE	03/01/18
SCALE	AS SHOWN
JOB NO.	VPAC-02-001
CONTROL NO.	
SHEET	EXHIBIT 7



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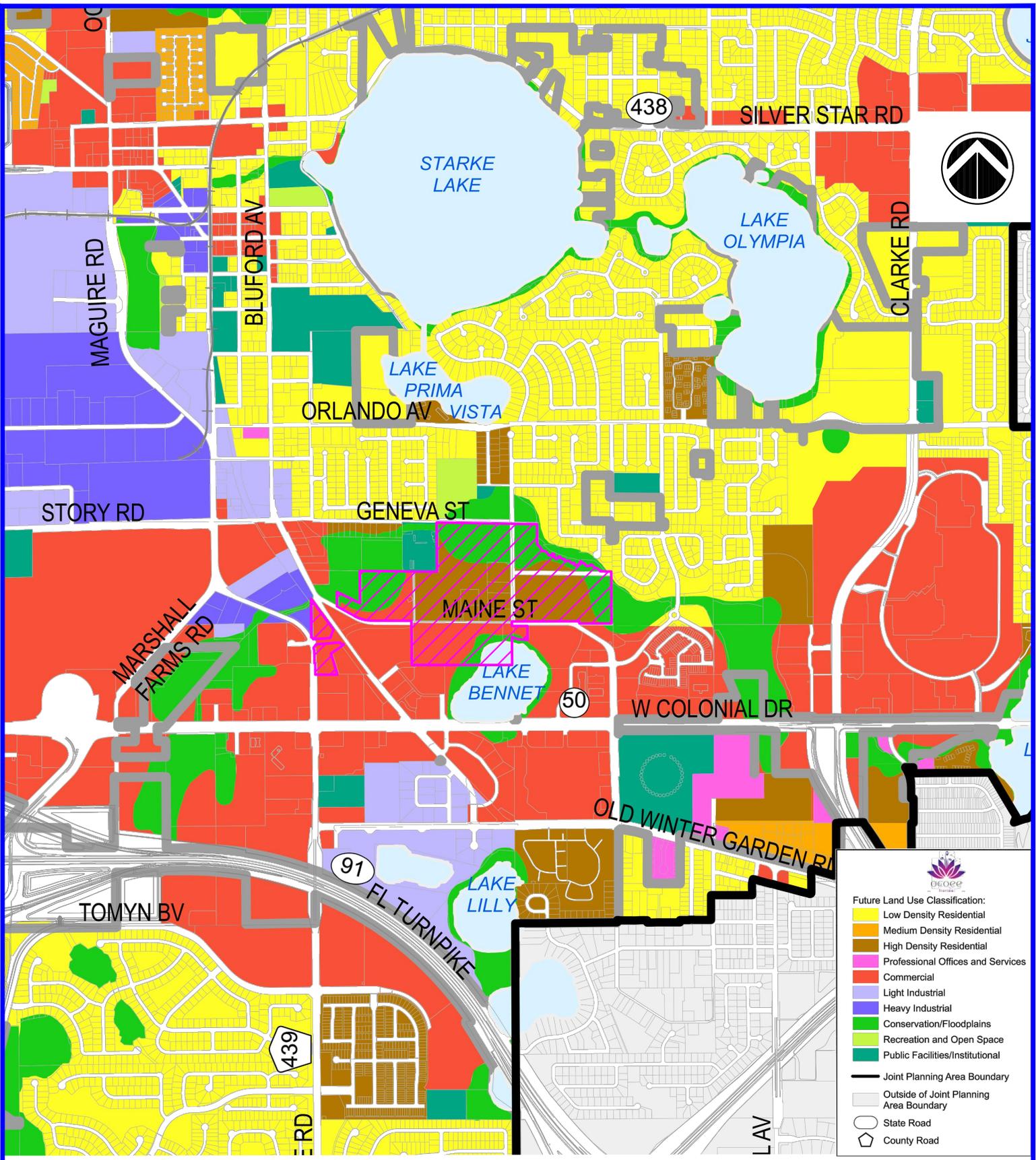
# STORM WATER PLAN

## FRERC COMMUNITY DEVELOPMENT DISTRICT

CITY OF OCOEE  
 FLORIDA

DRAWN	MCO
CHECKED	MMB
DATE	03/01/18
SCALE	AS SHOWN
JOB NO.	VPAC-02-001
CONTROL NO.	
SHEET	EXHIBIT 8





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 ORLANDO, FL 32835  
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 INFO@TERRAMAXINC.COM

## FUTURE LAND USE MAP

## FRERC COMMUNITY DEVELOPMENT DISTRICT

CITY OF OCOEE  
 FLORIDA

DRAWN	MCO
CHECKED	MMB
DATE	03/01/18
SCALE	AS SHOWN
JOB NO.	VPAC-02-001
CONTROL NO.	
SHEET	
<b>EXHIBIT 10</b>	

---

**Attachment 1**  
**District Budget Summary**

**FRERC Community Development District Budget**

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Totals
Water & Sewer Systems	\$ 2,389,777	\$ 481,252	\$ 481,252	\$ 481,252	\$ -	\$ -	\$ -	\$ 3,833,533
Power Distribution Improvements	\$ 3,030,269	\$ 409,147	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 3,539,415
Telecommunications Improvements	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Roadway Improvements	\$ 3,996,260	\$ 988,917	\$ 359,058	\$ 359,058	\$ 359,058			\$ 6,062,352
Stormwater Management/Grading	\$ 15,755,659	\$ 3,997,087	\$ 3,452,972	\$ 3,452,972	\$ 1,858,620	\$ 2,246,218	\$ 3,244,138	\$ 34,007,666
Retaining Walls/Bridges	\$ 3,820,052	\$ 3,453,974	\$ 3,052,620	\$ 3,052,620	\$ -	\$ -	\$ -	\$ 13,379,266
Landscaping and Hardscaping	\$ -	\$ 1,214,329	\$ 1,214,329	\$ 1,214,329	\$ 1,214,329			\$ 4,857,316
Signalization	\$ -	\$ 616,273	\$ -	\$ 385,170	\$ -	\$ -	\$ -	\$ 1,001,443
Water Features	\$ 643,042	\$ -	\$ -	\$ -	\$ 102,181	\$ -	\$ -	\$ 745,223
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Parking Structures	\$ 15,555,000	\$ -	\$ 24,150,000	\$ -	\$ -	\$ -	\$ -	\$ 39,705,000
<b>Subtotal</b>	<b>\$ 45,190,058</b>	<b>\$ 11,660,979</b>	<b>\$ 32,760,231</b>	<b>\$ 8,995,402</b>	<b>\$ 3,534,188</b>	<b>\$ 2,246,218</b>	<b>\$ 3,244,138</b>	<b>\$ 107,631,214</b>
Escalation (5%)	\$ 2,259,503	\$ 583,049	\$ 1,638,012	\$ 449,770	\$ 176,709	\$ 112,311	\$ 162,207	\$ 5,381,561
Unforeseen Utilities Relocation	\$ -	\$ 500,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000.00
Contingency (5%)	\$ 2,259,503	\$ 583,049	\$ 1,638,012	\$ 449,770	\$ 176,709	\$ 112,311	\$ 162,207	\$ 5,381,561
<b>Grand Total</b>	<b>\$ 49,709,064</b>	<b>\$ 13,327,077</b>	<b>\$ 36,036,254</b>	<b>\$ 9,894,942</b>	<b>\$ 3,887,607</b>	<b>\$ 2,470,840</b>	<b>\$ 3,568,552</b>	<b>\$ 118,894,335</b>

**FRERC Community Development District Budget Bond Phase I**

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Totals
Water & Sewer Systems	\$ 2,389,777	\$ 481,252	\$ 481,252	\$ 3,352,281
Power Distribution Improvements	\$ 3,030,269	\$ 409,147	\$ 50,000	\$ 3,489,415
Telecommunications Improvements	\$ -	\$ 500,000	\$ -	\$ 500,000
Roadway Improvements	\$ 3,996,260	\$ 988,917	\$ 359,058	\$ 5,344,235
Stormwater Management/Grading	\$ 15,755,659	\$ 3,997,087	\$ 3,452,972	\$ 23,205,717
Retaining Walls/Bridges	\$ 3,820,052	\$ 3,453,974	\$ 3,052,620	\$ 10,326,646
Landscaping and Hardscaping	\$ -	\$ 1,214,329	\$ 1,214,329	\$ 2,428,658
Signalization	\$ -	\$ 616,273	\$ -	\$ 616,273
Water Features	\$ 643,042	\$ -	\$ -	\$ 643,042
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Public Parking Structures	\$ 15,555,000	\$ -	\$ 24,150,000	\$ 39,705,000
Subtotal	\$ 45,190,058	\$ 11,660,979	\$ 32,760,231	\$ 89,611,268
				\$ -
Escalation (5%)	\$ 2,259,503	\$ 583,049	\$ 1,638,012	\$ 4,480,563
Unforeseen Utilities Relocation	\$ -	\$ 500,000.00	\$ -	\$ 500,000
Contingency (5%)	\$ 2,259,503	\$ 583,049	\$ 1,638,012	\$ 4,480,563
<b><i>Bond Phase I Total</i></b>	<b><i>\$ 49,709,064</i></b>	<b><i>\$ 13,327,077</i></b>	<b><i>\$ 36,036,254</i></b>	<b><i>\$ 99,072,395</i></b>

**FRERC Community Development District Budget Bond Phase II**

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Totals
Water & Sewer Systems	\$ 481,252	\$ -	\$ -	\$ -		\$ 481,252
Power Distribution Improvements	\$ 50,000	\$ -	\$ -	\$ -		\$ 50,000
Telecommunications Improvements	\$ -	\$ -	\$ -	\$ -		\$ -
Roadway Improvements	\$ 359,058	\$ 359,058				\$ 718,116
Stormwater Management/Grading	\$ 3,452,972	\$ 1,858,620	\$ 2,246,218	\$ 3,244,138		\$ 10,801,948
Retaining Walls/Bridges	\$ 3,052,620	\$ -	\$ -	\$ -		\$ 3,052,620
Landscaping and Hardscaping	\$ 1,214,329	\$ 1,214,329				\$ 2,428,658
Signalization	\$ 385,170	\$ -	\$ -	\$ -		\$ 385,170
Water Features	\$ -	\$ 102,181	\$ -	\$ -		\$ 102,181
Miscellaneous	\$ -	\$ -	\$ -	\$ -		\$ -
Public Parking Structures	\$ -	\$ -	\$ -	\$ -		\$ -
Subtotal	\$ 8,995,402	\$ 3,534,188	\$ 2,246,218	\$ 3,244,138	\$ -	\$ 18,019,946
						\$ -
Escalation (5%)	\$ 449,770	\$ 176,709	\$ 112,311	\$ 162,207	0	\$ 900,997
Unforeseen Utilities Relocation	\$ -	\$ -	\$ -	\$ -		\$ -
Contingency (5%)	\$ 449,770	\$ 176,709	\$ 112,311	\$ 162,207	0	\$ 900,997
<b>Bond Phase II Total</b>	<b>\$ 9,894,942</b>	<b>\$ 3,887,607</b>	<b>\$ 2,470,840</b>	<b>\$ 3,568,552</b>	<b>\$ -</b>	<b>\$ 19,821,941</b>

# **FREERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**4**

# FRERC COMMUNITY DEVELOPMENT DISTRICT

Supplemental Special Assessment  
Methodology Report

December 20, 2018



Provided by:

**Wrathell, Hunt and Associates, LLC**

2300 Glades Road, Suite 410W

Boca Raton, FL 33431

Phone: 561-571-0010

Fax: 561-571-0013

Website: [www.whhassociates.com](http://www.whhassociates.com)

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## **1.0 Introduction**

### **1.1 Purpose**

This Supplemental Special Assessment Methodology Report (the “Supplemental Report”) was developed to supplement the Master Special Assessment Methodology Report (the “Master Report”) dated September 25, 2018 and to provide a supplemental financing plan for the first phase of development (the “Phase 1A”) of the FRERC Community Development District’s (the “District”) related to funding a portion of the costs of the acquisition and construction of public infrastructure improvements contemplated to be provided by the District for Phase 1A. The District is located in the City of Ocoee, Orange County, Florida.

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

This Report presents the projections for financing a portion of the District’s public infrastructure improvements (the “Capital Improvement Program”) for Phase 1A as described for the totality of the District in the Engineer’s Report of Terra-Max Engineering, Inc. dated October 9, 2018 (the “Engineer’s Report”), and describes the method for the allocation of special benefits and the apportionment of special assessment debt resulting from the provision and funding of a portion of the Capital Improvement Program to the lands within Phase 1A.

### **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 Supplemental Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits which accrue to 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 the public infrastructure improvements necessary in order to make the lands within the District developable 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 benefits provided by the Capital Improvement Program is hard to estimate at this point, it is nevertheless greater than the financed costs, associated with providing the same.

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

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

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

*Section Four* discusses the financing program for Phase 1A.

*Section Five* introduces the special assessment methodology for Phase 1A.

### **2.0 Development Program**

#### **2.1 Overview**

The District will serve the City Center West Orange development (the "Development" or "City Center West Orange"), which is a mixed-use, master planned development located in City of Ocoee, Orange County, Florida. The District currently consists of approximately 97.404 +/- acres and is generally located north of West Colonial Drive, east of Bluford Avenue, south of East Geneva Street and west of Montgomery Avenue.

#### **2.2 The Development Program**

The development of FRERC is anticipated to be conducted by Park Development Corporation (the "Developer"). Based upon the

information provided by the Developer, the current development plan envisions 2,600 multi-family residential units, 232,000 square feet of office uses, 514,000 square feet of retail uses, 244 hotel rooms, and 77,000 square feet of a convention center use, although land use types and unit numbers may change throughout the development period. The development of land within the District is projected to be conducted in two principal phases over a multi-year period, with each phase consisting of multiple sub-phases. The development of land in the District is expected to commence in early 2019, with Development Phases I, II and III portions of the Phase 1 referred to in this Supplemental Report as the Phase 1A, and cumulatively consisting of a total of 1,300 multi-family residential dwelling units, 122 hotel rooms and 309,000 square feet of non-residential uses. 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 Engineer's Report. Only public infrastructure that may qualify for bond financing by the District under the Act and under the Internal Revenue Code of 1986, as amended, was included in these estimates.

#### **3.2 Capital Improvement Program**

The Capital Improvement Program needed to serve the Development is projected to consist of storm water management, power distribution improvements, telecommunication improvements, roadways, retaining walls and bridges, landscaping, signalization, and public parking structures.

The infrastructure included in the Capital Improvement Program will comprise an interrelated system of improvements, which means all of the improvements will serve the entire District and improvements will be interrelated such that they will reinforce one another. At the time of this writing, the total cost of the Capital Improvement Program is estimated at \$118,894,332. Table 2 in the *Appendix* illustrates the specific components of the Capital Improvement Program and their costs. The District intends to finance a portion of such costs with bonds.

## **4.0 Financing Program**

### **4.1 Overview**

As noted above, the District is embarking on a program of capital improvements which will facilitate the development of lands in Phase 1A within the District. Generally, construction of public 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 has not yet been made at the time of this writing, and the District may either acquire the public infrastructure from the Developer or construct it, or even partly acquire it and partly construct it.

The District intends to issue approximately \$39,860,000 in par amount of Special Assessment Revenue Bonds, Series 2019 (the "Series 2019 Bonds") to fund approximately \$30,250,000 in the Capital Improvement Program. Additional 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 and/or funded with proceeds of future bonds.

### **4.2 Types of Bonds Proposed**

The proposed financing plan for Phase 1A within the District provides for the issuance of the Series 2019 Bonds in the approximate principal amount of \$39,860,000 to finance costs estimated at \$30,250,000. The Series 2019 Bonds are projected to be structured to be amortized in up to 30 annual installments following an approximately 27-month capitalized interest period. Interest payments on the Series 2019 Bonds would be made every March 1 and September 1, and principal payments on the Series 2019 Bonds would be made every September 1.

In order to finance a portion of the improvement costs for Phase 1A, the District would need to borrow more funds and incur indebtedness in the total amount of \$39,860,000. 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 Series 2019 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 Capital Improvement Program outlined in *Section 3.2* and described in more detail by the District Engineer in the Engineer's Report. These improvements yield special and general benefits, with special benefits accruing to the assessable properties within the boundaries of the District and general benefits accruing to areas outside of the District but being only incidental in nature. The debt incurred in financing a portion of the public infrastructure included in the Capital Improvement Program will be paid off by assessing properties that derive special and peculiar benefits from the Capital Improvement Program. All properties that receive special benefits from the Capital Improvement Program will be assessed for their fair share of the debt issued in order to finance the Capital Improvement Program.

### **5.2 Benefit Allocation**

The current development plan envisions 2,600 multi-family residential units, 232,000 square feet of office uses, 514,000 square feet of retail uses, 244 hotel rooms, and 77,000 square feet of a convention center uses, although land use types and unit numbers may change throughout the development period.

The development of land within the District is projected to be conducted in two principal phases over a multi-year period, with each phase consisting of multiple sub-phases. Phase 1A is projected to be developed with a total of 1,300 residential units, 122 hotel rooms and 309,000 square feet of non-residential uses.

The public infrastructure included in the Capital Improvement Program will comprise an interrelated system of improvements, which means that all of the improvements will serve the District, and such public improvements will be interrelated such that they will reinforce each other and their combined benefit will be greater than the sum of their individual benefits. All of the land uses within the District will benefit from each infrastructure improvement category, as the Capital Improvement Program provides basic infrastructure to all land within the District and benefits all land within the District as an integrated system of improvements.

As stated previously, the Capital Improvement Program has a logical connection to the special and peculiar benefits received by

the land within the District, as without such improvements, the development of the properties within the District would not be possible. Based upon the connection between the improvements and the special and peculiar benefits to the land 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 land receiving such special and peculiar benefits. Even though these special and peculiar benefits are real and ascertainable, the precise amount of the benefit cannot yet be calculated with mathematical certainty. However, such benefit is more valuable than the cost of, or the actual non-ad valorem assessment amount levied on that parcel.

The District will have 2,600 residential units, 232,000 square feet of office uses, 514,000 square feet of retail uses, 244 hotel rooms, and 77,000 square feet of a convention center uses, and the benefit associated with the Capital Improvement Program is proposed to be allocated within the District in proportion to the density of development and intensity of use of infrastructure as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Table 4 in the *Appendix* illustrates the ERU weight that is proposed to be assigned to the land uses contemplated to be developed within the District based on the densities of development and the intensities of use of infrastructure, the total ERU counts for each land use category, and the share of the benefit received by each land use.

The rationale behind different ERU weights is supported by the fact that generally and on average products with lower intensity of use of the improvements which are part of the Capital Improvement Program will use and benefit from the District's infrastructure improvements less than products with higher intensity of use of the improvements, as for instance, generally and on average products with lower intensity of use of the improvements will produce less storm water runoff, may produce fewer vehicular trips, and may need less water/sewer capacity than products with a higher intensity of use of the improvements. Additionally, the value of the products with higher intensity of use of the improvements is likely to appreciate by more in terms of dollars than that of the products with lower intensity of use of the improvements as a result of the implementation of the infrastructure improvements. As the exact amount of the benefit and appreciation is not possible to be calculated at this time, the use of ERU measures serves as a reasonable approximation of the relative amount of benefit received from the District's Capital Improvement Program.

In order to facilitate the marketing of the residential units, hotel rooms and various non-residential uses within the Phase 1A of the District, the Developer requested that the District limit the amount of annual assessments for debt service on the Series 2019 Bonds to certain predetermined levels. Table 5 presents the allocation of the Capital Improvement Program costs in each group of units within Phase 1A based on the ERU benefit allocation factors present in Table 4 in the *Appendix*. Further, Table 5 illustrates the approximate costs of the Capital Improvement Program for group of units within Phase 1A, and the approximate costs of the Capital Improvement Program to be contributed by the Developer. In order to accomplish that goal, the Developer will contribute infrastructure improvements valued at a total amount of approximately \$29,543,078.87 as indicated in Table 5.

Table 6 in the *Appendix* presents the apportionment of the assessment associated with the Series 2019 Bonds (the “Series 2019 Bond Assessment”) in accordance with the ERU benefit allocation method presented in Table 4 in the *Appendix* as modified by the effects of Developer’s contributions of infrastructure improvements. Table 6 in the *Appendix* also presents the annual levels of the projected annual debt service assessments per unit.

### **5.3 Assigning Series 2019 Bond Assessment**

The assessment associated with repayment of the Series 2019 Bonds (the “Series 2019 Bond Assessment”) will be levied initially on approximately 97.404 +/- gross acres within the District on an equal pro-rata gross acre basis and thus the Series 2019 Bond Assessment in the amount of approximately \$39,860,000 will be preliminarily levied on approximately 97.404 +/- gross acres at a rate of \$409,223.44 per acre.

As parcels receive a development or site approval, the Bond Assessment will be allocated to such parcels that received development or site approval based on the planned use for that parcel as reflected in Table 6 in the *Appendix*.

Further, to the extent that any parcel that has not received a development or site approval, is sold to another developer or builder, the Bond Assessment 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 Assessment transferred at sale.

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

As first discussed in *Section 1.3*, Special Benefits and General Benefits, the Capital Improvement Program creates special and peculiar benefits to properties within the District. The Capital Improvement Program benefits assessable properties within the District and accrues to all such assessable properties on an ERU basis as set forth in Table 5 in the *Appendix*.

The Capital Improvement Program 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 Capital Improvement Program makes the land in the District developable and saleable and provides 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 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay**

A reasonable estimate of the proportion of special and peculiar benefits received from the Capital Improvement Program is delineated in Table 4 (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 land uses.

Accordingly, no acre or parcel of property within the District will be lienied 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 number of units and types of units may change within each assessment area. 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 Series 2019 Bond Assessment on a per unit/square foot basis never exceeds the assessment as contemplated in the adopted assessment methodology. The Series 2019 Bond Assessment per unit/square foot for the different unit types are listed in Table 6 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 type of units/square feet of particular land uses within each and every parcel as signified by the number of units/square feet and unit/land use types.

The Series 2019 Bond Assessment is assigned to parcels that received a development or site approval based on the figures in Table 6 in the *Appendix*. If as a result of development or site approval and apportionment of the Series 2019 Bond Assessment to the land that obtained the development or site approval, the per unit/square foot for land that does not have development or site approval remains equal to or less than the levels in Table 6 in the *Appendix*, then no true-up adjustment will be necessary.

If as a result of development or site approval and apportionment of the Series 2019 Bond Assessment to the lands that have obtained the development or site approval, the per unit/square foot for land that does not have development or site approval is less than figures in Table 6 in the *Appendix*, then the per unit/square foot Series 2019 Bond Assessment for all parcels within the District will be lowered if that state persists at the conclusion of obtaining development or site approvals.

If, in contrast, as a result of development or site approval and apportionment of the Series 2019 Bond Assessment to the land that obtained the development or site approval, the per unit/square foot for land that does not have development or site approval is more than figures in Table 6 in the *Appendix*, then the difference in Series 2019 Bond Assessment per unit/square foot and figures in Table 6 in the *Appendix* plus accrued interest will be collected from the owner of the property which development caused the change 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 Series 2019 Bond Assessment and initial Series 2019 Bond Assessment shown in Table 6 in the *Appendix* plus accrued interest to the next succeeding interest payment date on the Series 2019 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 Series 2019 Bonds secured by the Series 2019 Bond Assessment).

In addition to development of property within the District, any planned sale of a 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 Series 2019 Bond Assessment equals amounts shown in Table 6 in the *Appendix*. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Series 2019 Bond Assessment transferred at sale.

Note that, in the event that the Capital Improvement Plan is not completed, certain contributions are not made, multiple bond issuances are contemplated and not all are issued, or under certain other circumstances, the District may be required to reallocate the Series 2019 Bond Assessment.

## **5.7 Assessment Roll**

The assessment roll is included in Exhibit A.

## **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 report. For additional information on the Bond structure and related items, please refer to the Offering Statement associated with this transaction.

**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

### FRERC

#### Community Development District

##### Development Plan

Product Type	Phase 1A	Phase 1B	Phase 1 Total	Phase 2 Total	Grand Total
<b>Residential Units</b>					
Units less than 1,000 sq. ft.	481	259	740	222	962
Units 1,000 sq. ft. to 1,200 sq. ft.	624	336	960	288	1,248
Units greater than 1,200 sq. ft.	195	105	300	90	390
<b>Total Residential</b>	1,300	700	2,000	600	2,600
Hotel Rooms	122	0	122	122	244
<b>Non-Residential Sq. Ft.</b>					
Office	32,000	168,000	200,000	32,000	232,000
Retail	200,000	300,000	500,000	14,000	514,000
Convention	77,000	0	77,000	0	77,000
<b>Total Non-Residential</b>	309,000	468,000	777,000	46,000	823,000

Table 2

# FRERC

## Community Development District

### Capital Improvement Program

Improvement	Phase 1	Phase 2	Total Cost
Water, Reclaimed Water and Sewer Systems	\$3,352,281	\$481,252	\$3,833,533
Power Distribution Improvements	\$3,489,415	\$50,000	\$3,539,415
Telecommunication Improvements	\$500,000		\$500,000
Roadway Improvements	\$5,344,235	\$718,116	\$6,062,351
Stormwater Management	\$23,205,717	\$10,801,948	\$34,007,665
Retaining Walls/Bridges	\$10,326,646	\$3,052,620	\$13,379,266
Landscaping & Hardscaping	\$2,428,658	\$2,428,658	\$4,857,316
Signalization	\$616,273	\$385,170	\$1,001,443
Water Features	\$643,042	\$102,181	\$745,223
Public Parking Structures	\$39,705,000		\$39,705,000
Builder Fees/Soft Costs/Escalation	\$4,480,563	\$900,997	\$5,381,560
Unforeseen Utility Relocations	\$500,000		\$500,000
Contingency for Other Conditions	\$4,480,563	\$900,997	\$5,381,560
<b>Total</b>	<b>\$99,072,393</b>	<b>\$19,821,939</b>	<b>\$118,894,332</b>

Table 3

# FRERC

## Community Development District

### Preliminary Sources and Uses of Funds

	Series 2019 Bonds
<b>Sources</b>	
Bond Proceeds:	
Par Amount	\$39,860,000.00
<b>Total Sources</b>	<b>\$39,860,000.00</b>
<b>Uses</b>	
Project Fund Deposits:	
Project Fund	\$30,250,000.00
Other Fund Deposits:	
Debt Service Reserve Fund	\$3,080,803.00
Capitalized Interest Fund	\$5,480,699.09
	\$8,561,502.09
Delivery Date Expenses:	
Costs of Issuance	\$450,000.00
Underwriter's Discount	\$597,900.00
	\$1,047,900.00
Rounding	\$597.91
<b>Total Uses</b>	<b>\$39,860,000.00</b>

Table 4

## FRERC

### Community Development District

#### Benefit Allocation

Product Type	Grand Total	ERU Weight per Unit/1,000 Sq. Ft.	Total ERU	Percent Share of Total
<b>Residential Units</b>				
Units less than 1,000 sq. ft.	962	0.70	673.40	17.11%
Units 1,000 sq. ft. to 1,200 sq. ft.	1,249	1.00	1,249.00	31.74%
Units greater than 1,200 sq. ft.	389	1.30	505.70	12.85%
<b>Total Residential</b>	<b>2,600</b>		<b>2,428.1</b>	<b>61.70%</b>
Hotel Rooms	244	1.10	268.4	6.82%
<b>Non-Residential Sq. Ft.</b>				
Office	232,000	1.00	232.0	5.90%
Retail	514,000	1.30	668.2	16.98%
Convention	77,000	4.40	338.8	8.61%
<b>Total Non-Residential</b>	<b>823,000</b>		<b>1,239.0</b>	<b>31.48%</b>
			<b>Total ERUs</b>	<b>3,935.5</b>
				<b>100.00%</b>

Table 5

## FRERC

### Community Development District

#### Capital Improvement Program Cost Allocation

Product Type	Phase 1A	Infrastructure Allocation Based on ERU Method	Infrastructure Contributed by the Developer	Infrastructure Financed with Series 2019 Bonds
<b>Residential Units</b>				
Units less than 1,000 sq. ft.	481	\$10,171,953.14	\$3,512,698.23	\$6,659,254.91
Units 1,000 sq. ft. to 1,200 sq. ft.	624	\$18,851,496.17	\$8,484,656.09	\$10,366,840.07
Units greater than 1,200 sq. ft.	195	\$7,658,420.32	\$3,608,873.41	\$4,049,546.90
<b>Total Residential</b>	<b>1,300</b>	<b>\$36,681,869.63</b>	<b>\$15,606,227.74</b>	<b>\$21,075,641.89</b>
Hotel Rooms	122	\$4,054,280.11	\$2,365,238.32	\$1,689,041.79
<b>Non-Residential Sq. Ft.</b>				
Office	32,000	\$966,743.39	\$228,364.47	\$738,378.92
Retail	200,000	\$7,854,790.07	\$3,239,921.80	\$4,614,868.27
Convention	77,000	\$10,235,395.68	\$8,103,326.54	\$2,132,069.14
<b>Total Non-Residential</b>	<b>309,000</b>	<b>\$19,056,929.14</b>	<b>\$11,571,612.81</b>	<b>\$7,485,316.33</b>
<b>Total</b>		<b>\$59,793,078.87</b>	<b>\$29,543,078.87</b>	<b>\$30,250,000.00</b>

Table 6

# FRERC

## Community Development District

### Series 2019 Bond Assessment Apportionment

Product Type	Phase 1A	Infrastructure Financed with Series 2019 Bonds	Total Series 2019 Bond Assessments Apportionment	Series 2019 Bond Assessments Apportionment per Unit/Sq. Ft.	Annual Series 2019 Bond Assessments Debt Service per Unit/Sq. Ft.*
<b>Residential Units</b>					
Units less than 1,000 sq. ft.	481	6,659,255	\$8,774,806.63	\$18,242.84	\$1,500.00
Units 1,000 sq. ft. to 1,200 sq. ft.	624	10,366,840	\$13,660,239.52	\$21,891.41	\$1,800.00
Units greater than 1,200 sq. ft.	195	4,049,547	\$5,336,031.06	\$27,364.26	\$2,250.00
<b>Total Residential</b>	1,300	21,075,642	\$27,771,077.21		
Hotel Rooms	122	1,689,042	\$2,225,626.63	\$18,242.84	\$1,500.00
<b>Non-Residential Sq. Ft.</b>					
Office	32,000	738,379	\$972,951.53	\$30.40	\$2.50
Retail	200,000	4,614,868	\$6,080,947.08	\$30.40	\$2.50
Convention	77,000	2,132,069	\$2,809,397.55	\$36.49	\$3.00
<b>Total Non-Residential</b>	309,000	7,485,316	\$9,863,296.16		
<b>Total</b>		<b>30,250,000</b>	<b>\$39,860,000.00</b>		

\* Included costs of collection and assumes payment in March

# **FRERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**6**

**RESOLUTION 2019-11**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF FRERC COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$40,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS FRERC COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS IN ONE OR MORE SERIES (THE "SERIES 2019 BONDS"); DETERMINING CERTAIN DETAILS OF THE SERIES 2019 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2019 BONDS; APPOINTING THE UNDERWRITER; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTRACT OF PURCHASE WITH RESPECT TO THE SERIES 2019 BONDS AND AWARDING THE SERIES 2019 BONDS TO THE UNDERWRITER NAMED THEREIN PURSUANT TO THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND ITS USE BY THE UNDERWRITER IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2019 BONDS AND APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT AND THE APPOINTMENT OF A DISSEMINATION AGENT; PROVIDING FOR THE APPLICATION OF SERIES 2019 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2019 BONDS; MAKING CERTAIN DECLARATIONS; APPOINTING A TRUSTEE; PROVIDING FOR THE REGISTRATION OF THE BONDS PURSUANT TO THE DTC BOOK-ENTRY SYSTEM; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.**

**WHEREAS**, FRERC Community Development District (the "District") is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the

“Act”), created by Ordinance No. 2018-028 of the City of Ocoee, Florida, enacted and effective on August 7, 2018;

**WHEREAS**, the District was created for the purpose of delivering certain community development services and facilities within and outside its jurisdiction, and the District has decided to undertake the design, acquisition and/or construction of certain improvements pursuant to the Act (the “Capital Improvement Program”); and

**WHEREAS**, the District duly adopted Resolution No. 2018-24 on August 22, 2018 (the “Initial Resolution”), authorizing, among other things, the issuance in one or more series of not to exceed \$140,000,000 aggregate principal amount of its Special Assessment Bonds; and

**WHEREAS**, the District has determined to issue its FRERC Community Development District Special Assessment Bonds, in one or more series, (the “Series 2019 Bonds”), for the purpose, among other things, of providing funds for the payment of the costs of a portion of the District’s Capital Improvement Program (the “Series 2019 Project”); and

**WHEREAS**, there has been submitted to this meeting with respect to the issuance and sale of the Series 2019 Bonds and submitted to the Board:

(i) a form of First Supplemental Trust Indenture (“First Supplement”), between U.S. Bank National Association, as Trustee (the “Trustee”), and the District attached hereto as **Exhibit A**;

(ii) a form of Contract of Purchase with respect to the Series 2019 Bonds between Morgan Stanley & Co. LLC (the “Underwriter”) and the District attached hereto as **Exhibit B** (the “Contract of Purchase”), together with the form of disclosure statements attached to the Contract of Purchase in accordance with Section 218.385, Florida Statutes;

(iii) the form of Preliminary Limited Offering Memorandum attached hereto as **Exhibit C** (the “Preliminary Limited Offering Memorandum”); and

(iv) a form of Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”), among the City Center West Orange LLC (the “Developer”), and Wrathell, Hunt & Associates, LLC, as dissemination agent, attached hereto as **Exhibit D**.

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

**Section 1. Authorization, Designation and Principal Amount of the Series 2019 Bonds.** There are hereby authorized and directed to be issued the Series 2019 Bonds, in the aggregate principal amount of not to exceed \$40,000,000, for the purposes, among others, of providing funds for the payment of all or a portion of the costs of the Series 2019 Project. The purchase price of the Series 2019 Bonds shall be received and receipted by the District, or the Trustee on behalf of the District, and the Trustee shall apply the proceeds of the Series 2019

Bonds as set forth in the Master Trust Indenture between the District and the Trustee, as supplemented by the First Supplement (together, the "Indenture") and the Limited Offering Memorandum (as defined below).

**Section 2. Designation of Attesting Members.** The Chair or the Secretary of the Board of Supervisors (the "Board") of the District, or in the case of the absence of either or the inability to act of either, the Vice Chair or Assistant Secretaries and members of the Board (each individually a "Designated Member"), are hereby designated and authorized on behalf of the Board to attest to the seal of the Board and to the signature of the Chair or Vice Chair of the Board as they appear on the Series 2019 Bonds, the Indenture and any other documents which may be necessary or helpful in connection with the issuance and delivery of the Series 2019 Bonds and in connection with the application of the proceeds thereof.

**Section 3. Details of the Series 2019 Bonds.** The District hereby determines that the Series 2019 Bonds shall be dated, have such interest payment dates, have such maturities, have such redemption provisions and bear interest at such rates, all as provided in the Indenture.

**Section 4. Trust Indenture.** The District hereby approves and authorizes the execution by the Chair or any Designated Member and the Secretary and the delivery of the First Supplement in substantially the form thereof attached hereto as **Exhibit A**, 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 Supplement attached hereto.

**Section 5. Appointment of Underwriter; Negotiated Sale.** Morgan Stanley & Co. LLC, is hereby appointed the underwriter of the Series 2019 Bonds (the "Underwriter"). The Series 2019 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 2019 Bonds to the Underwriter will best effectuate the purposes of the Act, is in the best interest of the District and is necessitated by, in general, the characteristics of the issue and prevailing market conditions and specifically, the following additional reasons: (i) because of the complexity of the financing structure of the Series 2019 Bonds and the institutional market for unrated securities such as the Series 2019 Bonds, it is desirable to sell the Series 2019 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 2019 Bonds, it is in the best interests of the District to sell the Series 2019 Bonds by a negotiated sale; (iii) the Underwriter has participated in structuring the issuance of the Series 2019 Bonds and can assist the District in attempting to obtain the most attractive financing for the District; and (iv) the District will not be adversely affected if the Series 2019 Bonds are not sold pursuant to a competitive sale.

**Section 6. Contract of Purchase.**

(i) The District hereby approves the form of the Contract of Purchase submitted by the Underwriter and attached as **Exhibit B** hereto, and the sale of the Series 2019 Bonds by the District upon the terms and conditions to be set forth in the Contract of Purchase and in compliance with (ii) below. Provided the provisions of subparagraph (ii) have been complied with, the Chair or a Designated Member are each hereby authorized, acting individually, to execute the Contract of Purchase and to deliver the Contract of Purchase to the Underwriter. The Contract of Purchase shall be in substantially the form of the Contract of Purchase attached hereto as **Exhibit B** with such changes, amendments, modifications, omissions and additions as may be approved by the Chair or the Designated Member. Execution by the Chair or a Designated Member of the Contract of Purchase shall be deemed to be conclusive evidence of approval of such changes. The disclosure statements of the Underwriter as required by Section 218.385, Florida Statutes, to be delivered to the District prior to the execution of the Contract of Purchase, are attached as an exhibit to the Contract of Purchase;

(ii) Receipt by the Chair of a written offer to purchase the Series 2019 Bonds by the Underwriter substantially in the form of the Contract of Purchase, said offer to provide for, among other things, (A) the issuance of not exceeding \$40,000,000 initial aggregate principal amount of Series 2019 Bonds at an interest rate of not to exceed the rate 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 Series 2019 Bonds are sold, (B) the underwriter's discount shall not exceed two percent (2.00%) of the principal amount of the Series 2019 Bonds, and (C) the final maturity of the Series 2019 Bonds shall not be later than May 1, 2053.

**Section 7. Preliminary Limited Offering Memorandum; Final Limited Offering Memorandum.** The District hereby authorizes and approves the distribution and use of the Preliminary Limited Offering Memorandum in substantially the form submitted to this meeting and attached hereto as **Exhibit C** in connection with the limited offering for sale of the Series 2019 Bonds. The preparation of a final 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 2019 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 2019 Bonds. The Limited Offering Memorandum shall be substantially in the form as the Preliminary Limited Offering Memorandum, with such changes as shall be approved by the Chair or Designated Member as necessary to conform to the details of the Series 2019 Bonds, the Contract of Purchase 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 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 2019 Bonds. The District hereby authorizes the Chair or a Designated Member to deem "final" the

Preliminary Limited Offering Memorandum except for permitted omissions all within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 and to execute a certificate in that regard.

**Section 8. Continuing Disclosure.** The District does hereby authorize and approve the execution and delivery of a Continuing Disclosure Agreement by the Chair or a Designated Member substantially in the form presented to this meeting and attached hereto as **Exhibit D** with a dissemination agent and the Developer. The Continuing Disclosure Agreement is being executed by the District in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). Wrathell, Hunt & Associates, LLC, is hereby appointed as the initial Dissemination Agent to perform the duties required under the Continuing Disclosure Agreement.

**Section 9. Appointment of Trustee.** U.S. Bank National Association is hereby appointed to serve as Trustee, Paying Agent, Registrar and Authenticating Agent under the Indenture.

**Section 10. Application of Bond Proceeds.** The proceeds of the Series 2019 Bonds shall be applied to (i) paying all or a portion of the costs of the Series 2019 Project, (ii) paying certain capitalized interest on the Series 2019 Bonds, (iii) funding the Debt Service Reserve Account of the Debt Service Reserve Fund for the Series 2019 Bonds, and (iv) paying the costs of issuance of the Series 2019 Bonds.

**Section 11. Open Meetings.** It is found and determined that all formal actions of the District concerning and relating to the adoption of this Resolution were taken in an open meeting of the members of the Board of Supervisors of the District and that all deliberations of the members of the Board of Supervisors of the District which resulted in such formal action were taken in meetings open to the public, in full compliance with all legal requirements.

**Section 12. 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 2019 Bonds, any documents required in connection with implementation of a book-entry system of registration, any agreements with the Developer and any agreements in connection with maintaining the exclusion of interest on the Series 2019 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, authorize the change of the date of any document accompanying this Resolution as an exhibit or incorporate the information and details related to the sale and pricing of the Series 2019 Bonds including any required changes to the District engineer's report or its assessment methodology. 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 or the incorporation of information and details relating to the sale and pricing of the Series 2019 Bonds. 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 13. Severability.** If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

**Section 14. 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 15. Engineer's Report.** The Board hereby approves of changes to the Engineer's Report previously approved by the Board and also authorizes further revisions and supplements to the Engineer's Report with respect to the marketing and sale of the Series 2019 Bonds relating to the Series 2019 Project.

**Section 16. Assessment Methodology Report.** The Board authorizes further modifications and supplements to the Assessment Methodology Report previously approved by the Board to conform such report to the marketing and sale of the Series 2019 Bonds.

**Section 17. Ratification of Initial Resolution.** Except to the extent hereby modified, the Initial Resolution of the District is hereby ratified, confirmed and approved in all respects.

**Section 18. Repealing Clause.** All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

**Section 19. Effective Date.** This Resolution shall take effect immediately upon its adoption.

[End of Resolution – Signature page to follow]

**PASSED** in Public Session of the Board of Supervisors of FRERC Community Development District, this 20<sup>th</sup> day of December, 2018.

**FRERC  
COMMUNITY DEVELOPMENT DISTRICT**

Attest:

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Secretary/Assistant Secretary,  
Board of Supervisors

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Chair,  
Board of Supervisors

**EXHIBIT A**

**FORM OF FIRST SUPPLEMENT**

**EXHIBIT B**

**FORM OF CONTRACT OF PURCHASE**

**EXHIBIT C**

**FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM**

**EXHIBIT D**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**



# **FREERC**

**COMMUNITY DEVELOPMENT DISTRICT**

# **6A**

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FIRST SUPPLEMENTAL TRUST INDENTURE

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BETWEEN

FRERC COMMUNITY DEVELOPMENT DISTRICT

AND

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

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Dated as of January 1, 2019

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Authorizing and Securing

\$ \_\_\_\_\_  
FRERC COMMUNITY DEVELOPMENT DISTRICT  
Special Assessment Bonds, Series 2019

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THIS FIRST SUPPLEMENTAL TRUST INDENTURE dated as of January 1, 2019 (the “First Supplemental Indenture”) between **FRERC COMMUNITY DEVELOPMENT DISTRICT** (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, with its designated corporate trust office located at 550 West Cypress Creek Road, Suite 380, Fort Lauderdale, Florida 33309 (said banking association and any bank or trust company becoming successor trustee under this First Supplemental Indenture 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 Ordinance No. 2018-028 of the City Commission of the City of Ocoee, Florida, enacted and effective on August 7, 2018, for the purpose, among other things, of financing and managing the design, acquisition, construction, maintenance, and operation of systems, facilities and basic infrastructure within and without the boundaries of the premises to be governed by the Issuer; and

**WHEREAS**, the premises governed by the Issuer (referred to herein as the “District Lands”) are described more fully in Exhibit A to the Master Trust Indenture dated as of January 1, 2019 (the “Master Indenture”), between the District and the Trustee, and currently consists of approximately 97.04 acres of land located entirely within the City; and

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

**WHEREAS**, the Issuer has determined to undertake, in one or more stages, the acquisition and construction of certain public infrastructure and associated professional fees and incidental costs related thereto pursuant to the Act for the special benefit of the District Lands (as further described in Exhibit B to the Master Indenture, the “Capital Improvement Program”); and

**WHEREAS**, the Board of Supervisors of the Issuer (the “Board”) duly adopted Resolution No. 2018-24 on August 22, 2018 (the “Initial Bond Resolution”), authorizing, among other things, the issuance, in one or more series, of not to exceed \$140,000,000 aggregate principal amount of its FRERC Community Development District Special Assessment Bonds in order to pay all or a portion of the costs of the planning, financing, acquisition, construction, reconstruction, equipping and installation of the Capital Improvement Program; and

**WHEREAS**, the District's Resolution 2019-11 was duly adopted by the Board on December 20, 2018, authorizing, among other things, the sale of its Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds") which are issued hereunder, as one Series of Bonds under, and as defined in, the Master Indenture, and has authorized the execution and delivery of the Master Indenture and this First Supplemental Indenture to secure the issuance of the Series 2019 Bonds and to set forth the terms of the Series 2019 Bonds; and

**WHEREAS**, the District will apply the proceeds of the Series 2019 Bonds to: (i) finance the Cost of acquiring, constructing and equipping assessable improvements comprising the Series 2019 Project (as defined herein); (ii) pay certain costs associated with the issuance of the Series 2019 Bonds; (iii) make a deposit into the Series 2019 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2019 Bonds, without privilege or priority of one Series 2019 Bond over another; and (iv) pay the interest to become due on the Series 2019 Bonds through May 1, 20\_\_\_; and

**WHEREAS**, the Series 2019 Bonds will be secured by a pledge of the Pledged Revenues (as hereinafter defined) to the extent provided herein, which Pledged Revenues consist primarily of the Series 2019 Special Assessments (as hereinafter defined) levied on that portion of the District Lands benefitted by the Series 2019 Project; and

**NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH**, that to provide for the issuance of the Series 2019 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 2019 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2019 Bonds by the Owners 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 the 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 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 2019 Bonds issued hereunder and any other amounts owed hereunder, and any Bonds issued on a parity with the Series 2019 Bonds, 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 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 Indenture.

**IN TRUST NEVERTHELESS**, for the equal and ratable benefit and security of all present and future Owners of the Series 2019 Bonds issued and to be issued under this First Supplemental Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this First Supplemental Indenture) of any one

Series 2019 Bond over any other Series 2019 Bond, all as provided in the Indenture (as hereinafter defined), and any Bonds issued on a parity with the Series 2019 Bonds.

**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 2019 Bonds issued, and any Bonds issued on a parity with the Series 2019 Bonds, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2019 Bonds and the 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 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 Indenture and the rights hereby granted shall cease and terminate, otherwise this First Supplemental Indenture to be and remain in full force and effect.

## ARTICLE I.

### DEFINITIONS

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

“Acquisition Agreement” shall mean the Agreement Regarding the Acquisition of Certain Work Product and Infrastructure, by and between the District and the Developer dated January \_\_, 2019.

“Arbitrage Certificate” shall mean that certain Arbitrage Certificate of the Issuer, dated January \_\_, 2019, relating to certain restrictions on arbitrage under the Code.

“Assessment Methodology” shall mean, collectively, the FRERC Community Development District Master Special Assessment Methodology Report dated September 25, 2018 and amended September 12, 2018, as supplemented by the Supplemental Special Assessment Methodology Report dated January \_\_, 2019, each as prepared by the Methodology Consultant and relating to the Series 2019 Bonds, including, without limitation, all exhibits and appendices thereto.

“Assessment Resolutions” shall mean, collectively, Resolution Nos. 2019-01, 2019-02, 2019-10 and 2019-\_\_ of the Issuer adopted October 9, 2018, October 9, 2018, November 29, 2018 and January \_\_, 2019, respectively, as amended and supplemented from time to time.

“Authorized Denomination” shall mean, with respect to the Series 2019 Bonds, \$5,000 or any integral multiple thereof; provided however, that the Series 2019 Bonds shall be delivered

to the initial purchasers thereof in aggregate principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000.

“Collateral Assignment” shall mean the Collateral Assignment and Assumption of Development and Contract Rights, by the Developer in favor of the Issuer dated January \_\_\_, 2019.

“Developer” shall mean City Center West Orange, LLC, a Florida limited liability company, and any affiliate or any entity which succeeds to its interests and assumes any or all of the responsibilities of said entity, as the developer of the District Lands.

“District Manager” shall mean the person or entity serving as the Issuer’s District Manager from time to time. The initial District Manager will be Wrathell, Hunt and Associates, LLC.

“Engineer’s Report” shall mean the Engineer’s Report dated October 9, 2018, [as **supplemented by the Supplemental Engineer’s Report dated \_\_\_\_\_, 20\_\_**], each prepared by Terra-Max Engineering, Inc.

“First Supplemental Indenture” shall mean this First Supplemental Trust Indenture dated as of January 1, 2019, by and between the Issuer and the Trustee, as supplemented or amended.

“Indenture” shall mean, collectively, the Master Indenture and this First Supplemental Indenture.

“Interest Payment Date” shall mean May 1 and November 1 of each year, commencing May 1, 2019.

“Methodology Consultant” shall mean, initially, Wrathell, Hunt and Associates, LLC, or such successor Methodology Consultant appointed by the District.

“Paying Agent” shall mean the Trustee, and its successors and assigns, as Paying Agent hereunder.

“Pledged Revenues” shall mean, with respect to the Series 2019 Bonds (a) all revenues received by the Issuer from the Series 2019 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2019 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2019 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2019 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues shall not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon, and (B) “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 (A) and (B) of this proviso).

“Redemption Date” shall mean February 1, May 1, August 1 and November 1.

“Registrar” shall mean the Trustee, and its successors and assigns, as Registrar hereunder.

“Regular Record Date” shall mean the fifteenth (15<sup>th</sup>) day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

“Resolution” shall mean, collectively, Resolution 2018-24 of the Issuer adopted on August 22, 2018, as supplemented by Resolution 2019-11 of the Issuer adopted on December 20, 2018.

“Series 2019 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 Indenture.

“Series 2019 Bond Redemption Fund” shall mean the Series 2019 Bond Redemption Fund established pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2019 Costs of Issuance Subaccount” shall mean the Account so designated, established as a separate Subaccount within the Series 2019 Acquisition and Construction Account pursuant to Section 4.01(a) of this First Supplemental Indenture.

“Series 2019 Debt Service 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 Indenture.

“Series 2019 Debt Service Reserve Requirement” shall mean, an amount equal to \_\_\_\_\_ percent (\_\_\_%) of the maximum annual Debt Service Requirement for the Series 2019 Bonds as of any date of calculation as provided for herein, which initially is \$\_\_\_\_\_.

“Series 2019 General Account” shall mean the Account so designated, established as a separate Account under the Series 2019 Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2019 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 Indenture.

“Series 2019 Lands” shall mean that portion of the District Lands subject to the lien of the Series 2019 Special Assessments.

“Series 2019 Prepayment” shall mean the payment by any owner of property of the amount of Series 2019 Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments and prepayments which become due pursuant to the “true-up” mechanism contained in the Assessment Resolutions and the True-Up Agreement. “Prepayments” shall include, without limitation, Series 2019 Prepayment Principal.

“Series 2019 Prepayment Account” shall mean the Account so designated, established as a separate Account under the Series 2019 Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2019 Prepayment Principal” shall mean the portion of a Prepayment corresponding to the principal amount of Series 2019 Special Assessments being prepaid.

“Series 2019 Principal Account” shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(c) of this First Supplemental Indenture.

“Series 2019 Project” shall mean the portion of the Capital Improvement Program (as described in the Engineer’s Report) financed with proceeds of the Series 2019 Bonds.

“Series 2019 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 Indenture.

“Series 2019 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 Indenture.

“Series 2019 Special Assessments” shall mean the Special Assessments levied on that portion of the District Lands specially benefitted by the Series 2019 Project or any portion thereof, which assessments correspond in amount to the debt service on the Series 2019 Bonds.

“True-Up Agreement” shall mean the True-Up Agreement between the District and the Developer dated January \_\_, 2019.

“Trustee” shall mean U.S. Bank National Association, a national banking association, and its successors and assigns.

“Uniform Method” shall mean the uniform method for the levy, collection and enforcement of Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, as amended.

The words “hereof,” “herein,” “hereto,” “hereby,” and “hereunder” (except in the forms of Series 2019 Bonds), refer to the entire 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 a 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 SERIES 2019 BONDS

SECTION 2.01 Amounts and Terms of Series 2019 Bonds; Issue of Series 2019 Bonds**Error! Bookmark not defined.**. No Series 2019 Bonds may be issued under this First Supplemental 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 2019 Bonds that may be issued under this First Supplemental Indenture is expressly limited to \$\_\_\_\_\_. The Series 2019 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2019 Bonds shall be issued substantially in the form attached as **Exhibit C** to the Master Indenture, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture and with such additional changes as may be necessary or appropriate to conform to the provisions of the Resolution and this First Supplemental Indenture. The Issuer shall issue the Series 2019 Bonds upon execution of this First Supplemental Indenture and satisfaction of the requirements of Section 3.01 of the Master Indenture; and the Trustee shall, at the Issuer’s written request, authenticate such Series 2019 Bonds and deliver them as specified in the request.

SECTION 2.02 Execution. The Series 2019 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

SECTION 2.03 Authentication. The Series 2019 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2019 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 2019 Bonds.

(a) The Series 2019 Bonds are being issued hereunder in order to provide funds to (i) pay the Costs of the Series 2019 Project, (ii) fund the Series 2019 Debt Service Reserve Account, (iii) pay the costs of issuance of the Series 2019 Bonds, and (iv) pay the interest to become due on the Series 2019 Bonds through May 1, 20\_\_\_\_. The Series 2019 Bonds shall be designated “FRERC Community Development District Special Assessment Bonds, Series 2019,” and shall be issued as fully registered bonds without coupons in Authorized Denominations.

(b) The Series 2019 Bonds shall be dated the date of original issuance thereof. Interest on the Series 2019 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2019 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, 2019, in which case from the date of original issuance of the Series 2019 Bonds, 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 Indenture in connection with a book-entry only system of registration of the Series 2019 Bonds, the principal or Redemption Price of the Series 2019 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 2019 Bonds. Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book-entry only system of registration of the Series 2019 Bonds, the payment of interest on the Series 2019 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2019 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Any interest on any Series 2019 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called “Defaulted Interest”) shall be paid to the Owner in whose name the Series 2019 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5<sup>th</sup>) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2019 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such

rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date.

SECTION 2.05 Debt Service on the Series 2019 Bonds.

(a) The Series 2019 Bonds will mature on May 1 in the years, be issued in the principal amounts and bear interest at the rates per annum, subject to the right of prior redemption in accordance with their terms, as follows.

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(b) Interest on the Series 2019 Bonds will be computed in all cases on the basis of a 360-day year comprised 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 2019 Bonds on the day before the default occurred.

SECTION 2.06 Disposition of Series 2019 Bond Proceeds. From the net proceeds of the Series 2019 Bonds received by the Trustee, which shall be \$\_\_\_\_\_ (reflecting the aggregate principal amount of the Series 2019 Bonds of \$\_\_\_\_\_ less an underwriter's discount of \$\_\_\_\_\_ and retained by the purchaser of the Series 2019 Bonds);

(a) \$\_\_\_\_\_, which is an amount equal to the initial Series 2019 Debt Service Reserve Requirement, shall be deposited in the Series 2019 Debt Service Reserve Account of the Debt Service Reserve Fund;

(b) \$\_\_\_\_\_ shall be deposited into the Series 2019 Costs of Issuance Subaccount of the Series 2019 Acquisition and Construction Account and applied to pay costs of issuance of the Series 2019 Bonds;

(c) \$\_\_\_\_\_ shall be deposited into the Series 2019 Interest Account and applied to pay capitalized interest on the Series 2019 Bonds due through May 1, 20\_\_\_; and

(d) \$\_\_\_\_\_, constituting all remaining proceeds of the Series 2019 Bonds, shall be deposited in the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied to pay Costs of the Series 2019 Project in accordance with Article V of the Master Indenture.

SECTION 2.07 Book-Entry Form of Series 2019 Bonds. The Series 2019 Bonds shall be issued as one fully registered bond per maturity and deposited with The Depository Trust

Company, New York, New York (“DTC”), which is responsible for establishing and maintaining records of ownership for its participants.

The Issuer shall enter into a letter of representations with DTC providing for such book-entry only system, in accordance with the provisions of Section 2.11 of the Master Indenture. 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. If the Issuer does not replace DTC within sixty (60) days of such termination and, in all instances, prior to the next Interest Payment Date, the Trustee will, at the expense of the Issuer, register and deliver to the Beneficial Owners replacement Series 2019 Bonds in the form of fully registered Series 2019 Bonds in accordance with the instructions from Cede & Co. While the Series 2019 Bonds are registered in book-entry only, presentation of the Series 2019 Bonds is not necessary for payment thereon.

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 2019 Bonds, and hereby appoints the Trustee, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. The Trustee 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 the Trustee as Paying Agent for the Series 2019 Bonds. The Trustee hereby accepts its appointment as Paying Agent and its duties and responsibilities as Paying Agent hereunder.

SECTION 2.09 Conditions Precedent to the Issuance of the Series 2019 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2019 Bonds, all the Series 2019 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 copies of the Master Indenture and this First Supplemental Indenture;
- (c) An opinion of Counsel to the District addressed to the District and the Trustee substantially to the effect that (i) the Issuer has been duly established and validly exists as a community development district under the Act, (ii) the Issuer has good right and lawful authority under the Act to undertake the Series 2019 Project being financed with the proceeds of the Series 2019 Bonds, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body having

lawful jurisdiction in order to construct, acquire, own and operate the Series 2019 Project, (iii) all proceedings undertaken by the Issuer with respect to the Series 2019 Special Assessments have been in accordance with Florida law, (iv) the Issuer has taken all action necessary to levy and impose the Series 2019 Special Assessments, and (v) the Series 2019 Special Assessments are legal, valid and binding liens upon the property against which such Series 2019 Special Assessments are made, coequal with the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid;

(d) A certificate of a Responsible Officer to the effect that, upon the authentication and delivery of the Series 2019 Bonds, the Issuer will not be in default in the performance of the terms and provisions of the Master Indenture or this First Supplemental Indenture;

(e) Executed copies of the Acquisition Agreement, Collateral Assignment, and True-Up Agreement.

Delivery to the Trustee of the net proceeds from the issuance and sale of the Series 2019 Bonds is conclusive evidence of the satisfaction of conditions precedent for authentication of the Series 2019 Bonds.

### ARTICLE III.

#### REDEMPTION OF SERIES 2019 BONDS

SECTION 3.01 Redemption Dates and Prices. The Series 2019 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 2019 Bonds shall be made on the dates hereinafter required. If less than all the Series 2019 Bonds are to be redeemed pursuant to an optional redemption or an extraordinary mandatory redemption, the portions of the Series 2019 Bonds to be redeemed shall be selected as provided in Section 8.03 of the Master Indenture unless specifically provided herein. Partial redemptions of Series 2019 Bonds shall be made in such a manner that the remaining Series 2019 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2019 Bond of each maturity.

(a) Optional Redemption. The Series 2019 Bonds may, at the option of the Issuer in writing, be called for redemption prior to maturity in whole or in part at any time on or after May 1, 20\_\_ (less than all Series 2019 Bonds to be specified by the Issuer in writing), at a Redemption Price equal to 100% of the principal amount of Series 2019 Bonds to be redeemed plus accrued interest from the most recent Interest Payment Date to the date of redemption.

(b) Extraordinary Mandatory Redemption in Whole or in Part. The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole, on any date, or in part, on any Redemption Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2019 Bonds to be redeemed, plus interest accrued to the date of redemption, as follows:

(i) from Series 2019 Prepayments deposited into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund following the payment in whole or in part of Series 2019 Special Assessments on any portion of the Series 2019 Lands in accordance with the provisions of Section 4.05(a) of this First Supplemental Indenture, including any excess moneys transferred from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund resulting from such Series 2019 Prepayment pursuant to Section 4.01(f)(ii) of this First Supplemental Indenture.

(ii) on or after the Completion Date of the Series 2019 Project, by application of moneys remaining in the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund not reserved by the Issuer for the payment of any remaining part of the Cost of the Series 2019 Project, which has been transferred as specified in Section 4.01(a) hereof to the Series 2019 General Account of the Series 2019 Bond Redemption Fund, credited toward extinguishment of the Series 2019 Special Assessments and applied toward the redemption of the Series 2019 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2019 Special Assessments which the Issuer shall describe to the Trustee in writing.

(iii) following condemnation or the sale of any portion of the Series 2019 Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys which are not to be used to rebuild, replace or restore the taken portion of the Series 2019 Project to the Trustee by or on behalf of the Issuer for deposit into the Series 2019 General Account of the Series 2019 Bond Redemption Fund in order to effectuate such redemption and, which moneys shall be applied by the Issuer to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments which the Issuer shall describe to the Trustee in writing.

(iv) following the damage or destruction of all or substantially all of the Series 2019 Project to such extent that, in the reasonable opinion of the Issuer, the repair and restoration thereof would not be economical or would be impracticable, to the extent of amounts paid by the Issuer to the Trustee for deposit to the Series 2019 General Account of the Series 2019 Bond Redemption Fund which moneys shall be applied by the Issuer to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments; 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 date of redemption and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Series 2019 Project would not be economical or would be impracticable, such certificate upon which the Trustee shall be entitled to rely.

(v) from moneys, if any, on deposit in the Series 2019 Funds and Accounts (other than the Rebate Fund) sufficient to pay and redeem all Outstanding Series 2019 Bonds and accrued interest thereon to the date of redemption in addition to all amounts owed to Persons under the Indenture.

(c) Mandatory Sinking Fund Redemption. The Series 2019 Bond maturing on May 1, 20\_\_\_\_, is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<b>Year (May 1)</b>	<b>Sinking Fund Installment</b>
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\*Final Maturity

The Series 2019 Bond maturing on May 1, 20\_\_\_\_, is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<b>Year (May 1)</b>	<b>Sinking Fund Installment</b>	<b>Year (May 1)</b>	<b>Sinking Fund Installment</b>
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\*Final Maturity

SECTION 3.02 Notice of Redemption. When required to redeem Series 2019 Bonds under any provision of this First Supplemental Indenture or directed to redeem Series 2019 Bonds by the Issuer, the Trustee shall give or cause to be given to Owners of the Series 2019 Bonds to be redeemed notice of the redemption, as set forth in Section 8.02 of the Master Indenture.

## ARTICLE IV.

### ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS; ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS; REMOVAL OF SPECIAL ASSESSMENT LIENS

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

(c) The Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the "Series 2019 Acquisition and Construction Account." Proceeds of the Series 2019 Bonds shall be deposited into the Series 2019 Acquisition and Construction Account in the amount set forth in Section 2.06 of this First Supplemental Indenture, together with any excess moneys transferred to the Series 2019 Acquisition and Construction Account, and such moneys in the Series 2019 Acquisition and Construction Account shall be applied as set forth in Article V of the Master Indenture and Sections 4.01(a) and 3.01(b)(ii) of this First Supplemental Indenture. After the Completion Date of the Series 2019 Project and after retaining in the Series 2019 Acquisition and Construction Account the amount, if any, of all remaining unpaid Costs of the Series 2019 Project set forth in the Consulting Engineer's Certificate establishing such Completion Date, any funds remaining in the Series 2019 Acquisition and Construction Account shall be transferred to and deposited into the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds, and the Series 2019 Acquisition and Construction Account shall be closed.

There is hereby established within the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund held by the Trustee a "Series 2019 Costs of Issuance Subaccount." Amounts in the Series 2019 Costs of Issuance Subaccount shall be applied by the Trustee to pay the costs relating to the issuance of the Series 2019 Bonds. Six months after the date of issuance of the Series 2019 Bonds, any moneys remaining in the Series 2019 Costs of Issuance Subaccount which have not been requisitioned by the Issuer to pay costs relating to the issuance of the Series 2019 Bonds shall be deposited into the Series 2019 Acquisition and Construction Account and applied as set forth in Article V of the Master Indenture and Section 4.01(a) of this First Supplemental Indenture, and the Series 2019 Costs of Issuance Subaccount shall be closed.

(d) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Series 2019 Revenue Account." Series 2019 Special Assessments (except for Series 2019 Prepayments which shall be identified as such by the Issuer to the Trustee to be deposited in the Series 2019 Prepayment Account) shall be deposited by the Trustee into the Series 2019 Revenue Account which shall be applied as set forth in Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture.

(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 2019 Principal Account.” Moneys shall be deposited into such Account as provided in Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture, and applied for the purposes provided therein.

(f) 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 2019 Interest Account.” Proceeds of the Series 2019 Bonds shall be deposited into such Account in the amount set forth in Section 2.06(c) of this First Supplemental Indenture. Moneys deposited into such Account pursuant to the Master Indenture and Section 4.02 of this First Supplemental Indenture, shall be applied for the purposes provided therein.

(g) 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 2019 Sinking Fund Account.” Moneys shall be deposited into such Account as provided in Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture and applied for the purposes provided therein and in Sections 3.01(c) of this First Supplemental Indenture.

(h) Pursuant to Section 6.05 of the Master Indenture, the Trustee shall establish an Account within the Debt Service Reserve Fund designated as the “Series 2019 Debt Service Reserve Account.”

(i) Proceeds of the Series 2019 Bonds shall be deposited into the Series 2019 Debt Service Reserve Account in the amount set forth in Section 2.06(a) of this First Supplemental Indenture, which account will be held for the benefit of all of the Series 2019 Bonds, without privilege or priority of one Series 2019 Bond over another, and such moneys, together with any other moneys deposited into such Account pursuant to the Master Indenture, shall be applied for the purposes provided therein and in this Section 4.01(f). On each March 15, June 15, September 15 and December 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amounts on deposit in the Series 2019 Debt Service Reserve Account and transfer any excess therein (except for excess resulting from interest earnings as provided in Section 4.01(f)(iii) below and excess resulting from Prepayments as provided in Section 4.01(f)(ii) below) above the Series 2019 Debt Service Reserve Requirement, as follows: (A) prior to the Completion Date of the Series 2019 Project, to the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund, and (B) on and after the Completion Date of the Series 2019 Project, such amounts shall be transferred to the Series 2019 Revenue Account.

(ii) Notwithstanding the foregoing paragraph, so long as no Event of Default has occurred and has not been cured, upon an optional prepayment by the owner of a lot or parcel of land of a Series 2019 Special Assessment against such lot or parcel as provided in Section 4.05(a) of this First Supplemental Indenture, the District,

on March 15, June 15, September 15 and December 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), shall determine the Series 2019 Debt Service Reserve Requirement, taking into account such optional prepayment and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess of the Series 2019 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as a credit against the Series 2019 Prepayment otherwise required to be made by the owner of such lot or parcel.

(iii) Earnings on investments in the Series 2019 Debt Service Reserve Account shall be disposed of as follows:

(A) If as of the last date on which amounts on deposit in the Series 2019 Debt Service Reserve Account were valued by the Trustee there was a deficiency in the Series 2019 Debt Service Reserve Account, or if after such date withdrawals have been made from the Series 2019 Debt Service Reserve Account and have created such a deficiency, then earnings on investments in the Series 2019 Debt Service Reserve Account shall be deposited to the credit of the Series 2019 Debt Service Reserve Account until the amounts on deposit therein equal the Series 2019 Debt Service Reserve Requirement; and

(B) As long as no notice of an Event of Default under the Indenture has been delivered to the Trustee or if such Event of Default described in a notice has been cured or waived as provided in the Master Indenture, and the amount in the Series 2019 Debt Service Reserve Account is not reduced below the then Series 2019 Debt Service Reserve Requirement, then earnings on investments in such Account shall be applied as follows: (x) prior to the Completion Date of the Series 2019 Project, to the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund, and (y) on and after the Completion Date of the Series 2019 Project, to the Series 2019 Revenue Account of the Revenue Fund. Upon the occurrence and continuance of an Event of Default, earnings on investments in the Series 2019 Debt Service Reserve Account shall remain therein.

(i) Pursuant to Section 6.06 of the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Fund designated as the "Series 2019 Bond Redemption Fund" and within such Fund, a "Series 2019 General Account" and a "Series 2019 Prepayment Account." Except as otherwise provided in this First Supplemental Indenture, moneys to be deposited into the Series 2019 Bond Redemption Fund, as provided in Article VI of the Master Indenture shall be deposited to the Series 2019 General Account of the Series 2019 Bond Redemption Fund. Series 2019 Prepayments shall be identified as such by the Issuer to the Trustee to then be deposited directly into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as provided in the Indenture.

(j) (i) Moneys in the Series 2019 General Account (including all earnings on investments held therein) 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 for the Series 2019 Bonds, if any, as the Issuer may direct in writing in accordance with the Arbitrage Certificate, such moneys thereupon to be used solely for the purposes specified in the Arbitrage Certificate. Any moneys so transferred from the Series 2019 General Account to the Rebate Fund shall thereupon be free from the lien and pledge of the Indenture;

SECOND, to be used to call for redemption pursuant to Section 3.01(b)(ii), (iii), (iv) and (v) hereof an amount of Series 2019 Bonds equal to the amount of money transferred to the Series 2019 General Account 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 written direction of a Responsible Officer, to call for redemption such Series 2019 Bonds that are subject to optional redemption pursuant to Section 3.01(a) hereof such amount of Series 2019 Bonds as, with the redemption premium, may be practicable; provided, however, that not less than \$5,000 principal amount of Bonds shall be called for redemption at one time.

(ii) Moneys in the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund (including all earnings on investments therein) shall be accumulated therein to be used to call for redemption pursuant to Section 3.01(b)(i) hereof an amount of Series 2019 Bonds equal to the amount of money transferred to the Series 2019 Prepayment Account pursuant to the aforesaid provision, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in Section 3.01(b)(i) hereof.

SECTION 4.02 Series 2019 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2019 Revenue Account of the Revenue Fund to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, not later than the Business Day preceding each May 1 and November 1, to the Series 2019 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2019 Bonds due on such May 1 or November 1, less any amounts on deposit in the Series 2019 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, to the Series 2019 Principal Account of the Debt Service Fund, an amount equal to the principal

amount of Series 2019 Bonds Outstanding and maturing on such May 1, if any, less any amounts on deposit in the Series 2019 Principal Account not previously credited;

THIRD, no later than the Business Day next preceding each May 1, to the Series 2019 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2019 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2019 Sinking Fund Account not previously credited;

FOURTH, upon receipt but no later than the Business Day next succeeding each Interest Payment Date, to the Series 2019 Debt Service Reserve Account an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2019 Debt Service Reserve Requirement;

FIFTH, notwithstanding the foregoing, at any time the Series 2019 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 2019 Interest Account the amount necessary to pay interest on the Series 2019 Bonds subject to redemption on such date; and

SIXTH, subject to the following paragraph, the balance of any moneys remaining after making the foregoing deposits shall remain in the Series 2019 Revenue Account unless pursuant to the Arbitrage Certificate it is necessary to make a deposit into the Rebate Fund, in which case the Issuer shall direct the Trustee in writing to make such deposit thereto.

On or after each November 2, the Trustee shall transfer to the Issuer, at the Issuer's written direction, the balance on deposit in the Series 2019 Revenue Account on such November 2 to be used for any lawful purpose of the Issuer; provided, however, that on the date of such proposed transfer the amount on deposit in the Series 2019 Debt Service Reserve Account shall be equal to the Series 2019 Debt Service Reserve Requirement and, provided, further, that no notice of an Event of Default under the Indenture has been delivered to the Trustee, including the payment of Trustee's fees and expenses then due.

SECTION 4.03 Power to Issue Series 2019 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2019 Bonds, to execute and deliver the Indenture and to pledge the Pledged Revenues for the benefit of the Series 2019 Bonds to the extent set forth herein. 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 Series 2019 Bonds, except for Bonds issued to refund all or a portion of the Series 2019 Bonds. The Series 2019 Bonds and the provisions of the 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 Indenture and all the rights of the Owners of the Series 2019 Bonds under the Indenture against all claims and demands of all persons whomsoever.

SECTION 4.04 Series 2019 Project to Conform to Plans and Specifications; Changes. The Issuer will proceed to complete the Series 2019 Project, as described in the Engineer's Report, in accordance with the plans and specifications therefor, as such plans and specifications may be amended by the Issuer from time to time; provided that prior to any such amendment of the plans and specifications for the Series 2019 Project, the Consulting Engineer shall have delivered its certificate approving the proposed amendment to such plans and specifications.

SECTION 4.05 Prepayments; Removal of Special Assessment Liens.

(a) At any time any owner of property subject to the Series 2019 Special Assessments may, at its option, or under certain circumstances described in the Assessment Resolutions in connection with Prepayments derived from application of the "true-up" mechanism therein, require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2019 Special Assessments by paying to the Issuer all or a portion of the Series 2019 Special Assessment which shall constitute Series 2019 Prepayments as directed in writing by the Issuer pursuant to the provisions of Section 4.01(h)(ii) of this First Supplemental Indenture, plus accrued interest to the next succeeding Redemption Date (or the second succeeding Redemption Date if such prepayment is made within forty-five (45) calendar days before a Redemption Date), attributable to the property subject to Series 2019 Special Assessment owned by such owner; provided, however, to the extent that such payments are to be used to redeem Series 2019 Bonds in the event the amount in the Series 2019 Debt Service Reserve Account will exceed the Series 2019 Debt Service Reserve Requirement as a result of a Series 2019 Prepayment in accordance with this Section 4.05(a) and the resulting redemption in accordance with Section 3.01(b)(i) of this First Supplemental Indenture of Series 2019 Bonds, the excess amount above the Series 2019 Debt Service Reserve Requirement shall be transferred from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as a credit against the Series 2019 Prepayment otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the Issuer 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 2019 Debt Service Reserve Account to equal or exceed the Series 2019 Debt Service Reserve Requirement and accompanied by cash flows which demonstrate that, after giving effect to the proposed

redemption of Series 2019 Bonds, there will be sufficient Pledged Revenues to pay the principal and interest, when due, on all Series 2019 Bonds that will remain Outstanding. The written instructions shall be delivered to the Trustee on the 46th day prior to a Redemption Date.

(b) Upon receipt of Series 2019 Prepayments as described in paragraph (a) above, which includes accrued interest to the next succeeding Redemption Date (or the second succeeding Redemption Date if such prepayment is made within forty-five (45) calendar days before a Redemption Date), subject to satisfaction of the conditions set forth therein, the Issuer shall immediately pay the amount so received to the Trustee and clearly identify in writing such amounts as a Series 2019 Prepayment and the Issuer shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by the District Manager, to the effect that the Series 2019 Special Assessment has been paid in whole or in part and that such Series 2019 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be. Upon receipt of any such moneys from the Issuer the Trustee shall immediately deposit the same into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund to be applied in accordance with Section 4.01(h)(ii) of this First Supplemental Indenture, to the redemption of Series 2019 Bonds in accordance with Section 3.01(b)(i) of this First Supplemental Indenture.

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 2019 Bonds pursuant to Section 3.01(b)(i) of this First Supplemental Indenture on each March 15, June 15, September 15 and December 15.

## ARTICLE V.

### ADDITIONAL COVENANTS OF THE ISSUER **Error! Bookmark not defined.**

SECTION 5.01 Collection of Series 2019 Special Assessments. Notwithstanding Section 9.04 of the Master Trust Indenture, the Series 2019 Special Assessments shall be directly collected and enforced by the Issuer pursuant to the provisions of the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto; provided, however, Series 2019 Special Assessments levied on platted lots not owned by the Developer and pledged hereunder to secure the Series 2019 Bonds will be collected pursuant to the Uniform Method pursuant to Section 9.04 of the Master Trust Indenture. The Issuer covenants to enter into a Property Appraiser and Tax Collector Agreement with the County in order to comply with the provisions of this Section.

Notwithstanding the immediately preceding paragraph or any other provision in the Indenture to the contrary, upon the occurrence of an Event of Default, if the Trustee, acting at the written direction of the Majority Owners of the Series 2019 Bonds, requests that the Issuer not use the Uniform Method, but instead collect and enforce Series 2019 Special Assessments pursuant 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 Series 2019 Special Assessments in the manner and pursuant to the method so requested by the Trustee.

Any Series 2019 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 5.02 Additional Covenant Regarding Series 2019 Special Assessments. In addition to, and not in limitation of, the covenants contained elsewhere in the Indenture, the Issuer covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2019 Special Assessments, including the Assessment Resolution and the Assessment Methodology, and to levy the Series 2019 Special Assessments and any required true-up payments set forth in the Assessment Methodology, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2019 Bonds, when due.

SECTION 5.03 Foreclosure of Assessment Lien. Notwithstanding Section 9.06 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2019 Special Assessments and Series 2019 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2019 Special Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2019 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the Series 2019 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive in its corporate name or in the name of a special purpose entity title to the property for the benefit of the Owners of the Series 2019 Bonds; provided that the Trustee shall have the right, acting at the written direction of the Majority Owners of the Series 2019 Bonds, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the related Series 2019 Revenue Account. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of the Series 2019 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners of the Series 2019 Bonds.

SECTION 5.04 No Parity Bonds; Limitation on Parity Liens. The Issuer covenants and agrees that so long as there are any Series 2019 Bonds Outstanding, it shall not cause or permit to be caused any lien, charge or claim against the Pledged Revenues, except for refunding bonds. The Issuer further covenants and agrees that **[parity lien restrictive language to come]**; provided, however, that the foregoing shall not preclude the imposition of Special Assessments

for capital projects necessary for health, safety, and welfare reasons, to remediate a natural disaster, or imposed prior to the issuance of the Series 2019 Bonds.

SECTION 5.05 Acknowledgment Regarding Series 2019 Acquisition and Construction Account Moneys Following an Event of Default. In accordance with the provisions of the Indenture, upon the occurrence of an Event of Default with respect to the Series 2019 Bonds, the Series 2019 Bonds are payable solely from the Pledged Revenues and any other moneys held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that, upon the occurrence of an Event of Default with respect to the Series 2019 Bonds, (i) the Pledged Revenues include, without limitation, all amounts on deposit in the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, (ii) the Pledged Revenues may not be used by the Issuer (whether to pay Costs of the Series 2019 Project or otherwise) without the consent of the Majority Owners of the Series 2019 Bonds and (iii) the Pledged Revenues may be used by the Trustee, at the written direction or with the written approval of the Majority Owners of the Series 2019 Bonds, to pay costs and expenses incurred in connection with the pursuit of remedies under the Indenture or as otherwise provided in the Master Indenture.

SECTION 5.06 Enforcement of True-Up Agreement. The District, either through its own actions, or actions caused to be taken through the Trustee, covenants that it shall strictly enforce all of the provisions of the True-Up Agreement, and, upon the occurrence and continuance of a default under such Agreement, the District covenants and agrees that the Trustee, at the written direction of the Majority Owners of the Series 2019 Bonds shall act on behalf of, and in the District's stead, to enforce the provisions of such Agreement and to pursue all available remedies under applicable law or in equity. Anything herein or in the Master Indenture to the contrary notwithstanding, failure of the District to enforce, or permit the Trustee to enforce in its stead, all of the provisions of the True-Up Agreement upon demand of the Majority Owners of the Series 2019 Bonds, or the Trustee at the written direction of the Majority Owners of the Series 2019 Bonds, shall constitute an Event of Default under the Indenture without benefit of any period for cure.

SECTION 5.07 Assignment of District's Rights Under Collateral Assignment. The District hereby assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of Bonds Outstanding under the Indenture. The Trustee shall act in accordance with the written directions of the Majority Owners of the Series 2019 Bonds.

## ARTICLE VI.

### MISCELLANEOUS PROVISIONS

SECTION 6.01 Interpretation of Supplemental Indenture. This First Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2019 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this First Supplemental Indenture by reference. To the maximum extent

possible, the Master Indenture and the Supplemental Indenture shall be read and construed as one document.

SECTION 6.02 Amendments. Any amendments to this First Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

SECTION 6.03 Counterparts.**Error! Bookmark not defined.** This First Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 6.04 Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this First Supplemental Indenture are hereby incorporated herein and made a part of this First Supplemental Indenture for all purposes.

SECTION 6.05 Payment Dates. In any case in which an Interest Payment Date, principal payment date or the maturity date of the Series 2019 Bonds or the date fixed for the redemption of any Series 2019 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 6.06 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 2019 Bonds.

[Remainder of page intentionally left blank]

**IN WITNESS WHEREOF**, FRERC 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 an Assistant Secretary of its Board of Supervisors and U.S. Bank National Association has caused this First Supplemental Trust Indenture to be executed by a Vice President, all as of the day and year first above written.

**SEAL**

**FRERC COMMUNITY DEVELOPMENT  
DISTRICT**

Attest:

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

\_\_\_\_\_  
Secretary,  
Board of Supervisors

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

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

**FRERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**6B**

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

**FRERC COMMUNITY DEVELOPMENT DISTRICT  
Special Assessment Bonds, Series 2019**

\_\_\_\_\_  
**BOND PURCHASE CONTRACT**

\_\_\_\_\_  
**January \_\_, 2019**

FRERC Community Development District  
Board of Supervisors  
City of Ocoee, Florida

Ladies and Gentlemen:

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

1. **Purchase and Sale**. Upon the terms and conditions and upon the basis of the respective representations, warranties, agreements and covenants set forth herein, the Underwriter hereby agrees to purchase from the District, and the District hereby agrees to sell to the Underwriter, (all but not less than all) of its \$\_\_\_\_\_ FRERC Community Development District Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds"). The aggregate purchase price for the Bonds is \$\_\_\_\_\_ consisting of \$[\_\_\_\_\_].00 par amount of the Bonds, less the Underwriter's discount in the amount of \$[\_\_\_\_\_].00, and less an original issue discount of [\_\_\_\_\_]. The purchase price shall be paid in immediately available federal funds against the delivery of the Bonds.

2. **The Bonds**. The Bonds are authorized and being issued in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as

amended, and any successor statute thereto, the Florida Constitution, and other applicable provisions of law (the "Act"), Ordinance No. 2018-028 of the City of Ocoee, Florida, enacted and effective on August 7, 2018, and Resolution No. 2018-24 adopted by the Board of Supervisors of the District (the "Board") on August 22, 2018, as supplemented (the "Bond Resolution"); and a Master Trust Indenture dated as of January \_\_, 2019 (the "Master Indenture") between the District and U.S. Bank National Association (the "Trustee"), as supplemented by that certain First Supplemental Trust Indenture between the District and the Trustee dated as of [\_\_\_\_\_] (the "First Supplemental Indenture" and together with the Master Indenture, collectively, the "Indenture"). Pursuant to the Bond Resolution, the District has authorized the execution and delivery of the Indenture and the issuance and delivery of the Bonds thereunder. Capitalized terms not defined herein shall have the meaning ascribed to them in the Indenture. The Series 2019 Special Assessments will be levied by the District on lands within the District specially benefited by the Series 2019 Project (as defined in the First Supplemental Indenture) pursuant to resolutions duly adopted by the Board (collectively, the "Assessment Resolution"). The Bonds shall be as described in, and shall be issued and secured pursuant to, the provisions of the Indenture. The District and City Center West Orange, LLC (the "Developer") will enter into or have already entered into the Collateral Assignment Agreement, Completion Agreement and True-Up Agreement all as defined in the First Supplemental Indenture. The documents described in the immediately preceding sentence are collectively referred to as the "Ancillary Documents."

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

4. **Establishment of Issue Price.**

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

(b) Except as otherwise indicated in Exhibit "J", the District will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate

CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Contract, the Underwriter shall report to the District the price or prices at which the Underwriter has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity, the Underwriter agrees to promptly report to the District the prices at which the Bonds of that maturity have been sold by the Underwriter to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

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

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

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

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

with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(d) The Underwriter confirms that:

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

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

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

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

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

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

more than 50% common ownership of their capital interests or profits interest, if both entities are partnerships (including direct ownership by one partnership of another) or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interest by one entity of the other), and

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

5. **Use of Documents.** The District has caused to be prepared and provided to the Underwriter the Preliminary Limited Offering Memorandum relating to the Bonds dated January \_\_, 2019, including the cover page and all appendices thereto (the "Preliminary Limited Offering Memorandum") that the District has deemed final as of its date, except for certain permitted omissions (the "Permitted Omissions"), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12") in connection with the limited offering of the Bonds. The District has, prior to the date hereof, authorized the Preliminary Limited Offering Memorandum to be circulated and used by the Underwriter in connection with the limited public offering of the Bonds. The District shall deliver or cause to be delivered, at its expense, to the Underwriter within seven (7) business days after the date hereof but not later than the Closing Date (as defined below) and in sufficient time to allow the Underwriter to comply with all requirements of Rule 15c2-12 and all applicable securities laws and the rules of the Municipal Securities Rulemaking Board (the "MSRB"), a final Limited Offering Memorandum dated the date hereof (such Limited Offering Memorandum, including the cover pages and all appendices thereto, and any amendments and supplements thereto that may be authorized by the District for use with respect to the Bonds being herein collectively called the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda"). The District hereby ratifies the use of the Preliminary Limited Offering Memorandum and approves the execution, circulation and use of the Limited Offering Memorandum by the Underwriter.

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

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

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

(b) The District has full legal right, power and authority to: (i) adopt the Bond Resolution and the Assessment Resolution; (ii) enter into the Financing Documents and the

Ancillary Documents to which it is a party; (iii) sell, issue and deliver the Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Bonds for the purposes described in the Preliminary Limited Offering Memorandum; (v) authorize the distribution of the Preliminary Limited Offering Memorandum and the use and execution of the Limited Offering Memorandum; (vi) carry out and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolution, the Financing Documents to which it is a party and the Limited Offering Memorandum; (vii) acquire and construct the 2019 Project; (viii) issue the Bonds; and (ix) levy and collect the Series 2019 Special Assessments as provided in the Indenture. The District has complied, and at the Closing will be in compliance in all material respects, with the terms of the Act and with the obligations on its part contained in the Financing Documents, the Ancillary Documents, the Bond Resolution, the Assessment Proceedings and the Bonds;

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

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

under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Indenture. No event has occurred which constitutes or which, with the lapse of time or the giving of notice, or both, would constitute, an event of default (as therein defined) under the Bonds, or the Financing Documents;

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

(f) The descriptions of the Bonds, the Financing Documents, the Ancillary Documents and the 2019 Project in the Preliminary Limited Offering Memorandum conform in all material respects to the Bonds and the Financing Documents and the Ancillary Documents and the 2019 Project;

(g) The Bonds, when issued, executed and delivered in accordance with the Bond Resolution and the Indenture and when sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the District, entitled to the benefits of the Indenture and upon such issuance, execution and delivery of the Bonds, the Indenture will provide, for the benefit of the holders from time to time of the Bonds, a legally valid and binding pledge of and first lien on the 2019 Trust Estate. At Closing, all conditions precedent to the issuance of the Bonds required of the District set forth in the Indenture and other applicable documents of the District will have been complied with or fulfilled or waived by the Underwriter;

(h) Except as disclosed in the Limited Offering Memorandum, as of the date hereof, there is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to its best knowledge, threatened against the District: (i) contesting the corporate existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (ii) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the application of the proceeds of the sale thereof for the purposes described in the Limited Offering Memorandum or the pledge of and lien on the 2019 Trust Estate 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 authorization for the issuance of the Bonds, the construction and/or acquisition of the 2019 Project, the issuance of the Bonds, the levy and collection of the Series 2019 Special Assessments, the authorization of the Bond Resolution, the Assessment Resolution, or the Financing Documents, or the Ancillary Documents to which it is a party or the application of the proceeds of the Bonds for the purposes set forth in the Limited Offering Memorandum; (iv) contesting the validity or federal or state tax status of the interest on the Bonds; (v) contesting the completeness or accuracy of the Preliminary Limited Offering Memorandum or Limited Offering Memorandum or any supplement or amendment thereto; or (vi) where an unfavorable ruling would materially adversely affect the financial position or condition of the District;

(i) The District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order to: (i) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and the District will use its best efforts to continue such qualifications in effect so long as required for the initial offering and distribution of the Bonds; provided, however, that the District shall not be required to execute a general or special consent to service of process or to qualify to do business in connection with any such qualification or determination in any jurisdiction or incur any fees in connection with its compliance with the subsection;

(j) As of its date and (unless an event occurs of the nature described in paragraph (1) of this Section 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" as permitted by Rule 15c2-12 as such term is defined below) and in the Limited Offering Memorandum (excluding for purposes hereof the statements and information under the captions "DESCRIPTION OF THE Series 2019 Bonds – Book-Entry Only System," "FUNDS AND ACCOUNTS," "BONDHOLDERS' RISKS," "THE DEVELOPMENT," "TAX MATTERS," "LEGALITY FOR INVESTMENT," "SUITABILITY FOR INVESTMENT," and "LITIGATION" as to which no view is expressed) are and will be accurate in all material respects for the purposes for which their use is authorized and do not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(k) If the Limited Offering Memorandum as supplemented or amended pursuant to subsection (1) of this Section 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 not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representation is given concerning the information in the Limited Offering Memorandum under the captions "DESCRIPTION OF THE Series 2019 Bonds - Book-Entry Only System," "FUNDS AND ACCOUNTS," "BONDHOLDERS' RISKS", "THE DEVELOPMENT," "TAX MATTERS," "LEGALITY FOR INVESTMENT," "SUITABILITY FOR INVESTMENT," and "LITIGATION";

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

material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter thereof, and, if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the District will at its expense supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter (unless such supplement or amendment is a result of information provided by the the Developer or the Underwriter, in which case, the Developer or the Underwriter, as applicable, will at its expense supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter. This covenant shall survive the Closing;

(m) Reserved;

(n) Except as disclosed in the Preliminary Limited Offering Memorandum, there has been no material adverse change in the financial position, results of operations or condition, financial or otherwise, of the District, the District has not issued, assumed or guaranteed any indebtedness payable from any of the 2019 Trust Estate and the District has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution, the Assessment Resolution, the Bonds, the Financing Documents, or the Ancillary Documents to which it is a party direct or contingent, other than as set forth in or contemplated by the Limited Offering Memorandum;

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

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

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

(r) All proceedings undertaken by the District with respect to the Series 2019 Special Assessments, including adoption of the Assessment Resolution, were undertaken in accordance with Florida law. The Series 2019 Special Assessments, as initially levied and as may be reallocated from time to time in accordance with the Assessment Resolution and the Assessment Reports, included as an appendix to the Limited Offering Memorandum (the "Methodology"), constitute legal, valid, binding and enforceable liens upon the property against which such Series 2019 Special Assessments are assessed, co-equal with the lien of all county, district and municipal ad valorem taxes and non-ad valorem assessments, and superior in dignity to all other liens, titles and claims, until paid. The levy of the Series 2019 Special Assessments is sufficient to pay the debt service on the Bonds through the final maturity thereof;

(s) Except as disclosed in the Preliminary Limited Offering Memorandum, the District has complied and shall continue to comply with all continuing disclosure

commitments heretofore undertaken by the District and with its continuing disclosure commitments in connection with the Bonds, all in accordance with Rule 15c2-12;

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

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

8. **Closing.** At 10:00 a.m. prevailing time on [\_\_\_\_\_], 2019, or at such earlier or later time as may be mutually agreed upon by the District and the Underwriter (the "Closing Date"), the District will, subject to the terms and conditions hereof, deliver to the Underwriter, the Bonds in definitive form, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof, in federal or other immediately available funds to the order of the District. Such delivery of documents and payment of the purchase price of the Bonds is referred to herein as the "Closing." Delivery of the Bonds as aforesaid shall be made to the Trustee through the "FAST" system of registration with The Depository Trust Company, New York, New York, or at such other place as may be mutually agreed upon by the District and the Underwriter. The Bonds shall be typewritten, shall be prepared and delivered as fully registered Bonds in book-entry only form, registered in the name of Cede & Co. and shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection and packaging, unless otherwise agreed by the District and the Underwriter.

9. **Closing Conditions.** The Underwriter has entered into this Bond Purchase Contract in reliance upon the representations, warranties, covenants and agreements of the District contained herein, and in reliance upon the representations, warranties, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Bond Purchase

Contract to purchase, to accept delivery of and to pay for the Bonds are conditioned upon the performance by the District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and are also subject to the following additional conditions:

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

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

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

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

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

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

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

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

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

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

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

(9) A certificate, dated the Closing Date, signed by the Chairman or Vice-Chairman and the Secretary or an Assistant Secretary of the Board, setting forth that: (i) each of the representations of the District contained in Section 7 hereof was true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continue to be true and accurate in all material respects on the Closing Date as if made on such date; (ii) the District has performed all obligations to be performed hereunder as of the Closing Date; (iii) the District has never been in default as to principal or interest with respect to any obligation issued or guaranteed by the District (iv) the information and statements contained in the Limited Offering Memorandum, were, as of the date of the Limited Offering Memorandum, and are, as of the date hereof, true, correct and complete in all material respects and such information did not and does not include any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and no event affecting the District has occurred since the date of the Limited Offering Memorandum which should be disclosed in the Limited Offering Memorandum for the purposes for which it is to be used or which is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect as of the date hereof and (v) the District acknowledges its agreement to undertake its obligation under the Continuing Disclosure Agreement and is aware of the continuing disclosure requirements set forth in the Continuing Disclosure Agreement and the Rule 15c2-12;

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

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

(12) A copy of the executed DTC Blanket Issuer Letter of Representations entered into between the District and The Depository Trust Company, New York, New York (the "DTC Letter of Representations");

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

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

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

(16) a certificate of the Developer's engineer in substantially the form of the certificate included herein as **Exhibit H**;

(17) a certificate of the District Manager stating that: (i) the District Manager consents to the use of the Methodology as an appendix to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum (the "Report") and consents to the references to the firm in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (ii) the information contained in the Limited Offering Memorandum under the caption "SPECIAL ASSESSMENT METHODOLOGY" is true and correct in all material respects and does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements, in light of the circumstances under which they were made, not misleading; (iii) except as disclosed in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, the firm knows of no material change in the matters described in the Report and is of the opinion that the considerations and assumptions used in compiling the Report are reasonable; (iv) the information contained in the Report did not, and does not, contain any untrue statement of a material fact and did not, and does not, omit to state a material fact necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (v) the Series 2019 Special Assessments, as initially levied, and as may be reallocated from time to time as permitted by the resolutions adopted by the District with respect to the Series 2019 Special Assessments, are sufficient to enable the District to pay the debt service on the Bonds through the final maturity thereof.

(18) A Declaration of Consent to Jurisdiction of FRERC Community Development District and to Imposition of Special Assessments (the

"Declaration of Consent") executed and delivered by each owner of real property within the District which is subject to the Series 2019 Special Assessments;

(19) Evidence that the Assessment Resolution contains language permitting prepayment of the Series 2019 Special Assessments consistent with the financing structure, in a manner reasonably satisfactory to the Underwriter and its counsel, and that the Methodology reflects such structure;

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

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

(22) A special assessment acknowledgement from any party holding a mortgage on any property within the boundaries of the District owned by the Developer, in the form attached as **Exhibit I**;

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

(24) A certificate of the District Manager in the form attached as **Exhibit K**;

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

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

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

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

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

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

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

hereby or by the Limited Offering Memorandum or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

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

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

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

(viii) The District or Developer has, without the prior written consent of the Underwriter, offered or issued any bonds, notes or other obligations for borrowed money, or incurred any material liabilities, direct or contingent, related solely and exclusively to the lands subject to the Series 2019 Special Assessments or impacting the Series 2019 Special Assessments or, there has been an adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District or Developer other than in the ordinary course of its business.

#### 11. **Expenses.**

(a) The Underwriter shall be under no obligation to pay, and the District shall pay, any expense incident to the performance of the District's obligations hereunder including, but not limited to: (i) the cost of preparation, printing and delivery of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in reasonable quantities (but in no event less than as may be required by Section 4 hereof); (ii) the cost of preparation, printing and delivery of any supplements and amendments to the Limited Offering Memorandum; (iii) the cost of preparation and printing of the Bonds; (iv) the fees and disbursements of Bond Counsel and counsel to the District; (v) the fees and disbursements of the District Manager; (vi)

the fees and disbursements of any engineers, accountants, and other experts, consultants or advisors retained by the District; (vii) the fees and expenses of the Trustee, Paying Agent and Bond Registrar, and of their respective counsel, if any; (viii) expenses incurred on behalf of the District's employees which are incidental to implementing this Bond Purchase Contract, including without limitation, meals, transportation and lodging and (ix) the cost of recording in the Official Records of Orange County any Financing Documents or Ancillary Documents, or other documents or certificates that are required to be recorded pursuant to the terms of this Bond Purchase Contract. The District shall record all documents required to be provided in recordable from hereunder within seven business days after the Closing Date, which obligation shall survive Closing.

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

12. **Notices.** Any notice or other communication to be given to the District under this Bond Purchase Contract may be given by delivering the same in writing to the District Manager at Wrathell, Hunt and Associates, LLC, 2300 Glades Rd #410W, Boca Raton, FL 33431, Attention: Craig Wrathell, with a copy to District Counsel at Hopping Green & Sams, P.A., 119 South Monroe Street, Suite 300, Tallahassee, Florida 32301, Attention: Jonathan Johnson, and any notice or other communication to be given to the Underwriter under this Bond Purchase Contract may be given by delivering the same in writing to Morgan Stanley & Co., LLC, 2825 University Drive, Suite 400, Coral Springs, Florida 33065, Attention: J.W. Howard.

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

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

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

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

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

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

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

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

**SIGNATURE PAGE FOR  
BOND PURCHASE CONTRACT  
FRERC Community Development District  
Special Assessment Bonds, Series 2019**

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

Very truly yours,

**MORGAN STANLEY & CO., LLC**

By: \_\_\_\_\_  
Executive Director

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

**FRERC COMMUNITY DEVELOPMENT  
DISTRICT**

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

**EXHIBIT A**

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

The undersigned, as Underwriter, proposes to negotiate with the FRERC Community Development District (the "District") for the purchase of its Special Assessment Bonds, Series 2019 in the original aggregate principal amount of \$\_\_\_\_\_ (the "Series 2019 Bonds"). Arrangements for the purchase of the Bonds by the Underwriter from the District and the sale of the Bonds by the District to the Underwriter will include a Bond Purchase Contract between the District and the Underwriter that will embody the negotiations in respect thereof.

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

1. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Bonds are set forth in Schedule I attached hereto.
2. Based upon the knowledge of the Underwriter, there are no "finders", as defined in Section 218.386, Florida Statutes, as amended, connected with the issuance of the Bonds.
3. The amount of underwriting spread expected to be realized is:

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

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

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

The District is proposing to issue \$\_\_\_\_\_ of the Bonds for the purpose of providing moneys to: (i) finance the cost of acquiring, constructing and equipping the assessable improvements comprising the 2019 Project, (ii) pay certain costs associated with the issuance of the Bonds, (iii) pay a portion of the interest to become due on the Bonds, and (iv) fund the 2019 Reserve Account. The Bonds are expected to be repaid over a period of approximately [\_\_\_\_] years. At the interest rates set out in Exhibit B to the Purchase Contract, total interest paid over the life of the Bonds will be approximately \$[\_\_\_\_\_].

The source of repayment for the Bonds is the revenues derived by the District from the Series 2019 Special Assessments imposed, levied and collected upon real property located within the District specially benefited by the 2019 Project (as defined in the First Supplemental Indenture). Issuing the Bonds will result in \$[\_\_\_\_\_] (representing the average annual debt service payments due on the Bonds) of such special assessment revenues of the District not being available to the District on an annual basis to finance other services of the District; provided however, that in the event that the Bonds were not issued, the District would not be entitled to impose and collect the Series 2019 Special Assessments in the amount of the principal of and interest to be paid such Bonds.

6. The name and address of the Underwriter is:

Morgan Stanley & Co., LLC  
2825 University Drive, Suite 400  
Coral Springs, Florida 33065

IN WITNESS WHEREOF, the undersigned has executed this Disclosure and Truth-in-Bonding Statement on behalf of the Underwriter this \_\_\_\_ day of \_\_\_\_\_, 2019.

MORGAN STANLEY & CO., LLC

By: \_\_\_\_\_  
Executive Director

## SCHEDULE I

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

**EXHIBIT B**

**TERMS OF BONDS**

- 1. Par Amount: \$140,000,000
- 2. Amounts, interest rates, maturity dates and prices:

\$	%	Term Bonds Due	Price:	
\$	%	Term Bonds Due	Price:	
\$	%	Term Bonds Due	Price:	
\$	%	Term Bonds Due	Price:	

- 3. Redemption Provisions:

Optional Redemption.

The Series 2019 Bonds may, at the option of the District in writing, be called for redemption prior to maturity in whole or in part at any time on or after [\_\_\_\_\_] (less than all Series 2019 Bonds to be specified by the District in writing), at a Redemption Price equal to \_\_\_\_\_% of the principal amount of Series 2019 Bonds to be redeemed plus accrued interest from the most recent Interest Payment Date to the date of redemption.

Mandatory Sinking Fund Redemption.

The Series 2019 Bond maturing on [\_\_\_\_\_], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of \_\_\_\_\_% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on [\_\_\_\_\_]1 of the years and in the principal amounts set forth below:

[_____] 1 <u>of the Year</u>	<u>Amortization Installment</u>
	\$

\*

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

The Series 2019 Bond maturing on [\_\_\_\_\_] is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2019 Sinking Fund Account established under the Master Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of \_\_\_\_% of the principal amount thereof, without premium,

together with accrued interest to the date of redemption on [\_\_\_\_] 1 of the years and in the principal amounts set forth below:

<u>[____] 1 of the Year</u>	<u>Amortization Installment</u>
	\$

\*

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

The Series 2019 Bond maturing on [\_\_\_\_\_] is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2019 Sinking Fund Account established under the Master Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of \_\_\_% of the principal amount thereof, without premium, plus accrued interest to the date of redemption on [\_\_\_\_] 1 of the years and in the principal amounts set forth below:

<u>[____] 1 of the Year</u>	<u>Amortization Installment</u>
	\$

\*

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

The Bond maturing on [\_\_\_\_\_] is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2019 Sinking Fund Account established under the Master Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of \_\_\_% of the principal amount thereof, without premium, plus accrued interest to the date of redemption on [\_\_\_\_] 1 of the years and in the principal amounts set forth below:

[ ] 1  
of the Year

Amortization  
Installment

\$

\*

\* Maturity

Extraordinary Mandatory Redemption.

The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole, on any date, or in part, on any Redemption Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2018 Bonds to be redeemed, plus interest accrued to the date of redemption, as follows:

(i) from Series 2019 Prepayments deposited into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund following the payment in whole or in part of Series 2019 Special Assessments on any portion of the Series 2019 Lands in accordance with the provisions of Section 4.05(a) of the First Supplement, including any excess moneys transferred from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund resulting from such Series 2019 Prepayment pursuant to Section 4.01(f)(ii) of the First Supplement.

(ii) on or after the Completion Date of the Series 2019 Project, by application of moneys remaining in the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund not reserved by the District for the payment of any remaining part of the Cost of the Series 2019 Project, which has been transferred as specified in Section 4.01(a) of the First Supplement to the Series 2019 General Account of the Series 2019 Bond Redemption Fund, credited toward extinguishment of the Series 2019 Special Assessments and applied toward the redemption of the Series 2019 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2019 Special Assessments which the District shall describe to the Trustee in writing.

(iii) following condemnation or the sale of any portion of the Series 2019 Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys which are not to be used to rebuild, replace or restore the taken portion of the Series 2019 Project to the Trustee by or on behalf of the District

for deposit into the Series 2019 General Account of the Series 2019 Bond Redemption Fund in order to effectuate such redemption and, which moneys shall be applied by the District to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments which the District shall describe to the Trustee in writing.

(iv) following the damage or destruction of all or substantially all of the Series 2019 Project to such extent that, in the reasonable opinion of the District, the repair and restoration thereof would not be economical or would be impracticable, to the extent of amounts paid by the District to the Trustee for deposit to the Series 2019 General Account of the Series 2019 Bond Redemption Fund which moneys shall be applied by the District to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the District shall cause to be delivered to the Trustee (x) notice setting forth the date of redemption and (y) a certificate of the District Engineer confirming that the repair and restoration of the Series 2019 Project would not be economical or would be impracticable, such certificate upon which the Trustee shall be entitled to rely.

(v) from moneys, if any, on deposit in the Series 2019 Funds and Accounts (other than the Rebate Fund) sufficient to pay and redeem all Outstanding Series 2019 Bonds and accrued interest thereon to the date of redemption in addition to all amounts owed to Persons under the Master Indenture.

**EXHIBIT C**

**BOND COUNSEL'S SUPPLEMENTAL OPINION**

\_\_\_\_\_, 2019

Board of Supervisors  
FRERC Community Development District  
Orange County, Florida

Morgan Stanley & Co., LLC  
Coral Springs, Florida

\$ \_\_\_\_\_  
**FRERC COMMUNITY DEVELOPMENT DISTRICT  
Special Assessment Bonds, Series 2019**

Ladies and Gentlemen:

We have served as Bond Counsel to the FRERC Community Development District (the "Issuer") in connection with the issuance by the Issuer of its \$ \_\_\_\_\_ Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds"). The Series 2019 Bonds are being issued pursuant to Resolution No. 2018-24 adopted by the Board of Supervisors of the Issuer (the "Board") on August 22, 2018, as supplemented by Resolution No. 2019-\_\_\_\_\_ duly adopted by the Board on \_\_\_\_\_ (collectively the "Resolution"). The Series 2019 Bonds are being further issued under and are secured by a Master Trust Indenture dated as of January \_\_, 2019 (the "Master Indenture"), as supplemented with respect to the Series 2019 Bonds by a First Supplemental Trust Indenture dated as of \_\_\_\_\_, 2019 (the "First Supplement" and, together with the Master Indenture, the "Indenture"), each by and between the Issuer and U.S. Bank National Association, as trustee.

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

The opinions expressed herein are supplemental to and are subject to all qualifications, assumptions, limitations, caveats and reliances contained in our bond counsel opinion rendered to the Issuer as of the date hereof pertaining to the Series 2019 Bonds (the "Bond Counsel Opinion"). Morgan Stanley & Co., LLC may rely on the Bond Counsel Opinion as though the Bond Counsel Opinion were addressed to Morgan Stanley & Co., LLC.

(1) We have reviewed the statements contained in the Limited Offering Memorandum under the sections "DESCRIPTION OF THE Series 2019 Bonds", "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS", "COLLECTION OF SERIES 2019 SPECIAL ASSESSMENTS," and "FUNDS AND ACCOUNTS" and believe that

insofar as such statements purport to summarize certain provisions of the Indenture and the Series 2019 Bonds, such statements are accurate summaries of the provisions purported to be summarized. We have also reviewed the information contained in the Limited Offering Memorandum under the section captioned "TAX MATTERS" and believe that such information is accurate.

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

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

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

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

Respectfully submitted,

BRYANT MILLER OLIVE P.A.

**EXHIBIT D**

**ISSUER'S COUNSEL'S OPINION**

\_\_\_\_\_, 2019

FRERC Community Development District  
Board of Supervisors  
City of Ocoee, Florida

Morgan Stanley & Co., LLC  
Coral Springs, Florida

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

**Re:   \$ \_\_\_\_\_ FRERC Community Development District Special  
Assessment Bonds, Series 2019**

Ladies and Gentlemen:

We serve as counsel to the FRERC Community Development District (“**District**”), a local unit of special-purpose government established pursuant to the laws of the State of Florida, in connection with the sale by the District of its \$ \_\_\_\_\_ FRERC Community Development District Special Assessment Bonds, Series 2019 (“**Bonds**”). This letter is delivered to you pursuant to Section 3.01 of the Master Indenture (defined below), Section \_\_ of the First Supplemental Trust Indenture (defined below) and Section 9 of the Bond Purchase Contract (referenced below), and is effective as of the date first written above. Each capitalized term not otherwise defined herein has the meaning given it to it in the Indenture (defined herein).

**A. DOCUMENTS EXAMINED**

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

1. Ordinance 2018-028, enacted by the City Commissioners of the City of Ocoee, Florida, enacted and effective as of August 7, 2018 (“**Establishment Ordinance**”);
2. the *Master Trust Indenture*, dated as of January \_\_, 2019 (“**Master Indenture**”), as supplemented by the *First Supplemental Trust Indenture*, dated as of \_\_\_\_\_, 2019 (“**Supplemental Trust Indenture**,” and together with the Master Indenture, “**Indenture**”), each by and between the District and U.S. Bank National Association, as successor trustee and trustee, respectively (“**Trustee**”);

3. Resolutions Nos. 2018-24 and \_\_\_\_\_ adopted by the District on August 22, 2018 and \_\_\_\_\_, respectively (collectively, “**Bond Resolution**”);
4. the *Engineer’s Report for FRERC Community Development District* dated April 30, 2018, as last revised September 6, 2018 (“**Engineer’s Report**”), which describes among other things, the “**Series 2019 Project**;”
5. the *FRERC Community Development District Master Special Assessment Methodology Report*, dated September 25, 2018 (“**Assessment Methodology**”);
6. Resolution No. \_\_\_\_\_ adopted by the District on \_\_\_\_\_, 2019, respectively (collectively, “**Assessment Resolution**”), establishing the debt service special assessments (“**Debt Assessments**”) securing the Bonds;
7. the *Final Judgment* issued on October 22, 2018 by the Circuit Court for the Ninth Judicial Circuit in and for Orange County, Florida in Case No. 2018-CA-9168, and Certificate of No Appeal issued on \_\_\_\_\_;
8. the Preliminary Limited Offering Memorandum dated January \_\_, 2019 (“**PLOM**”) and Limited Offering Memorandum dated \_\_\_\_\_, 2019 (“**LOM**”);
9. certain certifications by Morgan Stanley & Co., LLC (“**Underwriter**”), as underwriter to the sale of the Bonds;
10. certain certifications of Terra-Max Engineering, Inc., as District Engineer;
11. certain certifications of Wrathell, Hunt and Associates, LLC, as District Manager and Assessment Consultant;
12. general and closing certificate of the District;
13. an opinion of Bryant Miller Olive P.A. (“**Bond Counsel**”) issued to the District in connection with the sale and issuance of the Bonds;
14. an opinion of Holland & Knight LLP (“**Trustee Counsel**”) issued to the District and Underwriter in connection with the sale and issuance of the Bonds;
15. an opinion of counsel to the Developer, issued to the District and the Underwriter in connection with the sale and issuance of the Bonds;
16. the following agreements (collectively “**Bond Agreements**”):
  - a. [the Acquisition Agreement between the District and the Developer, and dated \_\_\_\_\_];
  - b. the Collateral Assignment and Assumption Agreement between the District and the Developer, and dated \_\_\_\_\_;
  - c. the Completion Agreement between the District and the Developer, and dated [\_\_\_\_\_];
  - d. the Continuing Disclosure Agreement between the District, the Developer, and a dissemination agent, and dated \_\_\_\_\_;
  - e. the Bond Purchase Contract between the Underwriter and the District, and dated \_\_\_\_\_ (“**BPC**”);
  - f. the True-Up Agreement between the District and the Developer, and dated \_\_\_\_\_; and
17. [a Declaration of Consent to Jurisdiction executed by the Developer, and dated \_\_\_\_\_]; and
18. such other documents as we have deemed necessary or appropriate in rendering the opinions set forth below.

We have also attended various meetings of the District and have participated in conferences from time to time with representatives of the District, the District Engineer, the

District Manager and Assessment Consultant, Bond Counsel, the Underwriter, counsel to the Underwriter, the Developer, Developer's Counsel, and others relative to the Limited Offering Memorandum and the related documents described herein.

## **B. RELIANCE**

This opinion is solely for the benefit of the (i) District; (ii) the Underwriter; and (iii) the Trustee. This opinion may not be relied on by any other party or for any other purpose without our prior written consent.

## **C. OPINIONS**

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

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

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

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

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

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

6. **PLOM and LOM** – The District has duly authorized the execution, delivery and distribution by the Underwriter of the PLOM and LOM. To our knowledge, and based upon our review of the PLOM and LOM and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the PLOM and LOM, and as of the date of their respective issuances, and with respect to the PLOM, the date of the BPC, and with respect to the LOM, the date hereof, nothing has come to our attention which would lead us to believe that the PLOM and LOM contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, provided however that the opinions stated herein extend only to the following provisions of the PLOM and LOM: “INTRODUCTION,” “SUITABILITY FOR INVESTMENT,” “ENFORCEMENT OF ASSESSMENT COLLECTIONS,” “THE DISTRICT” (excluding the subcaption “The District Manager”), “ASSESSMENT METHODOLOGY,” “AGREEMENT BY THE STATE,” “LEGALITY FOR INVESTMENT,” “CONTINUING DISCLOSURE” (as it relates to the District only), “LITIGATION – The District,” and “VALIDATION,” and further provided however that the opinions stated herein do not extend to any statements that constitute descriptions of the Bonds or the Indenture. No information or opinion is offered as to any remaining provisions of the PLOM or LOM.

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

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

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

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

In rendering the foregoing opinions, we have assumed the following: (1) that all public records, certifications, agreements and other documents examined by us that have been executed or certified by public officials acting within the scope of their official capacities are authentic, truthful and accurate; (2) that copies of such public records, certifications, agreements, and other documents furnished to us are authentic and conform to the originals; (3) that all signatures on executed public records, certifications, agreements and other documents are genuine; and (4) that all public records, certifications, agreements and other documents have been properly authorized and are binding on each of the other parties thereto. Such assumptions do not apply to District documents.

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

The foregoing opinions are subject to the following qualifications:

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

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

the fact that specific performance and other equitable remedies are granted only in the discretion of a court.

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

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

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

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

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

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

Very truly yours,

HOPPING GREEN & SAMS P.A.



**EXHIBIT E**

**CERTIFICATE OF ISSUER'S CONSULTING ENGINEER**

\_\_\_\_\_, 2019

FRERC Community Development District  
City of Ocoee, Florida

Morgan Stanley & Co., LLC  
Coral Springs, Florida

U.S. Bank National Association  
Fort Lauderdale, Florida

Re: \$\_\_\_\_\_ FRERC Community Development District Special  
Assessment Bonds, Series 2019 (the "Bonds")

Ladies and Gentlemen:

The undersigned serves as the Consulting Engineer to FRERC Community Development District (the "Issuer"). This Certificate is furnished pursuant to Section 9 of the Bond Purchase Contract dated \_\_\_\_\_ between the Issuer and Morgan Stanley & Co., LLC relating to the sale of the above-captioned Bonds (the "Bonds"). Terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in said Bond Purchase Contract or in the Limited Offering Memorandum dated \_\_\_\_\_ relating to the Bonds (the "Limited Offering Memorandum").

1. All governmental permits and approvals required to commence and complete construction, acquisition and installation of the Series 2019 Project have been obtained or can reasonably be obtained in the ordinary course. The Series 2019 Project is expected to be completed by \_\_\_\_\_, 20\_\_\_\_.

2. The information contained in the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2019 and the Limited Offering Memorandum under the caption "THE DEVELOPMENT" and in the Engineer's Report (the "Engineer's Report") included as appendix to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum did not, and does not, to the best of our knowledge, contain any untrue statement of a material fact and did not, and does not, omit to state a material fact necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The Engineer's Report was prepared in accordance with generally accepted engineering practices. We consent to the inclusion of the Engineer's Report in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and to the references to our firm therein.

3. The plans and specifications for the Series 2019 Project have been approved by all regulatory bodies required to approve them (such regulatory bodies consisting of those referred to in Engineer's Report) or such approval can reasonably be expected to be obtained.

4. All water and sewer utilities necessary to serve the lands specially benefited by Series 2019 Project as described in the Limited Offering Memorandum, are, or will be, available as and when needed.

5. The portion of the Series 2019 Project heretofore constructed has been constructed in a sound workmanlike manner and in accordance with industry standards and the plans and specifications therefor.

6. The purchase price to be paid by the Issuer for any portion of the Series 2019 Project being acquired by the Issuer is no more than the lesser of: (i) the fair market value of such improvements and (ii) the actual cost of construction of such improvements.

**TERRA-MAX ENGINEERING, INC.**

By: \_\_\_\_\_

\_\_\_\_\_  
Title:

**EXHIBIT F**

**CERTIFICATE OF DEVELOPER**

\_\_\_\_\_, 2019

FRERC Community Development District  
c/o Wrathell, Hunt and Associates, LLC, as District Manager  
Boca Raton, Florida

Morgan Stanley & Co., LLC  
Coral Springs, Florida

U.S. Bank National Association  
Fort Lauderdale, Florida

Re: \$\_\_\_\_\_ FRERC Community Development District Special  
Assessment Bonds, Series 2019 (the "Bonds")

The undersigned, a duly authorized representative of City Center West Orange, LLC, a Florida limited liability company (collectively the "Developer") hereby certifies that:

1. This Certificate is furnished pursuant to Section 9 of the Bond Purchase Contract (the "Bond Purchase Contract") dated \_\_\_\_\_, between the FRERC Community Development District (the "District") and Morgan Stanley & Co., LLC relating to the sale of the above referenced Bonds. Terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in said Bond Purchase Contract.

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

3. The information contained in the Preliminary Limited Offering Memorandum dated \_\_\_\_\_ and the Limited Offering Memorandum dated \_\_\_\_\_, 2019, each relating to the Bonds, under the captions or subcaptions "INTRODUCTION" (to the extent it describes the Landowner, the Developer, and the Development, "BONDHOLDERS' RISKS" (to the extent it describes the Landowner, the Developer, and the Development) – "THE DEVELOPMENT" and "LITIGATION", is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements, in light of the circumstances under which they were made, not misleading. The Developer agrees that if between the date hereof and the earlier of: (i) ninety (90) days from the end of the "Underwriting Period" as defined in Securities Exchange Commission Rule 15c2-12 (17 CFR 240.15c2-12) ("Rule 15c2-12"); or (ii) the time when the Limited Offering Memorandum is available to any person from a nationally recognized municipal securities information repository (but in no event less than twenty-five (25) days following the end of the Underwriting Period), any event shall occur of which the Developer shall have actual

knowledge, which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact relating to the Developer or the Series 2019 Project, or to omit to state a material fact relating to the Developer or the Series 2019 Project necessary to make the statements therein, in the circumstances under which were made, not misleading, the Developer 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 Developer will, at its expense, supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter.

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

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

6. As of the date hereof, there has been no material adverse change in the business, properties, assets or financial condition of the Developer that would have a material and adverse impact on the value of the Series 2019 Project or the ability of Developer to develop such lands which has not been disclosed to the Underwriter.

7. The Developer consents to the levy of the Series 2019 Special Assessments on the lands in the District owned by Developer. The levy of the Series 2019 Special Assessments on the lands in the District owned by Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which the Developer is a party or to which its property or assets are subject.

8. There is no litigation pending or, to our knowledge, threatened which would prevent or prohibit the development of the Series 2019 Project and the Series 2019 Project in accordance with the description thereof in the Limited Offering Memorandum and the Consulting Engineers' Report annexed thereto. The Developer is proceeding in its normal course of business to develop the Series 2019 Project. Except as otherwise disclosed in the Limited Offering Memorandum, there is no action, suit or proceedings at law or in equity by or before

any court or public board or body pending or, solely to the best of our knowledge, threatened against the Developer (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of Developer Documents, (b) contesting or affecting the validity or enforceability of the Developer 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 Developer, or of the Developer's business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Developer or the Series 2019 Project as described in the Limited Offering Memorandum.

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

10. There are no mortgages or similar liens on the real property owned or to be owned by the Developer within the area subject to the Series 2019 Special Assessments as of the date hereof other than as disclosed in the Limited Offering Memorandum.

11. All 2018 and prior years taxes relating to the lands in the District owned by the Developer have been paid and there are no real estate taxes currently due with respect to such lands which are unpaid.

12. Nothing has occurred which would lead the Developer to believe that all water and sewer utilities necessary to serve the 2019 Project, as such is described in the Limited Offering Memorandum, are, or will be, available as and when needed. The lands in the Series 2019 Project have the appropriate land use, zoning and other governmental approvals and development agreements to permit the development thereof as contemplated by the Limited Offering Memorandum and the Consulting Engineer's Report attached thereto. Except as otherwise disclosed in the Limited Offering Memorandum, all material conditions of the governmental development approvals and agreements applicable to the land in the Series 2019 Project have been complied with as of the date hereof or will be complied with in due course and there are no conditions therein that must be complied with in the future that would limit the development of the Series 2019 Project (including infrastructure improvements needed for the Series 2019 Project not included in the 2019 Project) as described in the Limited Offering Memorandum.

13. The Developer acknowledges that it will have no rights under Chapter 170, Florida Statutes, as amended, to prepay, without interest, the Series 2019 Special Assessments imposed on lands in the District owned by it within thirty (30) days following completion of the Series 2019 Project and acceptance thereof by the District.

14. The Developer acknowledges that the Bonds have the debt service requirements set forth under the heading "ANNUAL DEBT SERVICE REQUIREMENTS " in the Limited Offering Memorandum and that the Series 2019 Special Assessments will be levied by the

District at times, and in amounts sufficient, to enable the District to pay debt service on the Bonds when due.

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

16. All contracts for sale entered into by Developer for real property to be encumbered by Series 2019 Special Assessments have contained the disclosure language required by Section 190.048, Florida Statutes.

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

18. The Developer is not in material default under the Developer Documents or any resolution, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which the Developer is subject, or by which its properties are or may be bound, which would have a material adverse effect on the Series 2019 Project.

19. The Developer is complying in all material respects with all provisions of applicable law in all material matters relating to the Series 2019 Project and its undertaking as described in the Limited Offering Memorandum, including applying for all remaining necessary permits and approvals and modifications thereof as contemplated by the Limited Offering Memorandum and the Consulting Engineer's Report attached thereto. The Developer hereby certifies that: (a) the lands in the Series 2019 Project have the appropriate governmental approvals to permit the development of the Series 2019 Project; (b) the Developer has not taken any action that would cause it to be in default of and has no knowledge of any default under, any zoning condition, permit or development agreement which would adversely affect the District's ability to complete development of the capital improvement program as described in the Limited Offering Memorandum and all appendices thereto or the Developer's ability to complete the Series 2019 Project as described in the Limited Offering Memorandum and all appendices thereto; and (c) assuming compliance with the material conditions of the governmental orders, permits and approvals applicable to the Series 2019 Project, all of which conditions are within the control of the Developer, the Series 2019 Project will be able to be developed as described in the Limited Offering Memorandum.

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

21. Pursuant to the terms of that certain Completion Agreement between the District and the Developer, the Developer agrees to fund all District capital improvements described in the Engineer's Report and needed for the Series 2019 Project not financed by the District.

22. The Developer is not aware of any condition related to the Series 2019 Project which currently requires, or is reasonably expected to require in the foreseeable future, investigation or remediation under any applicable federal, state or local governmental laws or regulations relating to the environment.

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

24. There has been no action taken by or omitted by the Developer that impairs the contemplated transactions by the District with respect to the Bonds, including: (a) the issuance and sale of the Bonds upon the terms set forth in the Bond Purchase Contract; (b) the approval of the Limited Offering Memorandum and the signing of the Limited Offering Memorandum by a duly authorized officer of the District; (c) the acquisition and construction of the 2019 Project (as described in the Limited Offering Memorandum); and (d) the execution, delivery and receipt of the Bond Purchase Contract, the Bonds, the Master Trust Indenture dated as of \_\_\_\_\_, 2019 (the "Master Indenture"), and the First Supplemental Trust Indenture, dated as of \_\_\_\_\_, 2019 and together with the Master Indenture, the "Indenture"), the Continuing Disclosure Agreement, any of the Ancillary Documents and any and all such other agreements or documents as may be required to be executed, delivered and received by the District in order to carry out, give effect to, and consummate the transactions contemplated by the Limited Offering Memorandum and the Indenture. The Developer acknowledges and consents to those provisions of the Bond Purchase Contract which reference it.

25. The Developer recognizes that the certifications, representations and warranties provided by the Developer in this certificate and by its agents pursuant to the Bond Purchase Contract (collectively, the "Certifications") serve as a material inducement for the District to issue the Bonds which will provide infrastructure, services and facilities benefiting the property within the District's boundaries, including property within the Series 2019 Project, and for the Underwriter to underwrite and purchase the Bonds. The Developer hereby holds the District and the Underwriter harmless from and against any and all proceedings, judgments, obligations, losses, damages, deficiencies, settlements, assessments, charges, costs and expenses (including without limitation reasonable attorneys' fees, paralegals' fees, investigation expenses, court costs, interest and penalties through all negotiations, trial and appellate levels) arising out of or in connection with, or caused directly or indirectly by, any breach or failure of any of the Certifications or any of such Certifications being incorrect or misleading in any material respect or having omitted any information necessary to make such Certifications not misleading.

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

Dated: \_\_\_\_\_, 2019.

**CITY CENTER WEST ORANGE, LLC**, a  
Florida limited liability company

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT G**

[Form of Opinion of Counsel to the Developer]

\_\_\_\_\_, 2019

Morgan Stanley & Co., LLC  
1560 Sawgrass Corporate Parkway, Suite 466  
Coral Springs, FL 33023

Re: \$\_\_\_\_\_ FRERC Community Development District Special Assessment  
Bonds, Series 2019 (the "Bonds")

Ladies and Gentlemen:

We are counsel to City Center West Orange, LLC, a Florida limited liability company, (the "Developer"). We have served as counsel to the Developer in connection with the issuance by FRERC Community Development District (the "District") of the above-referenced Bonds as described in the District's Preliminary Limited Offering Memorandum, dated \_\_\_\_\_ (the "Preliminary Limited Offering Memorandum") and the Limited Offering Memorandum dated \_\_\_\_\_, 2019 (the "Limited Offering Memorandum"). Unless otherwise expressly defined herein, capitalized terms used herein have the respective meanings assigned to them in the Limited Offering Memorandum or in the Bond Purchase Contract for the Bonds (the "Contract of Purchase").

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

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

A. The Developer is organized, existing and in good standing under the laws of the State of Florida. The Developer has all requisite power and authority to conduct its business as described in the Limited Offering Memorandum including the development of the 2019 Project.

B. The Developer has lawful authority to undertake the development of the 2019 Project as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and I am not aware of any action taken or omitted by the Developer that impairs the completion of the 2019 Project.

C. To my knowledge, there has been no action taken by or omitted by the Developer that prevents any of the following transactions of the District; (a) the issuance and sale of the Bonds upon the terms set forth in the Contract of Purchase and in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (b) the approval of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum by a duly authorized officer of the District; (c) the acquisition and construction of the 2019 Project; and (d) the execution, delivery and receipt of the Financing Documents and the Ancillary Documents to which it is a party.

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

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

F. To our knowledge and based upon inquiry with the Clerk of the Courts for Orange County through \_\_\_\_\_, there was at that time no action, suit or proceedings at law or in equity by or before any such courts, public board or body pending or threatened against the Developer (a) seeking to restrain or enjoin the issuance or delivery of the Bonds or the application of the proceeds thereof, or the levy or collection of the Series 2019 Special Assessments, (b) contesting or affecting the authority for the issuance of the Bonds or the validity or enforceability of the Bonds, the Financing Documents, the Developer Documents or the transactions contemplated thereunder, (c) contesting or affecting the establishment or existence, of the Developer or any of its officers or employees, its assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Developer, including its power to develop the Development and its ownership interest in Development which could if determined adversely to the Developer have a material adverse effect upon the construction of the Series 2019 Project by the Developer or the District, or (d) which, if determined adversely to the Developer, would have a material adverse impact on the ability of the Developer to sell lands in the Series 2019 Project as contemplated by the Limited Offering Memorandum.

G. The Developer has complied with all provisions of applicable law in all matters relating to the Series 2019 Project and its undertaking as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and the Indenture including receiving all permits, consents or licenses and making all notices to or filings with governmental

authorities required as of this date, except as set forth in the Limited Offering Memorandum. The Series 2019 Project lands are completely vested and zoned for their intended use. All government permits and approvals, as described in the Limited Offering Memorandum, including the consulting engineer's report attached thereto, have been received or are expected to be received as needed. We have no reason to believe that any permits, consent and licenses required to complete the Series 2019 Project as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and the Indenture will not be obtained as required.

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

I. In reliance upon the Ownership and Encumbrance Report No. \_\_\_\_ dated \_\_\_\_ prepared by \_\_\_\_\_, at that time, all of the assessable properties that are owned by the Developer were free and clear of any liens or encumbrances (without regard to priority of lien, as to which no opinion is expressed) that would impede the construction of the Series 2019 Project and the Development of as contemplated in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, and all appendices. The levy of the Series 2019 Special Assessments on the property in the District subject thereto and owned by the Developer will not conflict with, constitute a breach of, or default under any indenture or other mortgage instrument relative to the property in the District which the Developer is a party. There are not mortgages on the property subject to the Series 2019 Special Assessments owned by the Developer, other than as described in the Limited Offering Memorandum.

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

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

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

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

Very truly yours,

WINDERWEEDLE HAINES WARD & WOODMAN

**EXHIBIT H**

**CERTIFICATE OF DEVELOPER 'S ENGINEER**

\_\_\_\_\_, 2019

FRERC Community Development District  
City of Ocoee, Florida

Morgan Stanley & Co., LLC  
Coral Springs, Florida

U.S. Bank National Association  
Fort Lauderdale, Florida

Re: \$\_\_\_\_\_ FRERC Community Development District Special  
Assessment Bonds, Series 2019 (the "Series 2019 Bonds")

Ladies and Gentlemen:

The undersigned has been engaged to provide engineering services City Center West Orange, LLC, a Florida limited liability company (collectively the "Developer ") in connection with the development known as "City Center West Orange" located within the boundaries of FRERC Community Development District (the "Issuer"). This Certificate is furnished pursuant to Section 9 of the Bond Purchase Contract dated \_\_\_\_\_, 2019, between the Issuer and Morgan Stanley & Co., LLC relating to the sale of the above-captioned Bonds. Terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in said Bond Purchase Contract or in the Limited Offering Memorandum dated \_\_\_\_\_, 2019 relating to the Bonds (the "Limited Offering Memorandum").

1. The information under the subcaptions "THE DEVELOPMENT – Permitting and Concurrency Matters," "THE DEVELOPMENT – Environmental Matters," and "THE CIP" in the Preliminary Limited Offering Memorandum dated January \_\_, 2019 and the Limited Offering Memorandum is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

2. To the best of our knowledge, after reasonable investigation, the governmental permits and approvals currently required to complete the Series 2019 Project as described in the Limited Offering Memorandum and to complete the infrastructure needed to serve the Series 2019 Project are in place or are reasonably obtainable in the ordinary course. The infrastructure needed for the Series 2019 Project not included in the Series 2019 Project being undertaken by the Issuer is expected to be complete by \_\_\_\_\_, 20\_\_\_\_. All material conditions of the land use and zoning ordinances and other governmental development orders, approvals, and agreements applicable to the Series 2019 Project have been complied with as of the date hereof and there are

no conditions therein that must be complied with in the future that would limit the development thereof (including internal subdivision improvements and master infrastructure) as described in the Limited Offering Memorandum.

3. All water and sewer utilities necessary to serve the Series 2019 Project as such development is described in the Limited Offering Memorandum, are, or will be, available as and when needed.

**TERRA-MAX ENGINEERING, INC.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT I**

**MORTGAGEE SPECIAL ASSESSMENT ACKNOWLEDGMENT**

Prepared by and after recording  
return to:

**MORTGAGEE SPECIAL ASSESSMENT ACKNOWLEDGMENT**

This MORTGAGEE SPECIAL ASSESSMENT ACKNOWLEDGMENT is made as of this \_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_ (the "Mortgagee").

A. The Mortgagee is the owner and holder of [\_\_\_\_] mortgages in the principal amount of \$\_\_\_\_\_ and \_\_\_\_\_, respectively, and related security interests (collectively, the "Mortgage") with respect to the lands legally described on Exhibit A (the "Mortgaged Property") within the boundaries of the FRERC Community Development District owned by City Center West Orange, LLC, a Florida limited liability company (collectively, the "Mortgagor").

B. The Mortgagee is the owner and holder of certain Promissory Note(s) executed by the Mortgagor and secured by the Mortgage (collectively, the "Note").

C. The Mortgage encumbers the real and personal property described therein, located in Orange County, Florida (the "Mortgaged Property").

D. The Mortgaged Property is included within a special independent district known as FRERC Community Development District (the "District").

E. The District to intends to issue its Special Assessment Bonds, Series 2019 (City of Ocoee, Florida) (the "Bonds") to finance certain infrastructure improvements and facilities for the benefit of all or a portion of the Mortgaged Property and the District has imposed and levied, or will impose and levy, non-ad valorem special assessments on all or a portion of the Mortgaged Property in accordance with Florida law in an amount sufficient to pay the principal of and interest on the Bonds when due (the "Series 2019 Special Assessments").

F. In order to induce the District to impose and levy the Series 2019 Special Assessments and issue the Bonds for the benefit of the Mortgaged Property, the District has required and the Mortgagor has requested that the Mortgagee provide such acknowledgments and agreements as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Mortgagee agrees as follows:

1. Recitals. The above Recitals are true and correct and are incorporated herein by reference as if set forth in full herein.

2. Covenants by the Mortgagee. The Mortgagee makes the following acknowledgments and agreements to and for the benefit of the District, its successors and assigns, and the current and future holders of the Bonds:

(a) The Mortgagee acknowledges that the Series 2019 Special Assessments will impose a statutory first lien on all or a portion of the Mortgaged Property, superior to the lien of the Mortgage.

(b) The Mortgagee agrees that it will not assert against the District, the Trustee for the Bonds or the holders of the Bonds that the lien of the Series 2019 Special Assessments, or the payment of the Series 2019 Special Assessments, does or will violate any provision of the Mortgage, the Note or any other agreement made by the Mortgagor with or for the benefit of Mortgagee, in connection with the Mortgage or the Note.

(c) The Mortgagee agrees that it will not in any way contest the legality or the validity of the Series 2019 Special Assessments or contest or challenge the levy, imposition and/or collection of the Series 2019 Special Assessments or any of the proceedings heretofore or to be conducted in connection therewith.

(d) The Mortgagee agrees that if the Mortgagee becomes the fee simple owner of the Mortgaged Property, whether by judicial foreclosure, private foreclosure, deed-in-lieu of foreclosure or otherwise, its title to the Mortgaged Property is subject to all unpaid Series 2019 Special Assessments.

3. Mortgage Not Affected. This Mortgagee Special Assessment Acknowledgment is made by Mortgagee solely for the benefit of the District and the current and future holders of the Bonds. Nothing herein shall in any way affect the Mortgage or limit Mortgagee's rights or Mortgagor's obligations under the Mortgage. Without limiting the generality of the foregoing, nothing herein shall limit Mortgagee's ability to declare a default under the Mortgage in the event of a violation of the terms of the Mortgage.

4. Mortgagee Waivers. By execution of this Mortgagee Special Assessment Acknowledgment, the Mortgagee hereby waives any default under the Note or the Mortgage arising solely from the issuance of the Bonds and the levy, imposition and/or collection of the Series 2019 Special Assessments. No other waiver is given or implied.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Mortgagee has caused this instrument to be executed the day and year first above written.

[MORTGAGEE]

WITNESSES:

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_ as \_\_\_\_\_ of [\_\_\_\_\_]. Such person is personally known to me or has produced \_\_\_\_\_ as identification, and did/did not take an oath or affirmation.

\_\_\_\_\_

Printed/Typed Name: \_\_\_\_\_

Notary Public-State of \_\_\_\_\_

Commission Number: \_\_\_\_\_

**EXHIBIT J**

**UNDERWRITERS CERTIFICATE**

The undersigned, acting on behalf of Morgan Stanley & Co., LLC, (the "Underwriter") as the "Underwriters"), for the \$\_\_\_\_\_ FRERC Community Development District Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds"), hereby certifies to the sale and issuance of the Series 2019 Bonds:

1. Sale of Bonds. As of the date of this certificate, for each maturity of the Series 2019 Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. Defined Terms.

(a) Issuer means FRERC Community Development District.

(b) Maturity means Series 2019 Bonds with the same credit and payment terms Series 2019 Bonds. Series 2019 Bonds with different maturity dates, or Series 2019 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

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

(d) Underwriter means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2019 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(e) "Sale Date" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is \_\_\_\_\_, 2019.

The Issuer may rely on the statements made herein in connection with making the representations set forth in the Federal Tax Certificate to which this Certificate is attached and in its efforts to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel may also rely on this Certificate for purposes of its opinion regarding the treatment of interest on the Series 2019 Bonds as excludable from gross income for federal income tax purposes. Except as expressly set forth above, the certifications set forth therein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Underwriter is not engaged in the practice of law. Accordingly, the Underwriter makes no representation as to the legal sufficiency of the factual matters set forth herein. The Underwriter does not warrant the validity of the representations set

forth above for purposes of Section 103 and 141 through 150 of the Code or make any representation as to the legal sufficiency of the factual matters set forth herein.

Dated: \_\_\_\_\_, 2019.

**MORGAN STANLEY & CO., LLC**

By: \_\_\_\_\_

Title: Executive Director

**EXHIBIT K**

**CERTIFICATE OF DISTRICT MANAGER**

We have acted as district manager to FRERC Community Development District (the "District") in connection with the sale and issuance by the District of its \$\_\_\_\_\_ aggregate principal amount of Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds") and have participated in the preparation of the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2019 and the final Limited Offering Memorandum dated \_\_\_\_\_, 2019, related to the Series 2019 Bonds (collectively, the "Limited Offering Memoranda").

1. As District Manager, nothing has come to our attention that would lead us to believe that the Limited Offering Memoranda, as it relates to the District, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

2. The information set forth in the Limited Offering Memoranda under the subcaptions "THE DISTRICT", "ASSESSMENT METHODOLOGY," "FINANCIAL STATEMENTS," "LITIGATION – The District," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE," (as it relates to the District), did not as of the respective dates of the Limited Offering Memoranda and does not as of the date hereof contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

3. As District Manager and registered agent for the District, we are not aware of any litigation pending, or to the best of our knowledge, threatened against the District restraining or enjoining the issuance, sale, execution or delivery of the Series 2019 Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or security provided for the payment of the Series 2019 Bonds, or the existence or powers of the District.

Dated: \_\_\_\_\_, 2019.

**WRATHELL, HUNT AND ASSOCIATES, LLC**

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

**FRERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**6C**

**NEW ISSUE - BOOK-ENTRY ONLY  
LIMITED OFFERING****NOT RATED**

*In the opinion of Bryant Miller Olive, P.A., Bond Counsel, under existing statutes, regulations, rulings and court decisions and assuming continuing compliance with certain covenants and the accuracy of certain representations, (a) interest on the Series 2019 Bonds (as hereinafter defined) is under Section 103 of the Code excludable from gross income for federal income tax purposes, (b) interest on the Series 2019 Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (c) interest on the Series 2019 Bonds will be taken into account in determining adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on the income of corporations, and (d) the Series 2019 Bonds and the interest thereon will not be subject to taxation under the laws of the State of Florida, except estate taxes and taxes imposed under Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined therein. For a more complete discussion of the tax aspects, see "TAX MATTERS."*

**FRERC COMMUNITY DEVELOPMENT DISTRICT  
(City of Ocoee, Florida)**

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

**Special Assessment Bonds, Series 2019**

**Dated: Date of Delivery****Due: \_\_\_\_\_ 1, as shown on the inside cover**

FRERC Community Development District (the "District") is issuing its FRERC Community Development District Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds") only in fully registered form, without coupons. The Series 2019 Bonds shall be registered in denominations of \$100,000 and integral multiples of \$5,000 thereof. The Series 2019 Bonds will bear interest at the fixed rates set forth on the inside cover, calculated on the basis of a 360-day year comprised of twelve thirty-day months, payable semi-annually on each [ ] 1 and [ ] 1, commencing [ ] 1, 2019. The Series 2019 Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2019 Bonds will be made in book-entry only form. Accordingly, principal of and interest on the Series 2019 Bonds will be paid from the sources provided below by U.S. Bank National Association, Orlando, Florida, as trustee (the "Trustee") directly to DTC as the registered owner thereof. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants, as more fully described herein. Any purchaser as a beneficial owner of a 2019 Bond must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Series 2019 Bonds. See "DESCRIPTION OF THE Series 2019 Bonds—Book-Entry Only System" herein.

Pursuant to a Master Trust Indenture dated as of [ ] 1, 2019 (the "Indenture"), as supplemented by the First Supplemental Indenture dated \_\_\_\_\_ (the "First Supplemental Indenture" and together with the Master Indenture, collectively, the "Indenture") and entered into between the District and the Trustee, the District has issued its \$ \_\_\_\_\_ FRERC Community Development District Special Assessment Bonds, Series 2019. Proceeds of the Series 2019 Bonds will be used to (i) pay the Costs of constructing and/or acquiring certain additional public infrastructure improvements within and without the District's boundaries (collectively, the "2019 Project") that are part of the CIP; (ii) pay interest on the Series 2019 Bonds through \_\_\_\_\_, 2019; (iii) fund the 2019 Reserve Account of the Reserve Fund for the Series 2019 Bonds; and (iv) pay costs of issuance of the Series 2019 Bonds.

The Series 2019 Bonds are being issued by the District, a local unit of special-purpose government of the State of Florida, created in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by Ordinance No. 2018-028 of the City Commission of the City of Ocoee, Florida (the "City"), enacted and effective on August 7, 2018, as amended. See "THE DISTRICT—Legal Powers and Authority" herein. The Series 2019 Bonds are being issued pursuant to the Act and the Indenture dated as of \_\_\_\_\_, 2019 and entered into between the District and the Trustee (the "Indenture") and certain resolutions of the District. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

The Series 2019 Bonds are payable from and secured by the 2019 Pledged Revenues and the 2019 Pledged Funds (collectively, the "2019 Trust Estate"). The 2019 Pledged Revenues consist of the revenues derived by the District from the 2019 Special Assessments. The 2019 Special Assessments are the non-ad valorem special assessments levied against the specially benefited property within the District that is subject to the 2019 Special Assessments as a result of the 2019 Project or any portion thereof (the "Benefitted Parcels"). The 2019 Pledged Funds consist of all moneys on deposit in the Funds and Accounts created under the Indenture in respect of the Series 2019 Bonds, including earnings thereon, but excluding amounts on deposit in the 2019 Rebate Account and the 2019 Costs of Issuance Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS—'General' and 'Lands Subject to 2019 Special Assessments,'" "SPECIAL ASSESSMENT METHODOLOGY" and "APPENDIX E—Assessment Methodology Report."

The Series 2019 Bonds are subject to optional, mandatory and extraordinary mandatory redemption as more fully described herein under the caption "DESCRIPTION OF THE SERIES 2019 BONDS—Redemption Provisions"

**THE SERIES 2019 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM 2019 PLEDGED REVENUES AND 2019 PLEDGED FUNDS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2019 BONDS. THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY FOR COLLECTION 2019 Special Assessments TO PAY THE SERIES 2019 BONDS. THE SERIES 2019 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, ORANGE COUNTY, FLORIDA, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION.**

The initial offering of the Series 2019 Bonds is limited under Florida law to accredited investors within the meaning of the rules of the Florida Department of Financial Services. This limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2019 Bonds. THE SERIES 2019 BONDS ARE NOT CREDIT ENHANCED, ARE NOT RATED AND NO APPLICATION HAS BEEN MADE FOR A RATING WITH RESPECT TO THE SERIES 2019 BONDS. NOR IS THERE ANY REASON TO BELIEVE THAT THE DISTRICT WOULD HAVE BEEN SUCCESSFUL IN OBTAINING EITHER CREDIT ENHANCEMENT FOR THE SERIES 2019 BONDS OR A RATING FOR THE SERIES 2019 BONDS HAD APPLICATION BEEN MADE. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2019 BONDS. INVESTMENT IN THE SERIES 2019 BONDS POSES CERTAIN RISKS AND THE SERIES 2019 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL POTENTIAL INVESTORS. SEE "UNDEVELOPED LAND AND CONCENTRATION RISK," "BONDHOLDERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN. SEE ALSO "THE DISTRICT—ADDITIONAL MATTERS RELATING TO SPECIAL DISTRICTS" FOR A DISCUSSION OF CERTAIN TAX MATTERS APPLICABLE TO SPECIAL DISTRICTS.

See the inside cover page hereof for maturities, principal amounts, rates, initial yields and prices on the Series 2019 Bonds.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2019 Bonds. Investors must read this entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

The Series 2019 Bonds are offered for delivery when, as and if issued by the District and accepted by Morgan Stanley, as the underwriter of the Series 2019 Bonds ("Morgan Stanley"), subject to prior sale, withdrawal or modification of the offer without notice and the receipt of the opinion of Bryant Miller Olive, P.A., Orlando, Florida, Bond Counsel, as to the validity of the Series 2019 Bonds and the excludability of interest thereon from gross income for federal income tax purpose and certain legal matters will be passed upon for Morgan Stanley & Co., LLC by its counsel Akerman, LL, Florida. Hopping Green & Sams, P.A., Tallahassee, Florida is serving as Counsel to the District. Holland & Knight, LLP, Miami, Florida is serving as Counsel to the Trustee. It is expected that the Series 2019 Bonds will be delivered in book-entry form through the facilities of DTC, New York, New York on or about \_\_\_\_\_, 2019.

**MORGAN STANLEY & CO., LLC**

Dated \_\_\_\_\_, 2019

MATURITIES, PRINCIPAL AMOUNTS, RATES, YIELDS, PRICES  
AND INITIAL CUSIP NUMBERS

\$ \_\_\_\_\_ % Term Series 2019 Bonds Due \_\_\_\_\_ Yield \_\_\_\_ %  
Price \_\_\_\_\_ Initial CUSIP No. \_\_\_\_\_

\$ \_\_\_\_\_ % Term Series 2019 Bonds Due \_\_\_\_\_ Yield \_\_\_\_ %  
Price \_\_\_\_\_ Initial CUSIP No. \_\_\_\_\_

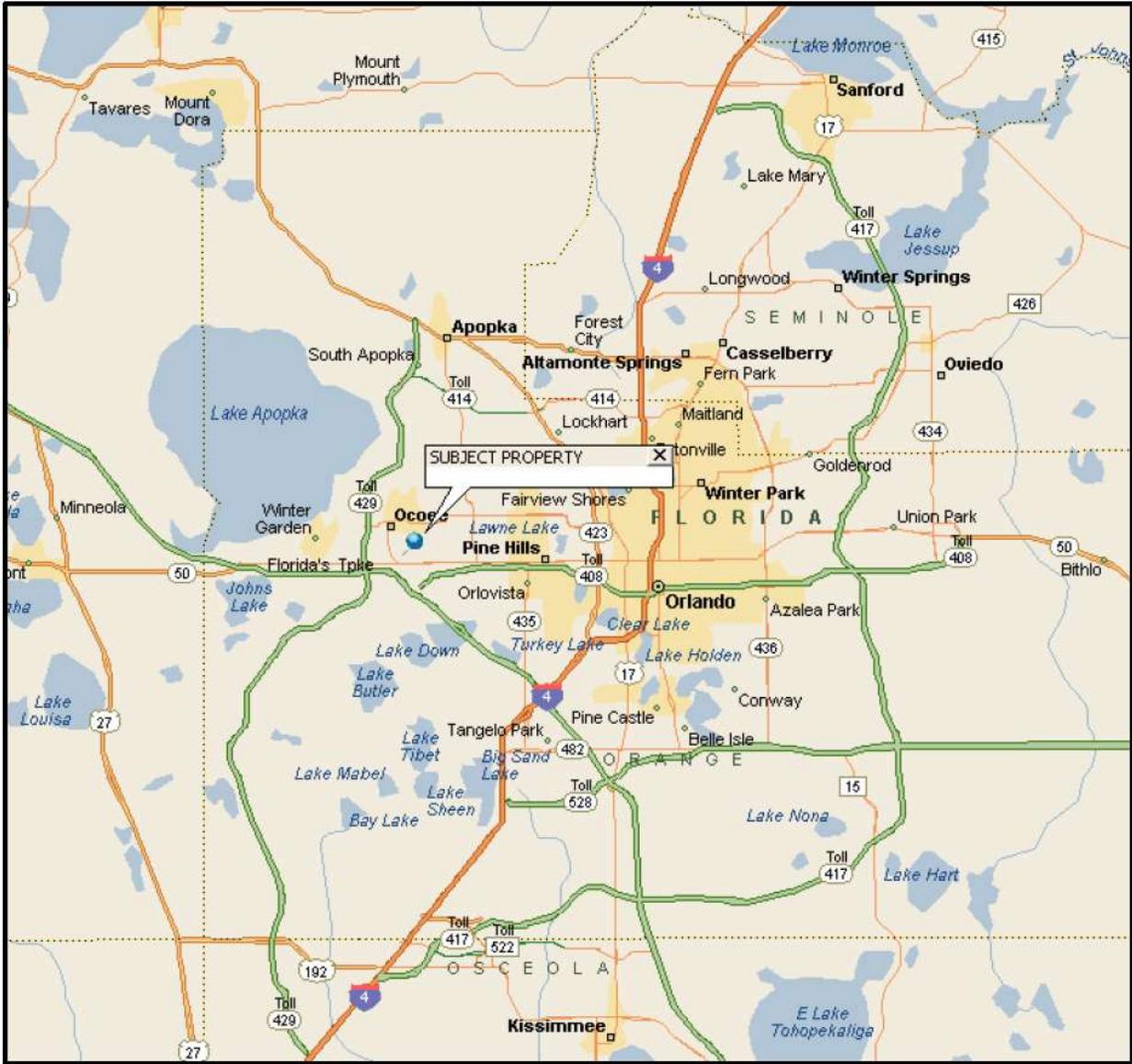
\$ \_\_\_\_\_ % Term Series 2019 Bonds Due \_\_\_\_\_ Yield \_\_\_\_ %  
Price \_\_\_\_\_ Initial CUSIP No. \_\_\_\_\_

(c) Priced to first optional call date of \_\_\_\_\_.

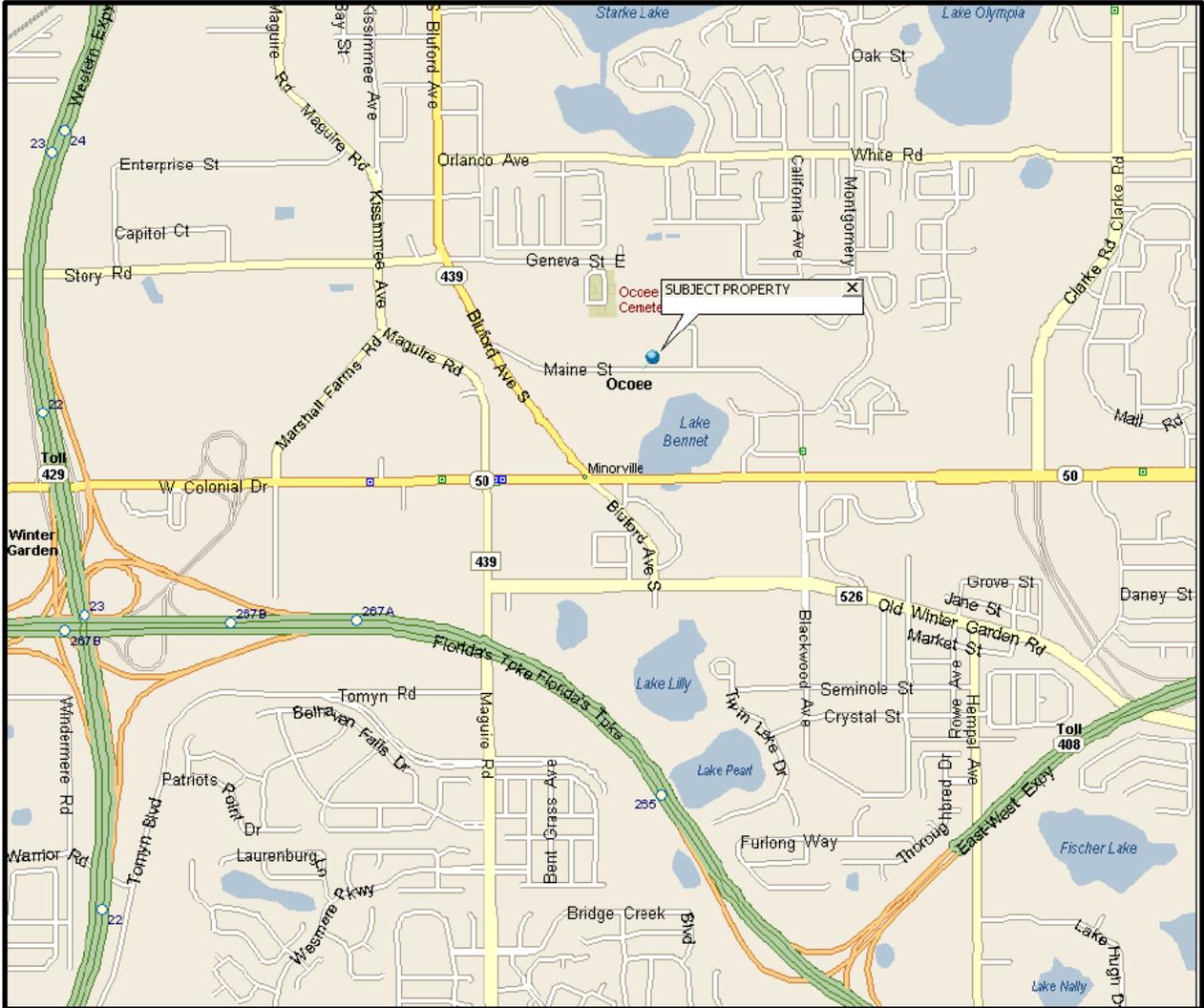
\* Copyright, American Bankers Association (ABA). CUSIP data is provided by Standard & Poor's CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc., and neither the District nor Morgan Stanley (as such terms are hereinafter defined) takes any responsibility for the accuracy thereof. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. The CUSIP numbers are included solely for the convenience of the readers of this Limited Offering Memorandum. 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.

The following maps depict the general location of the Development (as defined herein). Also set forth below is a graphic depicting the location of the various components constructed or currently planned to be constructed in the Development. See “THE DEVELOPMENT” herein.









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No dealer, broker, salesperson, or other person has been authorized by FRERC Community Development District (the “District”) or Morgan Stanley & Co., LLC (“Morgan Stanley” 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. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the District or the Landowner (defined herein), its affiliates, the Developer (defined herein) or the Development (defined herein) since the date hereof. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy and there shall be no offer, solicitation, or sale of the Series 2019 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 public documents, records and other sources, including the Landowner, which are believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, Morgan Stanley. Morgan Stanley has provided the following sentence for inclusion in this Limited Offering Memorandum. Morgan Stanley 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 Morgan Stanley does not guarantee the accuracy or completeness of such information.

The Series 2019 Bonds have not been registered under the Securities Act of 1933, nor has the Indenture been qualified under the Trust Indenture Act of 1939. The registration or qualification of the Series 2019 Bonds under the securities laws of any jurisdiction in which they may have been registered or qualified, if any, shall not be regarded as a recommendation thereof. None of the State of Florida, Orange County, Florida or any of their agencies has passed upon the merits of the Series 2019 Bonds. None of the State of Florida, Orange County, Florida or any of their agencies has passed upon the accuracy or completeness of this Limited Offering Memorandum.

Statements contained herein that are not purely historical, are forward-looking statements, including statements regarding the District’s, the Landowner’s and the Developer’s expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included herein are based on information available on the date hereof, and the District assumes no obligation to update any such forward-looking statements. Such forward-looking statements are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the District, the Landowner, its affiliates and the Developer. Actual results could differ materially from those discussed in such forward-

looking statements and, therefore, there can be no assurance that the forward-looking statements included herein will prove to be accurate.

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM (“ORIGINAL BOUND FORMAT”) OR IN ELECTRONIC FORMAT ON THE WEBSITE [[www.MuniOS.com](http://www.MuniOS.com)]. THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IF IT IS PRINTED IN FULL DIRECTLY FROM SUCH WEBSITE.

Certain information in this Limited Offering Memorandum has been provided by The Depository Trust Company, New York, New York (“DTC”). The District has not provided information in this Limited Offering Memorandum with respect to DTC and does not certify as to the accuracy or sufficiency of the disclosure policies of or content provided by DTC and is not responsible for the information provided by DTC.

THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE A CONTRACT BETWEEN THE DISTRICT OR MORGAN STANLEY AND ANY ONE OR MORE OF THE OWNERS OF THE SERIES 2019 BONDS.

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

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**LIMITED OFFERING MEMORANDUM**

**FRERC COMMUNITY DEVELOPMENT DISTRICT  
(City of Ocoee, Florida)**

\$ \_\_\_\_\_<sup>1</sup>

**Special Assessment Bonds, Series 2019**

**INTRODUCTION**

The purpose of this Limited Offering Memorandum, including the cover page, inside cover page and Appendices hereto, is to provide certain information in connection with the offer for sale by the District of its Special Assessment Bonds, Series 2019 (the “Series 2019 Bonds”). The District is a local unit of special-purpose government of the State of Florida, created pursuant to the Act (the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended), by ordinance of City Commission of the City of Ocoee, Florida (the “City”) enacted and effective August 7, 2018, as amended. See “THE DISTRICT—Legal Powers and Authority” herein. The Series 2019 Bonds are being issued pursuant to the Act and a Master Trust Indenture to be dated \_\_\_\_\_ (the “Indenture”) between the District and U.S. Bank National Association, as trustee (the “Trustee”), and certain resolutions of the District. Reference is made to the Indenture for a statement of the authority for, and the terms and provisions of, the Series 2019 Bonds. All capitalized terms used in this Limited Offering Memorandum that are defined in the Indenture and not defined herein shall have the respective meanings set forth in the Indenture. See “APPENDIX B—Master Trust Indenture”.

Investment in the Series 2019 Bonds poses certain risks and the Series 2019 Bonds are not a suitable investment for all potential investors. See “BONDHOLDERS’ RISKS” and “SUITABILITY FOR INVESTMENT” herein. No person has been authorized by the District or Morgan Stanley to give any information or to make any representations, other than those contained in this Limited Offering Memorandum and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The initial offering of the Series 2019 Bonds is limited under Florida law to accredited investors within the meaning of the rules of the Florida Department of Financial Services. This limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2019 Bonds. THE SERIES 2019 BONDS ARE NOT CREDIT ENHANCED, ARE NOT RATED AND NO APPLICATION HAS BEEN MADE FOR A RATING WITH RESPECT TO THE SERIES 2019 BONDS, NOR IS THERE ANY REASON TO BELIEVE THAT THE DISTRICT WOULD HAVE BEEN SUCCESSFUL IN OBTAINING EITHER CREDIT ENHANCEMENT FOR THE SERIES 2019 BONDS OR A RATING FOR THE SERIES 2019 BONDS HAD APPLICATION BEEN MADE. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2019 BONDS. INVESTMENT IN THE SERIES 2019 BONDS POSES CERTAIN RISKS AND THE SERIES 2019 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL POTENTIAL INVESTORS. SEE “UNDEVELOPED

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<sup>1</sup> This figure is preliminary and subject to change.

LAND AND CONCENTRATION RISK,” “BONDHOLDERS’ RISKS” AND “SUITABILITY FOR INVESTMENT” HEREIN. SEE ALSO “THE DISTRICT—ADDITIONAL MATTERS RELATING TO SPECIAL DISTRICTS” FOR A DISCUSSION OF CERTAIN TAX MATTERS APPLICABLE TO SPECIAL DISTRICTS.

The lands governed by the District are located entirely within the boundaries of the City and encompass approximately 97.404 acres of land.

Proceeds of the Series 2019 Bonds will be used to (i) pay the Costs of undertake the design, acquisition and/or construction of certain improvements pursuant to the Act (collectively, the “2019 Project”); (ii) pay interest on the Series 2019 Bonds through \_\_\_\_\_; (iii) fund the 2019 Reserve Account of the Reserve Fund for the Series 2019 Bonds; and (iv) pay costs of issuance of the Series 2019 Bonds. See “ESTIMATED SOURCES AND USES OF 2019 BOND PROCEEDS” herein.

The Series 2019 Bonds are payable from and secured by the 2019 Pledged Revenues and the 2019 Pledged Funds (collectively, the “2019 Trust Estate”). The 2019 Pledged Revenues consist of the revenues derived by the District from the 2019 Special Assessments. The 2019 Special Assessments are the non-ad valorem special assessments levied against the specially benefited property within the District that is subject to assessment as a result of the 2019 Project or any portion thereof (the “Benefitted Parcels”). The 2019 Pledged Funds consist of all moneys on deposit in the Funds and Accounts created under the Indenture in respect of the Series 2019 Bonds, including earnings thereon, but excluding amounts on deposit in the 2019 Rebate Account and the 2019 Costs of Issuance Account. See “SECURITY FOR AND SOURCE OF PAYMENT OF THE Series 2019 Bonds—`General’ and ‘Lands Subject to 2019 Special Assessments,” “SPECIAL ASSESSMENT METHODOLOGY” and “APPENDIX E—Assessment Methodology Report.”

The landowner in the District is comprised of five separate entities: CBPW Corporation, a Florida corporation; Maine Boulevard, LLC, a Florida limited liability company; Skytop Grove, Ltd., a Florida Limited partnership; Lake Bennett Village – Ocoee, LLC, a Wyoming limited liability company; and Main Street North 2, LLC, a Florida limited liability company (collectively, the “Landowner”). City Center West Orange, LLC, a Florida limited liability company (the “Developer”) is serving as development manager of the Development. See “THE LANDOWNER AND THE DEVELOPER.” It is anticipated that [\_\_\_\_\_] and its affiliates will continue to own all of the land subject to the 2019 Special Assessments through the final maturity of the Series 2019 Bonds, respectively. See “UNDEVELOPED LAND AND CONCENTRATION RISK,” “BONDHOLDERS’ RISKS” AND “SUITABILITY FOR INVESTMENT.”

The Development is being constructed as the mixed-use project known as “City Center West Orange” entirely within the boundary of the City. The Development currently includes 97.404 gross acres, all of which are within the boundaries of the District. The Development is expected to have several major components of mixed-use development including residential units, retail and restaurant components, office area, and an urban center, all to be completed in five phases, for an estimated year of completion by [\_\_\_\_\_]. See “THE DEVELOPMENT—`General’ and ‘Components of the Development’.”

The Assessment Proceedings relating to the Series 2019 Bonds provide for the levy of the 2019 Special Assessments only on the assessable property currently in the District's boundaries. As noted earlier, the Additional Acreage is expected to be subject to the 2019 Special Assessments in the event it is annexed into the District's boundaries. See "SPECIAL ASSESSMENT METHODOLOGY", "BONDHOLDERS' RISKS—Item No. 4" and "APPENDIX E—Assessment Methodology Report."

There follows in this Limited Offering Memorandum a brief description of the District, the Development, the Landowner, the Developer, and the 2019 Project, together with summaries of terms of the Series 2019 Bonds, the Indenture and certain provisions of the Act, the Transportation Agreement (hereinafter defined) and the Appraisal Report. All references herein to the Indenture, the Act, the Transportation Agreement and the Appraisal Report (hereinafter defined) are qualified in their entirety by reference to such documents and all references to the Series 2019 Bonds are qualified by reference to the form thereof and the information with respect thereto contained in the Indenture. For the full text of the Indenture, see "APPENDIX B—Master Trust Indenture." Certain information herein under the captions "THE LANDOWNER AND THE DEVELOPER" and "THE DEVELOPMENT" has been furnished to the District by the Landowner.

## **DESCRIPTION OF THE SERIES 2019 BONDS**

### **General Description**

The Series 2019 Bonds will be dated, will bear interest at the rates per annum and, subject to the redemption provisions set forth below, will mature on the dates and in the amounts set forth on the inside cover page of this Limited Offering Memorandum. Interest on the Series 2019 Bonds is to be computed on the basis of a 360-day year consisting of twelve thirty-day months and will be payable semi-annually on May 1 and November 1, commencing on November 1, 2019, until maturity or prior redemption. U.S. Bank National Association is the Trustee, Paying Agent and Registrar for the Series 2019 Bonds.

The Series 2019 Bonds shall be registered in denominations of \$5,000 and integral multiples thereof. The Series 2019 Bonds are being issued as fully registered bonds, without coupons. The Series 2019 Bonds will be initially issued in the form of a single fully-registered certificate for each maturity thereof. Upon initial issuance, the ownership of the Series 2019 Bonds will be registered in the bond register kept by the Trustee in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). See "DESCRIPTION OF THE Series 2019 Bonds—Book-Entry Only System" below.

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

Subject to the policies and procedures of DTC (or any successor securities depository), the District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event Series 2019 Bonds certificates will be printed and delivered.

The following contains a description of the procedures and operations of DTC and is based upon information provided by DTC. The District and Morgan Stanley have not

independently investigated or verified such procedures and operations and assume no responsibility for the accuracy or completeness of the description thereof.

DTC, New York, New York, will act as securities depository for the Series 2019 Bonds. The Series 2019 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 certificate for the Series 2019 Bonds will be issued for each maturity of the Series 2019 Bonds, as set forth on the inside cover page of this Limited Offering Memorandum, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest 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 one hundred (100) countries that DTC's Participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to as the "DTC Participants." DTC has Standard & Poor's rating: AA+. The DTC Rules applicable to DTC 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 2019 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2019 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmation 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 2019 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 2019 Bonds, except in the event that use of the book-entry system for the Series 2019 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019 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 2019 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 2019 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019 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 2019 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2019 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2019 Bonds may wish to ascertain that the nominee holding the Series 2019 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 by the Trustee to DTC. If less than all of the Series 2019 Bonds within a Series or maturity of a Series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2019 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption payments on the Series 2019 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants or Indirect 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, nor its nominee, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distribution and dividend payments on the Series 2019 Bonds, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants will be the

responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2019 Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2019 Bond certificates are required to be printed and delivered.

Subject to the policies and procedures of DTC (or any successor securities depository), the District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2019 Bonds certificates will be printed and delivered.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2019 BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE HOLDER OF THE SERIES 2019 BONDS OR REGISTERED OWNERS OF THE SERIES 2019 BONDS SHALL MEAN DTC AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2019 BONDS.

The District can make no assurances that DTC will distribute payments of principal of, redemption price, if any, or interest on the Series 2019 Bonds to the Direct Participants, or that Direct and Indirect Participants will distribute payments of principal of, redemption price, if any, or interest on the Series 2019 Bonds or redemption notices to the Beneficial Owners of such Series 2019 Bonds or that they will do so on a timely basis, or that DTC or any of its Participants will act in a manner described in this Limited Offering Memorandum. The District is not responsible or liable for the failure of DTC to make any payment to any Direct Participant or failure of any Direct or Indirect Participant to give any notice or make any payment to a Beneficial Owner in respect to the Series 2019 Bonds or any error or delay relating thereto.

The rights of holders of beneficial interests in the Series 2019 Bonds and the manner of transferring or pledging those interests are subject to applicable state law. Holders of beneficial interests in the Series 2019 Bonds may want to discuss the manner of transferring or pledging their interest in the Series 2019 Bonds with their legal advisors.

NONE OF THE DISTRICT, THE TRUSTEE OR THE PAYING AGENT SHALL HAVE ANY OBLIGATION WITH RESPECT TO ANY DEPOSITORY PARTICIPANT OR BENEFICIAL OWNER OF THE SERIES 2019 BONDS DURING SUCH TIME AS THE SERIES 2019 BONDS ARE REGISTERED IN THE NAME OF A SECURITIES DEPOSITORY PURSUANT TO A BOOK-ENTRY ONLY SYSTEM OF REGISTRATION.

## **Redemption Provisions**

### Optional Redemption

The Series 2019 Bonds are subject to redemption at the option of the District prior to maturity, in whole or in part, on any date on or after \_\_\_\_\_ at the Redemption Price of 100% of the principal amount of such Series 2019 Bonds or portions thereof to be redeemed, together with accrued interest to the redemption date.

Mandatory Redemption

The Series 2019 Bonds maturing on \_\_\_\_\_ are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2019 Sinking Fund Account in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the redemption date, on \_\_\_\_\_ of the years and in the principal amounts set forth below:

<u>Year</u>	<u>Amortization Installments</u>
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\*Final Maturity

The Series 2019 Bonds maturing on \_\_\_\_\_ are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2019 Sinking Fund Account in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the redemption date, on \_\_\_\_\_ of the years and in the principal amounts set forth below:

<u>Year</u>	<u>Amortization Installments</u>
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\*

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\*Final Maturity

The Series 2019 Bonds maturing on \_\_\_\_\_ are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2019 Sinking Fund Account in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the redemption date, on \_\_\_\_\_ of the years and in the principal amounts set forth below:

<u>Year</u>	<u>Amortization Installments</u>
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Year                      Amortization  
Installments

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\*Final Maturity

As more particularly set forth in the Indenture, any Series 2019 Bonds purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amounts as purchased will be applied as a credit against the applicable Amortization Installment of Series 2019 Bonds.

Upon redemption or purchase of the Series 2019 Bonds (other than redemption in accordance with scheduled Amortization Installments), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so that Debt Service on the Series 2019 Bonds is amortized in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2019 Bonds,

Extraordinary Mandatory Redemption

The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to scheduled maturity, in whole on any date or in part on any Interest Payment Date, and if in part, on a pro rata basis calculated by the District determined by the ratio of the Outstanding principal amount of each maturity of the Series 2019 Bonds, treating for such purposes each Amortization Installment as a maturity, divided by the aggregate principal amount of Outstanding Series 2019 Bonds and as otherwise provided in the Indenture, at the Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the redemption date, if and to the extent that any one or more of the following shall have occurred:

- (i) On or after the Date of Completion of the 2019 Project, and after payment of all Deferred Costs, by application of moneys transferred from the 2019 Acquisition

and Construction Fund to the Prepayment Account of the 2019 Redemption Account in accordance with the terms of the Indenture; or

(ii) Amounts are deposited into the Prepayment Account of the 2019 Redemption Account from prepayment of 2019 Special Assessments and from amounts deposited into the Prepayment Account of the 2019 Redemption Account from the 2019 Reserve Account; or

(iii) After the payment of all Deferred Costs when the amount on deposit in the 2019 Reserve Account, together with other moneys available therefore, are sufficient to pay and redeem all Series 2019 Bonds then Outstanding as provided in the Indenture.

### **Partial Redemption of Series 2019 Bonds**

Except as otherwise provided in the Indenture, if less than all of the Series 2019 Bonds subject to redemption shall be called for redemption, the particular Series 2019 Bonds or portions of such Series 2019 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture.

### **Notice of Redemption**

When required to redeem Series 2019 Bonds under any provision of the Indenture or when directed to do so by the District, the Trustee, as Bond Registrar, shall cause notice of the redemption to be mailed at least thirty (30) but not more than sixty (60) days prior to the Redemption Date to each Registered Owner of Series 2019 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Trustee, as Paying Agent, all as provided in the Indenture, the Series 2019 Bonds or portions thereof so called for redemption will become and be due and payable at the Redemption Price provided for the redemption of such Series 2019 Bonds or portions thereof on such date, interest on such Series 2019 Bonds or such portions thereof so called for redemption will cease to accrue, such Series 2019 Bonds or such portions thereof so called for redemption will cease to be entitled to any benefit or security under the Indenture and the Owners thereof will have no rights in respect of such Series 2019 Bonds or such portions thereof called for redemption except to receive payments of the Redemption Price thereof so held by the Trustee, as Paying Agent. No defect in said notice nor any failure to give all or any portion of such further notice will in any manner defeat the effectiveness of a call for redemption if notice thereof is given as described above. See "APPENDIX B—Master Trust Indenture."

Notwithstanding the foregoing or any other provision of the Indenture, if at the time of mailing the notice of an optional redemption or purchase, the District shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the Series 2019 Bonds called for redemption or purchase, such notice shall state that it 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. See "APPENDIX B —Master Trust Indenture."

## **Authority to Purchase Series 2019 Bonds**

The District has the option, from any moneys available, to purchase the Series 2019 Bonds for cancellation, all as more fully provided in the Indenture. See "APPENDIX B—Master Trust Indenture."

## **SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS**

### **General**

THE SERIES 2019 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT, PAYABLE SOLELY FROM 2019 PLEDGED REVENUES AND 2019 PLEDGED FUNDS PLEDGED THEREFOR UNDER THE INDENTURE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE DISTRICT, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2019 BONDS. THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY FOR COLLECTION 2019 Special Assessments TO PAY THE SERIES 2019 BONDS. THE SERIES 2019 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, ORANGE COUNTY, FLORIDA, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION.

The District is authorized by the Act and other applicable law to finance construction and/or acquisition of the 2019 Project by levying the 2019 Special Assessments upon the Benefitted Parcels. The 2019 Special Assessments are a type of non-ad valorem assessment which may be imposed against the Benefitted Parcels upon the basis of a special benefit to such lands determined to result from the implementation of the 2019 Project. Non-ad valorem assessments are not based on millage and become a lien against the homestead as permitted by Section 4, Article X of the Florida State Constitution.

Payment of the principal of, premium, if any, and interest on the Series 2019 Bonds is secured by a pledge of the 2019 Trust Estate, which consists of the 2019 Pledged Revenues and the 2019 Pledged Funds. The District will certify in connection with the issuance of the Series 2019 Bonds that the 2019 Trust Estate is not pledged to any other obligations of the District.

The 2019 Pledged Revenues consist of all revenues received by the District from the 2019 Special Assessments levied and collected from the owners of the Benefitted Parcels, comprised of all assessable property in the District specially benefitted by the 2019 Project or portions thereof, and including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such 2019 Special Assessments or from the issuance and sale of tax certificates with respect to such 2019 Special Assessments. 2019 Pledged Revenues do not include revenues received by the District from: (a) Assessments levied and collected with respect to one or more other Series of Bonds, including without limitation amounts 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; and (b) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the

District under Section 190.021(3) of the Act. The 2019 Pledged Funds consist of all moneys on deposit in the Funds and Accounts created under the Indenture in respect of the Series 2019 Bonds, including earnings thereon, but excluding amounts on deposit in the 2019 Rebate Account and the 2019 Costs of Issuance Account. See "FUNDS AND ACCOUNTS" herein and "APPENDIX B—Master Trust Indenture."

The District covenants in the Indenture to cause any revenues from 2019 Special Assessments collected or otherwise received by it to be deposited with the Trustee within five Business Days after receipt for deposit into the 2019 Revenue Account (provided that all 2019 Prepayment Principal relating to the 2019 Special Assessments shall upon receipt by the Trustee be deposited to the 2019 Prepayment Account of the Bond Redemption Fund). For a discussion of the manner in which payments of the 2019 Special Assessments are collected and enforced, see "COLLECTION OF 2019 SPECIAL ASSESSMENTS" and "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The District also covenants in the Indenture to comply with the terms of the Assessment Proceedings adopted with respect to the 2019 Special Assessments, including the assessment methodology set forth in the Assessment Methodology Report which is attached hereto as "APPENDIX E" and to levy the 2019 Special Assessments and any required "principal reduction payments" as set forth in such report, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2019 Bonds when due. The District covenants in the Supplemental Indenture that it will not amend the Assessment Proceedings without the prior written consent of the Majority Owners. See also "True-Up Agreement" below.

The District has further covenanted in the Indenture that if any 2019 Special Assessments 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 2019 Special Assessments are so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such 2019 Special Assessments when it might have done so, the District shall either: (i) take all necessary steps to cause new 2019 Special Assessments to be made for the whole or any part of the 2019 Project or against any property benefitted by said 2019 Project; or (ii) in its sole discretion, make up the amount of such 2019 Special Assessments from legally available moneys, which moneys shall be deposited into the appropriate Account for the Series 2019 Bonds in the Revenue Fund. In case such subsequent 2019 Special Assessments shall be annulled, the District shall obtain and make other 2019 Special Assessments until valid 2019 Special Assessments are made.

### **Additional Parity Bonds**

The District covenants in the Indenture not to issue any other Bonds or other debt obligations secured by or payable from the 2019 Trust Estate. The Issuer covenants that it will not issue any debt secured by or payable from revenues received through the collection of non-ad valorem special assessments levied on any of the land encumbered by the 2019 Special Assessments. Such covenant shall not prohibit the District from issuing refunding Bonds that result in debt service savings as certified by the District Manager or from levying non-ad valorem special assessments on property subject to the 2019 Special Assessments which are necessary for health, safety or welfare reasons or to remediate a natural disaster or for

reconstruction and/or repair, renewal and/or replacement purposes and from issuing Bonds secured by such assessments.

### **Land Subject to 2019 Special Assessments**

The Consulting Engineer's Report attached hereto as "APPENDIX A" determines that all of the assessable property in the District specially benefits from the 2019 Project. The 2019 Special Assessments will be levied on the Benefitted Parcels, on an equal pro-rata gross acreage basis with respect to property that has not received a certificate of occupancy, and on an equivalent unit basis, in accordance with the District's adopted special assessment methodology, with respect to developed property that has received a certificate of occupancy. As the property is developed and receives a development or site approval, the 2019 Special Assessments will be allocated to such properties on an equivalent unit basis in accordance with the Assessment Methodology Report. Further, to the extent that any parcel has not received development or site approval, but is sold to another developer or builder, the 2019 Assessment will be assigned to such parcel at the time of sale based on the development rights associated with such parcel that is conveyed or transferred to buyer. See "COLLECTION OF 2019 SPECIAL ASSESSMENTS," "SPECIAL ASSESSMENT METHODOLOGY" AND "APPENDIX E—ASSESSMENT METHODOLOGY Report." When collected pursuant to the Uniform Method, the amounts to be assessed include a gross-up to cover the administrative fees of the County Tax Collector and County Property Appraiser for collecting the 2019 Special Assessments as well as anticipated discounts associated with early payment of the 2019 Special Assessments. See "APPENDIX E—Assessment Methodology Report."

The District may enforce the payment of the 2019 Special Assessments in the manner described herein under the heading "ENFORCEMENT OF ASSESSMENT COLLECTIONS."

### **Prepayment of 2019 Special Assessments**

Pursuant to Chapter 170, Florida Statutes, the owner of property subject to 2019 Special Assessments may pay the entire balance of the 2019 Special Assessments remaining due, without interest, within thirty (30) days after the 2019 Project has been completed and the Board of Supervisors has adopted a resolution accepting the 2019 Project as provided by Section 170.09, Florida Statutes. The Landowner will covenant at the time of issuance of the Series 2019 Bonds not to prepay the 2019 Special Assessments under Section 170.09, Florida Statutes on the land owned by it. This covenant will be binding upon, and run with, the land in the District owned by the Landowner. This covenant will not be obtained from any other landowners in the District.

The proceedings relating to the levy of the 2019 Special Assessments will also provide that any owner of property subject to 2019 Special Assessments may pay the entire principal balance of 2019 Special Assessments associated with the Series 2019 Bonds remaining due, in part one time, and in whole at any time, if there is also paid an amount equal to the interest that would otherwise be due on such balance on the next succeeding Interest Payment Date for the Series 2019 Bonds or, if prepaid during the forty-five (45) day period preceding such Interest Payment Date, on the second succeeding Interest Payment Date.

The Series 2019 Bonds are subject to extraordinary mandatory redemption as indicated under "DESCRIPTION OF THE SERIES 2019 BONDS—Redemption Provisions—Extraordinary Mandatory Redemption" from prepayments of 2019 Special Assessments by property owners. The prepayment of 2019 Special Assessments does not entitle the owner of the property to a discount for early payment.

### **Adjustments to 2019 Special Assessments**

Under applicable Florida law upon completion of the 2019 Project, the 2019 Special Assessments are to be credited, pro rata, with any excess of the original 2019 Special Assessments over the actual cost of the 2019 Project funded from proceeds of the Series 2019 Bonds. In making such credit, no credit shall be given for bond financing costs, funded reserves or bond discount.

### **Indenture Provisions Relating to Bankruptcy or Insolvency**

Section 9.34 of the Indenture contains the provisions set forth below, which are applicable to the Series 2019 Bonds. The provisions of Section 9.34 shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to at least five percent (5%) of the 2019 Special Assessments pledged to the Series 2019 Bonds (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").

Pursuant to Section 9.34 of the Indenture, the District acknowledges and agrees that, although the Series 2019 Bonds were issued by the District, the Owners of the Series 2019 Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving an Insolvent Taxpayer: (i) the District agrees that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2019 Bonds Outstanding prior to making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the 2019 Special Assessments relating to the Series 2019 Bonds Outstanding, the Outstanding Series 2019 Bonds or any rights of the Trustee under the Indenture (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2019 Bonds Outstanding to the proposed action if the District does not receive a written response from the Trustee within forty-five (45) days following request for consent); (ii) the District agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the 2019 Special Assessments relating to the Series 2019 Bonds Outstanding, the Outstanding Series 2019 Bonds, or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee; (iii) the District agrees that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, the Trustee shall be deemed to have consented on behalf of the Majority Owners of the Outstanding Series 2019 Bonds to the proposed action if the District does not

receive a written response from the Trustee within forty-five (45) days following request for consent); (iv) the Trustee shall have the right by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the 2019 Special Assessments pledged to the Outstanding Series 2019 Bonds, would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the 2019 Special Assessments relating to the Outstanding Series 2019 Bonds, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code, and (v) the District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District's claim and rights with respect to the 2019 Special Assessments relating to the Outstanding Series 2019 Bonds or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the 2019 Special Assessments relating to the Outstanding Series 2019 Bonds, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

Notwithstanding the provisions of the immediately preceding paragraphs, nothing in Section 9.34 of the Indenture shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for operation and maintenance assessments, and the District shall be free to pursue such a claim in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for operation and maintenance assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the 2019 Special Assessments relating to the Outstanding Series 2019 Bonds whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (iv) of the paragraph above.

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

Events of Default. Pursuant to the Indenture, each of the following events is declared an Event of Default with respect to a Series of Bonds, including the Series 2019 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 District, for any reason, fails in, or is rendered incapable of, fulfilling its obligations under the Indenture or under the Act in any material respect; 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 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 District by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than a majority in aggregate principal amount 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 District shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) if 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.

The Indenture additionally provides that in addition to the events set forth in Section 10.02 of the Indenture, each of the following events shall be an Event of Default with respect to the Series 2019 Bonds, notwithstanding anything to the contrary in the Indenture:

(i) Any portion of the 2019 Special Assessments pledged to the Series 2019 Bonds shall have become delinquent and, as the result thereof, the Indenture authorizes the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in the 2019 Reserve Account to pay the Debt Service Requirements on the Series 2019 Bonds (the foregoing being referred to as a "2019 Reserve Account Event") and such amount is not replenished within twelve (12) months of the date of withdrawal (including from collections of delinquent Special Assessments); and

(ii) More than twenty-five percent (25%) of the operation and maintenance assessments that are directly billed by the District and levied by the District on tax parcels subject to the 2019 Special Assessments are not paid by the date such are due and payable and such default continues for ninety (90) days after the date when due.

Remedies. The District covenants and agrees that upon the occurrence and continuance of an Event of Default with respect to the Series 2019 Bonds, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of delinquent 2019 Special Assessments that are directly billed and collected by the District, as well as delinquent direct billed operation and maintenance assessments, and the provisions for the foreclosure of liens of delinquent 2019 Special Assessments that are directly billed and collected by the District, as well as delinquent direct billed operation and maintenance assessments, all in a manner consistent with the Indenture. Upon an Event of Default, no optional redemption or extraordinary mandatory redemption of the Bonds 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. The Indenture further provides that the holders of a majority in aggregate principal amount of the Outstanding Bonds of a Series then subject to remedial proceedings under Article X of the Indenture 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.

The Indenture also provides that no Outstanding Bonds of a Series with respect to which any Event of Default has occurred and is continuing is subject to acceleration until the Special Assessments securing such Series of Bonds have also been accelerated.

The Indenture provides that anything in the Indenture to the contrary notwithstanding, the District acknowledges that (i) the 2019 Pledged Funds and Accounts include, without limitation, all amounts on deposit in the 2019 Acquisition and Construction Fund of the Acquisition and Construction Fund then held by the Trustee, (ii) upon the occurrence of an Event of Default with respect to the Series 2019 Bonds, the 2019 Pledged Funds and Accounts may not be used by the District (whether to pay costs of the 2019 Project or otherwise) without the consent of the Majority Owners of the Series 2019 Bonds, except to the extent that prior to the occurrence of the Event of Default the District has incurred a binding obligation with third parties for work on the 2019 Project and payment is for such work and (iii) the 2019 Pledged Funds and Accounts may be used by the Trustee, at the direction or with the approval of the Majority Owners of the Series 2019 Bonds, to pay costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The District shall not enter into any binding agreement with respect to the 2017 Project after the occurrence of an Event of Default unless authorized in writing by the Majority Owners of the Series 2019 Bonds.

See "COLLECTION OF 2019 SPECIAL ASSESSMENTS" for additional matters relating to the collection of 2019 Special Assessments after an Event of Default.

### **Agreement for Assignment of Development Rights**

Contemporaneously with the issuance of the Series 2019 Bonds, the Landowner and the District will execute the "Collateral Assignment and Assumption of Development and Contract

Rights Relating to the FRERC Community Development District" (the "Collateral Assignment Agreement").

Pursuant to the Collateral Assignment Agreement, among other things, the Landowner will collaterally assign to the District certain of the development and contract rights relating to the Development and the Landowner's rights under the Development Agreement (collectively, the "Development Rights") to enhance the District's exercise of remedial rights in the event of a failure of the Landowner and its successors and assigns to pay 2019 Special Assessments on land in the District owned by it. The Collateral Assignment Agreement will provide for the Landowner to assign to the District the Landowner's rights under the [\_\_\_\_\_] Loan Agreement (hereinafter defined) with respect to the [\_\_\_\_\_] , if and when obtained as described herein under "THE DEVELOPMENT—Plan of Finance," subject to obtaining consent from the City to the assignment of the Landowner's rights under the [\_\_\_\_\_] Loan Agreement. See "BONDHOLDERS' RISKS—Item No. \_\_\_."

### **Completion Agreement**

In connection with the issuance of the Series 2019 Bonds, the District and the Landowner will enter into a Completion Agreement (the "Completion Agreement") pursuant to which the Landowner will agree to provide funds to the District to enable the District to complete the 2019 Project, consisting of a network of roadways, parking, storm water management systems, sanitary sewer collection systems, electrical, fiber, gas, reclaimed water distribution systems and water distribution systems, as well as the creation of proposed open space areas, water features, art, and pedestrian-friendly sidewalks within the District that will give access and service to the proposed residential and commercial buildings (shown in Table III of the Consulting Engineer's Report attached hereto as "APPENDIX A," as same may be amended from time to time), to the extent not funded by proceeds of the Series 2019 Bonds (including through payment of Deferred Costs) and to otherwise complete and convey to the District such 2019 Project. The Holders of the Series 2019 Bonds are express third party beneficiaries of the Completion Agreement. See "BONDHOLDERS' RISKS—Item No. \_\_\_."

### **True-Up Agreement**

In connection with the issuance of the Series 2019 Bonds, the District and the Landowner will enter into a "True-Up Agreement" (the "True-Up Agreement"). Under the True-Up Agreement, the Landowner will be required to pay a "True-Up Obligation" (as defined in the True-Up Agreement) if, following a periodic True-Up analysis conducted by the District pursuant to the "True-Up" provisions of the Assessment Proceedings, it is determined that the 2019 Special Assessments on remaining undeveloped acres exceed a specified level. The Holders of the Series 2019 Bonds are express third party beneficiaries of the True-Up Agreement. See "APPENDIX E—Assessment Methodology Report."

### **Majority Owners**

The Indenture defines "Majority Owners" to mean the Beneficial Owners of more than fifty percent (50%) of the aggregate principal amount of the Bonds then Outstanding to which such reference is made.

## **FUNDS AND ACCOUNTS**

### **General**

Pursuant to the Indenture, the following Funds and Accounts will be held by the Trustee in connection with the Series 2019 Bonds:

- (a) a 2019 Acquisition and Construction Fund, and therein a General Subaccount and a Deferred Costs Subaccount, and a 2019 Costs of Issuance Account;
- (b) within the Debt Service Fund a 2019 Sinking Fund Account and a 2019 Interest Account;
- (c) within the Bond Redemption Fund a 2019 Prepayment Account;
- (d) within the Debt Service Reserve Fund a 2019 Reserve Account;
- (e) within the Revenue Fund and a 2019 Revenue Account; and
- (f) within the Rebate Fund and at the Trustee's discretion, a 2019 Rebate Account.

### **2019 Acquisition and Construction Fund**

Amounts on deposit in the subaccounts in the 2019 Acquisition and Construction Fund shall be applied to pay the Costs of the 2019 Project, including Deferred Costs, upon compliance with the requirements of the requisition provisions set forth in Section 5.01(b) of the Indenture. Costs of the 2019 Project, other than Deferred Costs, shall be paid from the General Subaccount. The District shall notify the Trustee in writing, from time to time, of the amount of any Deferred Costs which have accrued and are unpaid. The Trustee shall be entitled to conclusively rely on the information contained in such certificate, and, in the absence of any such certificate, the Trustee shall conclusively presume that there are no accrued and unpaid Deferred Costs. The Indenture defines Deferred Costs to mean Costs of the 2019 Project which have not been paid from the General Subaccount of the 2019 Acquisition and Construction Fund and which are identified by the District to the Trustee in writing as having been advanced under the Acquisition Agreement or any other contract or agreement pursuant to which the District has become obligated to pay for Costs of the 2019 Project from the Deferred Costs Subaccount in the 2019 Acquisition and Construction Fund.

Anything in the Indenture to the contrary notwithstanding, so long as there are Deferred Costs due as evidenced by such certificate of the District, the Trustee shall deposit into the Deferred Costs Subaccount in the 2019 Acquisition and Construction Fund the amounts to be transferred thereto pursuant to the Indenture which amounts shall be held separate and apart from other amounts on deposit in the 2019 Acquisition and Construction Fund, including amounts on deposit in the General Subaccount. Except as provided in the immediately preceding sentence all amounts being deposited to the 2019 Acquisition and Construction Fund shall be deposited to the General Subaccount. Amounts in the Deferred Costs Subaccount shall be paid over to the District, upon requisition, to be used solely to pay Deferred Costs. The District shall provide written notice to the Trustee when there are no further Deferred Costs at which time the Deferred

Costs Subaccount shall be closed and any amounts then on deposit in the Deferred Costs Subaccount shall be transferred to such fund, account or subaccount created hereunder as directed by the District. The Trustee shall have no liability to any third party for payment of Deferred Costs.

Subject to the following sentence, any balance remaining in the 2019 Acquisition and Construction Fund after the Date of Completion and after retaining the amount, if any, of all remaining unpaid Costs of the 2019 Project set forth in the Engineers' Certificate establishing such Date of Completion, shall be transferred to and deposited in the Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds. See "DESCRIPTION OF THE SERIES 2019 BONDS—Redemption Provisions--Extraordinary Mandatory Redemption." Notwithstanding the foregoing, if there are Deferred Costs due and payable on the date of the transfer described in the preceding sentence of which the District has informed the Trustee, then the lesser of (i) the amount of such Deferred Costs, or (ii) the amount of such excess, shall be transferred into the Deferred Costs Subaccount in the 2019 Acquisition and Construction Fund and applied as provided for therein, and, the balance, if any, shall be applied to the extraordinary mandatory redemption of Series 2019 Bonds as provided in the preceding sentence, provided, however, no Deferred Costs shall be paid upon the occurrence and continuance of an Event of Default. See also "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS—Events of Default" for a discussion on limitations of application of amounts in the 2019 Acquisition and Construction Fund following an Event of Default.

### **2019 Reserve Account**

Within the Reserve Fund held by the Trustee is the 2019 Reserve Account. The 2019 Reserve Account will, at the time of delivery of the Series 2019 Bonds, be funded from a portion of the proceeds of the Series 2019 Bonds in an amount equal to the initial 2019 Reserve Account Requirement for the Series 2019 Bonds. The Indenture provides that the 2019 Reserve Account Requirement shall mean (A) on the date of initial issuance of the Series 2019 Bonds, [\$ \_\_\_\_\_], which is the lesser of: (i) Maximum Annual Debt Service Requirement for the Series 2019 Bonds, (ii) 125% of the average annual debt service for the Series 2019 Bonds, or (iii) 10% of the proceeds of the Series 2019 Bonds calculated as of the date of original issuance thereof, and (B) at any time after the date of initial issuance, of the Series 2019 Bonds shall mean [\_\_\_\_\_] % of the Deemed Outstanding principal amount of the Series 2019 Bonds, as of the time of any such calculation; provided, however, that subsequent to the date on which the Series 2019 Bonds have received an Investment Grade Rating as evidenced by a certificate to such effect delivered to the Trustee from a Responsible Officer on which the Trustee may conclusively rely, the 2019 Reserve Account Requirement shall mean, as calculated from time to time, 50% of the Maximum Annual Debt Service Requirement of the then Outstanding principal amount of the Series 2019 Bonds, but only if the amount so determined is less than the amount determined in the preceding clause.

The 2019 Reserve Account Requirement will decrease as the outstanding principal amount of the Series 2019 Bonds decreases and may decrease if the Series 2019 Bonds receive an Investment Grade Rating.

Amounts on deposit in the 2019 Reserve Account, except as provided below, shall be used only for the purpose of making payments into the 2019 Interest Account, the 2019 Sinking Fund Account and to pay the Series 2019 Bonds, without distinction as to Series 2019 Bonds and without privilege or priority of one 2019 Bond over another, when due when the moneys on deposit in such Accounts and available therefor are insufficient. The Trustee, on or before \_\_\_\_\_ or \_\_\_\_\_ (or if such day is not a Business Day, on the Business Day next preceding such day) next preceding each redemption date, after taking into account all payments and transfers made as of such date, shall compute the value of the 2019 Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such account. The District shall immediately pay the amount of any deficiency to the Trustee, from the first legally available sources of the District. Any surplus in the 2019 Reserve Account (other than any surplus resulting from investment earnings which shall be applied as provided below) shall first, provided the Trustee does not have knowledge of an Event of Default, be deposited into the Deferred Costs Subaccount to the extent needed to pay any unpaid Deferred Costs and thereafter into the 2019 Prepayment Account.

All earnings on investments in the 2019 Reserve Account shall, provided no deficiency exists in the 2019 Reserve Account through \_\_\_\_\_, be deposited, to the 2019 Interest Account and after \_\_\_\_\_ to the Deferred Costs Subaccount to the extent there are Deferred Costs due and payable and then such earnings shall be deposited to the 2019 Revenue Account provided no deficiency exists in the 2019 Reserve Account. To the extent a deficiency exists in the 2019 Reserve Account, investment earnings in such account shall remain in that account. Such Account shall consist only of cash and 2019 Investment Obligations.

Notwithstanding the foregoing after providing for the payment of any unpaid Deferred Costs, on the earliest date on which there is on deposit in the 2019 Reserve Account, sufficient monies, taking into account other monies available therefor, to pay and redeem all of the Outstanding Series 2019 Bonds, together with accrued interest on such Series 2019 Bonds to the earliest date of redemption, then the Trustee shall use the amount on deposit in the 2019 Reserve Account to pay and redeem all of the Outstanding Series 2019 Bonds on the earliest such date.

The District may provide that the difference between the amounts on deposit in the 2019 Reserve Accounts and the 2019 Reserve Account Requirement shall be an amount covered by obtaining bond insurance or a surety bond issued by a municipal bond insurer, rated at the time of initial deposit to the 2019 Reserve Account in one of the two highest categories (at least AA by S&P or at least Aa by Moody's without reference to gradations) by one of such nationally recognized rating agencies (the "Reserve Account Credit Instrument"). At any time after the issuance of the Series 2019 Bonds, the District may withdraw any or all of the amount of money on deposit in the 2019 Reserve Account and substitute in its place a Reserve Account Credit Instrument as described above in the face amount of such withdrawal and such withdrawn moneys shall, after payment of the premium for such Reserve Account Credit Instrument, be used first to pay any due and owing Deferred Costs and then for any lawful purpose of the District.

## **Establishment of 2019 Revenue Account in Revenue Fund; Application of 2019 Accounts and Investment Earnings**

Pursuant to the Indenture, the District agrees to pay or cause to be paid the proceeds of the 2019 Special Assessments as received to the Trustee for deposit to the 2019 Revenue Account. Upon deposit of 2019 Special Assessments Revenues including the interest thereon with the Trustee, the District shall provide the Trustee a written accounting setting forth the amounts of such revenues in the following categories which shall be deposited by the Trustee into the Funds and Accounts established under the Indenture as follows:

- (i) Assessment Interest, which shall be deposited into the 2019 Interest Account;
- (ii) Assessment Principal, which shall be deposited into the 2019 Sinking Fund Account
- (iii) Prepayment Principal, which shall be deposited into the 2019 Prepayment Account
- (iv) Delinquent Assessment Principal shall first be applied to restore the amount of any withdrawal, from the 2019 Reserve Account to pay the principal of Series 2019 Bonds to the extent that less than the 2019 Reserve Account Requirement is on deposit therein and, the balance, if any, shall be deposited into the 2019 Sinking Fund Account;
- (v) Delinquent Assessment Interest shall first be applied to restore the amount of any withdrawal, from the 2019 Reserve Account to pay the interest of Series 2019 Bonds to the extent that less than the 2019 Reserve Account Requirement is on deposit in the 2019 Reserve Account, and, the balance, if any, shall be deposited into the 2019 Interest Account; and
- (vi) The balance shall be deposited in the 2019 Revenue Account.

Except as provided otherwise above, all 2019 Assessment Revenues on deposit in the 2019 Revenue Account shall be applied as provided in Section 6.03 of the Indenture.

On each \_\_\_\_\_ and \_\_\_\_\_ (or if such \_\_\_\_\_ or \_\_\_\_\_ is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the 2019 Prepayment Account and, if the balance therein is greater than zero, shall transfer, but only after transferring sufficient amounts as directed by the District to make the transfers required to the 2019 Rebate Account required by the Indenture, from the 2019 Revenue Account for deposit into such Prepayment Account, an amount sufficient to increase the amount on deposit therein to the next integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of Series 2019 Bonds on the next succeeding redemption date in the maximum aggregate principal amount for which moneys are then on deposit in the 2019 Prepayment Account in accordance with the provisions for extraordinary redemption of Series 2019 Bonds. See "DESCRIPTION OF THE SERIES 2019 BONDS—Redemption Provisions—Extraordinary Mandatory Redemption." All interest due in regard to such prepayments shall be paid from the 2019 Interest Account or, if insufficient amounts are on deposit in the 2019 Interest Accounts to pay such interest then from the 2019 Revenue Account.

On any date required by the Arbitrage Certificate, the District shall give the Trustee written direction, and the Trustee shall, transfer from the 2019 Revenue Account to the 2019 Rebate Account established for the Series 2019 Bonds in the Rebate Fund, and the Arbitrage Certificate the amount due and owing to the United States, which amount shall be paid, to the United States, when due, in accordance with such Arbitrage Certificate. To the extent insufficient moneys are on deposit in the 2019 Revenue Account to make the transfer provided for in the immediately preceding sentence the District shall deposit with the Trustee from available moneys of the District the amount of any such insufficiency.

On or after each \_\_\_\_\_, the Trustee shall, at the written direction of the District transfer to the District the balance on deposit in the 2019 Revenue Account on such \_\_\_\_\_ to be used for any lawful District purpose; provided, however, that on the date of such proposed transfer the amount on deposit in the 2019 Reserve Account shall be equal to the 2019 Reserve Account Requirement, and, provided further, that the Trustee shall not have actual knowledge of an Event of Default under the Indenture relating to any of the Series 2019 Bonds, including the payment of Trustee's fees and expenses then due; provided, further, however, that if there remain any outstanding and unpaid Deferred Costs of which the District has advised the Trustee, then the lesser of (i) the amount of such Deferred Costs, or (ii) the amount of such excess, shall be transferred into the Deferred Costs Subaccount in the 2019 Acquisition and Construction Fund and applied as provided for therein, and, the balance if any, shall be paid to, or upon the order of, the District.

### **Earnings on Investments**

Anything herein or in the Indenture to the contrary notwithstanding, earnings on investments in all of the Funds and Accounts held as security for the Series 2019 Bonds shall be invested only in 2019 Investment Obligations, and further, earnings on investments in the 2019 Acquisition and Construction Fund shall be retained as realized, in such Account and used for the purpose of such Account. Earnings on investments in the 2019 Sinking Fund Account and the 2019 Prepayment Account shall be deposited, as realized, to the credit of the 2019 Revenue Account and used for the purpose of such Account. Until November 1, 2019 earnings or interest in the 2019 Interest Account shall be retained, as realized, in such Account, and, thereafter earnings on investments in such Account shall be deposited, as realized, to the credit of the 2019 Revenue Account and used for the purpose of such Account.

Earnings on investments in the 2019 Reserve Account shall be disposed of as provided in Section 6.03 of the Indenture and described above under "2019 Reserve Account."

### **Application of Prepayment Principal**

All Prepayment Principal shall upon receipt by the Trustee be deposited to the 2019 Prepayment Account. At the time the District deposits Prepayment Principal with the Trustee it shall notify the Trustee in writing as to the amount of Prepayment Principal. Amounts on deposit in the 2019 Prepayment Account shall be applied to the redemption of the Series 2019 Bonds in the manner provided for the extraordinary mandatory redemption of the Series 2019 Bonds. See "DESCRIPTION OF THE Series 2019 Bonds—Redemption Provisions—Extraordinary Mandatory Redemption."

## **Tax Covenants and Rebate Account**

The District covenants to comply with the Arbitrage Certificate (including deposits to and payments from the 2019 Rebate Account) included as part of the closing transcript for the Series 2019 Bonds, as amended and supplemented from time to time in accordance with its terms. Amounts in the 2019 Rebate Account shall be invested only in Government Obligations. To the extent any amounts in the 2019 Rebate Account are not needed to comply with the Arbitrage Certificate, such amounts shall be transferred as directed by the District to any other fund or account created under the Second Supplemental Indenture.

## **COLLECTION OF 2019 SPECIAL ASSESSMENTS**

### **General**

The Indenture provides that except as otherwise provided therein, the 2019 Special Assessments will be collected in accordance with such provisions of applicable Florida law as the District determines to be in its best interest. The District anticipates that it will collect the 2019 Special Assessments pursuant to the uniform method of collection, via the tax bill (the "Uniform Method"). The Indenture provides that all 2019 Special Assessments that are billed and collected directly by the District shall be due and payable by the applicable landowner no later than forty (40) days prior to each Interest Payment Date and shall become delinquent thereafter.

Following an Event of Default, the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the Series 2019 Bonds Outstanding may direct the District as to the collection method for the 2019 Special Assessments provided such method complies with Florida law. The District covenants to assess and levy 2019 Special Assessments at times and in amounts as shall be necessary in order to pay, when due, Debt Service Requirements on the Series 2019 Bonds if and to the extent that Transportation Revenues are insufficient for such purpose, and to pay or cause to be paid the proceeds of such 2019 Special Assessments as received to the Trustee for deposit to the 2019 Revenue Account. See "FUNDS AND ACCOUNTS."

The Indenture further provides that notwithstanding anything in the Indenture to the contrary, the following provisions shall apply with respect to the 2019 Special Assessments and Series 2019 Bonds:

If any property shall be offered for sale for the nonpayment of any 2019 Special Assessments and no person or persons shall purchase such property for an amount equal to the full amount due on the 2019 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the District, after receiving the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2019 Bonds Outstanding, specifying whether the District is to take title to the property in its corporate name or in the name of a special purpose entity, may purchase the property for an amount less than or equal to the balance due on the 2019 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District

and the District shall receive in its corporate name or in the name of a special-purpose entity title to the property for the benefit of the Owners of the Series 2019 Bonds. The District, either through its own actions, or actions caused to be taken by the District 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 2019 Revenue Account. The District, either through its own actions, or actions caused to be taken by the District through the Trustee, agrees that it shall, after being provided assurances satisfactory to it of payment of its fees, costs and expenses for doing so, be required to take the measures provided by law for listing for sale of property acquired by it as trustee for the Owners of the Series 2019 Bonds within sixty (60) days after the receipt of the request therefore signed by the Trustee, acting at the direction of the Majority Owners of the Series 2019 Bonds Outstanding. The District may pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture, provided such action does not adversely impact the tax-exempt status of the interest on the Series 2019 Bonds.

The District also acknowledges and agrees that notwithstanding anything to the contrary in the Indenture (i) upon failure of any property owner to pay when due any installment of 2019 Special Assessments that are billed directly by the District, that the entire 2019 Special Assessments levied on the property for which such installment of 2019 Special Assessments is due and unpaid, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law and, with the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2019 Bonds Outstanding, the District shall promptly, but in any event within one hundred twenty (120) days of the receipt of such consent, cause to be brought the necessary legal proceedings for the foreclosure of liens of the delinquent 2019 Special Assessments, including interest and penalties and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as now provided by law in suits to foreclose mortgages.

The District also covenants and agrees that upon the occurrence and continuance of an Event of Default with respect to the Series 2019 Bonds, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of delinquent 2019 Special Assessments that are directly billed and collected by the District, as well as delinquent direct billed operation and maintenance assessments, and the provisions for the foreclosure of liens of delinquent 2019 Special Assessments that are directly billed and collected by the District, as well as delinquent direct billed operation and maintenance assessments, all in a manner consistent with the Indenture.

## **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

### **Tax Collection Procedures**

The primary sources of payment for the Series 2019 Bonds are the 2019 Special Assessments imposed on Benefitted Parcels pursuant to the Assessment Proceedings. The determination, order, levy, and collection of 2019 Special Assessments must be done in compliance with procedural requirements and guidelines provided by State law. Failure by the District to comply with such requirements could result in delay in the collection of, or the complete inability to collect 2019 Special Assessments, during any year. Such delays in the collection of 2019 Special Assessments, or complete inability to collect 2019 Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of debt service requirements on the Series 2019 Bonds. To the extent that landowners fail to pay the 2019 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 2019 Bonds. The Act provides for various methods of collection of delinquent 2019 Special Assessments by reference to other provisions of the Florida Statutes. The information later herein under "Foreclosure" and "Uniform Method Tax Collection Procedure" sets forth a description of certain statutory provisions of assessment payment and collection procedures appearing in the Florida Statutes, but is qualified in its entirety by reference to such statutes.

Enforcement of the obligation to pay 2019 Special Assessments and the ability to foreclose the lien created by the failure to pay 2019 Special Assessments, or the ability of the Tax Collector to sell tax certificates and ultimately tax deeds, may not be readily available or may be limited as such enforcement is dependent upon judicial action which is often subject to discretion and delay.

### **Foreclosure**

As noted under "COLLECTION OF 2019 SPECIAL ASSESSMENTS" it is expected that the District will collect the 2019 Special Assessments via the Uniform Method. Chapter 170.10, Florida Statutes provides that upon the failure of any property owner to pay all or any part of the principal of a special assessment or the interest thereon, when due, the governing body of the District is authorized to commence legal proceedings for the enforcement of the payment thereof, including commencement of an action in chancery, commencement of a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage. Under certain circumstances, with respect to 2019 Special Assessments which the District has been collecting through the Uniform Method, the District may opt out of using the Uniform Method and utilize the foreclosure procedures described in this paragraph.

In general, after the District commences the suit, there is a period of notice to, and an opportunity for response by, affected persons. Ultimately a hearing will be held and, if the court decides in favor of the District, a judgment will be rendered in the amount of the Delinquent Assessments and costs of the proceeding. The judgment would also direct sale of the land subject to the Delinquent Assessments by public bid to the highest bidder, with proceeds of the sale

being applied to payment of the Delinquent Assessments. If no bidder bids at least the amount of the Delinquent Assessments and applicable costs, the District may obtain title to the land.

### **Uniform Method Tax Collection Procedure**

The Florida Statutes provide that, subject to certain conditions, special assessments may be collected by using the Uniform Method. Under the Uniform Method for collecting non-ad valorem assessments, the Tax Collector will list on the assessment roll for each of the relevant tax years any 2019 Special Assessments, will include in the notice of proposed property taxes the dollar amount of such 2019 Special Assessments, and will include on the tax notice issued pursuant to Section 197.322, Florida Statutes, the dollar amount of such 2019 Special Assessments. Under the Uniform Method, the 2019 Special Assessments will be collected together with County and other taxes. The 2019 Special Assessments will appear on a single tax bill issued to each landowner in the Development. The statutes relating to enforcement of County taxes provide that County taxes 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 (together with any assessments, including the 2019 Special Assessments, being collected by the Uniform Method) are to be billed, and landowners in the District are required, subject to the next succeeding paragraph, to pay all such taxes and assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the 2019 Special Assessments. Upon any receipt of moneys by the Tax Collector from the 2019 Special Assessments, such moneys will be delivered to the District, which will remit such 2019 Special Assessments to the Trustee for deposit to the applicable accounts and subaccounts established for the Series 2019 Bonds in the Revenue Fund created under the Indenture and applied in accordance therewith.

All city, county, school and special district ad valorem taxes, non-ad valorem special assessments and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the 2019 Special Assessments, that are collected by the Uniform Method are payable at one time. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full and such partial payment is not to be accepted and is to be returned to the taxpayer, provided, however that a taxpayer may contest a tax assessment under Section 194, Part H, Florida Statutes and other applicable law. Section 194.171(3), Florida Statutes provides that before an action contesting a tax assessment may be brought, a taxpayer must pay to the Tax Collector the amount of the tax the taxpayer admits in good faith to be owing. Such payment by the taxpayer and the taxpayer's timely filing of an action contesting the tax suspends all proceedings for the collection of such contested tax prior to the final disposition of the action. Accordingly, a landowner that contests the levy or the amount of a particular tax assessment, which may possibly include non-ad valorem special assessments such as the 2019 Special Assessments collected by the Uniform Method, under the aforescribed circumstances may be permitted to pay only that amount that the landowner, in good faith, admits to be owing. In addition, Section 197.374, Florida Statutes provides that taxpayers appealing the assessed value or assigned classification of their property may make a partial payment of taxes before the delinquency date (typically April 1). See "BONDHOLDERS' RISKS—Item No. 9" for a discussion of the impact of such a contest on the District's ability to pay debt service on the Series 2019 Bonds.

Under the Uniform Method, if the 2019 Special Assessments are paid during November when due or at any time within thirty (30) days after the mailing of the original tax notice 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. May payments are without discount. Pursuant to Section 197.222, Florida Statutes, taxpayers may elect to pay estimated taxes, which may include non-ad valorem special assessments such as the 2019 Special Assessments in quarterly installments with a variable discount equal to 6% on June 30 decreasing to 3% on December 31, with no discount on May 31. All unpaid taxes and assessments become delinquent on April 1 of the year following assessment, and the Tax Collector is required to collect taxes prior to April 1 and after that date to institute statutory procedures upon delinquency to collect assessed taxes. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process.

Certain taxpayers that are entitled to claim homestead tax exemption under Section 196.031(1), Florida Statutes may defer payment of a portion of the taxes and non-ad valorem assessments and interest accumulated on a tax certificate, which may include non-ad valorem special assessments such as the 2019 Special Assessments. Deferred taxes and assessments bear interest at a variable rate not to exceed 7%. The amount that may be deferred varies based on whether the applicant is younger than age 65 or is 65 years old or older; provided that applicants with a household income for the previous calendar year of less than \$10,000 or applicants with less than the designated amount for the additional homestead exemption under Section 196.075, Florida Statutes that are 65 years old or older may defer taxes and assessments in their entirety.

Collection of delinquent 2019 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 2019 Special Assessments due. In the event of a delinquency in the payment of taxes and assessments on real property, the landowner may, prior to the sale of tax certificates, pay delinquent taxes and assessments plus an interest charge of 18% per annum on the amount of delinquent taxes. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates on such property to the person who pays the delinquent taxes and assessments owing and interest thereon and certain costs, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%). Generally, tax certificates are sold by public bid. If there are no bidders, the tax certificate is issued to Orange County (being the county in which the assessed lands are located). During the pendency of any litigation arising from the contest of a landowner's tax assessment collected through the Uniform Method, which may possibly include non-ad valorem special assessments such as the 2019 Special Assessments, it is possible that the tax collector will not sell tax certificates with respect to such property. See "BONDHOLDERS' RISKS—Item No. 9" for a discussion of the impact of such a contest on the District's ability to pay debt service on the Series 2019 Bonds. 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 (currently 18%). The Tax Collector does not collect any money if tax certificates are issued to the County. The County may sell such certificates to the public at any time at the principal amount thereof plus interest at the rate of not more than 18% per annum and a fee. Proceeds from the sale of tax certificates are required to be used to pay taxes and assessments (including the 2019 Special Assessments), interest, costs and charges on the real property described in the certificate. The demand for such 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 Development may affect the demand for certificates and the successful collection of the 2019 Special Assessments, which are the primary source of payment of the Series 2019 Bonds.

Any tax certificate in the hands of a person other than the County may be redeemed and canceled, in whole or in part, by the person owning or claiming an interest in the underlying land, or a creditor thereof, at any time before a tax deed is issued or the property is placed on the list of lands available for sale, at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, charges and omitted taxes due. 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 affected by purchase of such certificates from the County, as described in the preceding paragraph.

Any holder, other than the County, of a tax certificate that has not been redeemed has seven years from the date of issuance of the tax certificate during which to act against the land that is the subject of the tax certificate. After an initial period ending two years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due. If the County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two years after April 1 of the year of issuance. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

In any such public sale, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, redemption of other tax certificates on the land, and the amount paid by such holder in applying for the tax deed, plus interest thereon. In the case of homestead property, the 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. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, and all other amounts paid by such person in applying for a tax deed, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholder 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.

Except for certain governmental liens and certain restrictive covenants and restrictions, no right, interest, restriction or other covenant survives the issuance of a tax deed. Thus, for example, outstanding mortgages on property subject to a tax deed would be extinguished.

If there are no bidders at the public sale, the county may at any time within ninety (90) days from the date of offering for public sale, purchase the land without further notice or advertising for a statutorily prescribed opening bid. After ninety (90) days have passed, any person or governmental unit may purchase the land by paying the amount of the opening bid. Taxes 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 of offering for public sale, unsold lands escheat to the county in which they are located and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the County commission.

Pursuant to the Indenture, if any property is offered for sale for the nonpayment of any 2019 Special Assessments, and no person purchases the same for an amount at least equal to the full amount due on the 2019 Special Assessments, the District shall purchase the property for an amount equal to the balance due on the 2019 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any) from any legally available funds of the District. The District will thereupon receive title to the subject property for the benefit of the Owners of the Series 2019 Bonds and, either through its own actions or the actions of the Trustee, shall lease or sell such property and deposit all of the net proceeds of any such sale or lease into the applicable Accounts and subaccounts created for the Series 2019 Bonds in the Revenue Fund created under the Indenture and applied in accordance therewith. It should be noted that it is unlikely the District will ever have sufficient funds to complete a significant number of purchases of property offered for sale for the nonpayment of 2019 Special Assessments.

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**ESTIMATED SOURCES AND USES OF 2019 BOND PROCEEDS**

**Sources of Funds**

Par Amount of Series 2019 Bonds  
Less: Net Original Issue Discount  
Total Sources

\_\_\_\_\_  
=====

**Use of Funds**

Deposit to 2019 General Subaccount of  
2019 Acquisition and Construction Fund  
Deposit to 2019 Interest Account  
Deposit to 2019 Reserve Account  
Costs of Issuance (incl. Underwriter's Discount)  
Total Sources

\_\_\_\_\_  
=====

\_\_\_\_\_  
(1) Capitalized interest through May 1, 2022.

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## ANNUAL DEBT SERVICE REQUIREMENTS

Period Ending (November 1)	Principal	Interest <sup>(1)</sup>	Period Total
2019	\$	-	\$
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
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2045			
2046			
2047			
2048			
2049			
	_____	_____	_____
	=====	=====	=====

(1) Includes capitalized interest through [\_\_\_\_\_].

## THE DISTRICT

### General

The District currently encompasses approximately 97.404 acres of land and is entirely located entirely within the unincorporated boundaries of the City of Ocoee. The District was created as an alternative method of planning, acquiring, operating and maintaining community-wide improvements in planned communities. The land within the District is generally located north of West Colonial Drive, east of Bluford Avenue, south of East Geneva Street and west of Montgomery Avenue in the City of Ocoee, in Orange County, Florida.

### Legal Powers and Authority

The District is an independent local unit of special-purpose government of the State of Florida created in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes (the "Act"), as amended, by ordinance of the City Commission of the City of Ocoee, Florida, enacted and effective August 7, 2018.

The Act was enacted in 1980 to provide a uniform method for the establishment of independent districts to manage and finance basic community development services, including capital infrastructure required for community developments throughout the State of Florida. The Act provides legal authority for community development districts (such as the District) to finance the acquisition, construction, operation, and maintenance of the major infrastructure for community development.

The Act provides that community development districts have 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 community development districts have the power to levy and assess taxes on all taxable real and tangible personal property, and to levy special assessments on specially benefitted lands, within their 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.

Among other provisions, the Act gives the District's Board of Supervisors 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 (if such powers are specifically granted), 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 or pursuant to a development order

condition which applies to a district project; (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.

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; with respect to the Development, these functions are performed by the County acting through its governing body and its departments of government.

The Act exempts all property of the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any owner of bonds of the District to pursue any remedy for enforcement of any lien or pledge of the District in connection with such bonds, including the Series 2019 Bonds.

On January 11, 2012, the Governor of the State of Florida issued an Executive Order (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor (the "OPB") to examine the role of special districts in Florida, with a "special focus on increasing efficiency, fiscal accountability and transparency of operations to the public" and to submit reports to the Governor setting forth its findings and recommendations, including any recommendations for legislative action. The Executive Order states that the OPB's review is necessary to determine whether special districts are serving a legitimate public purpose, governed efficiently, levying taxes, fees and assessments appropriately, being held accountable to the public whose lives they directly impact, operating in a transparent manner and prudently spending taxpayers' dollars. It is not possible to determine at this time what recommendations, if any, the OPB will make pursuant to the Executive Order that will impact the District and whether the Florida Legislature will implement any recommendations of the OPB through legislation that will impact the District. See "BONDHOLDERS' RISKS—Item No. 19," which also notes 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."

## **Board of Supervisors**

The Act provides for a five-member Board of Supervisors (the "Board") to serve as the governing body of the District. Members of the Board ("Supervisors") must be residents of the State of Florida and citizens of the United States. Initially, the Supervisors are 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 shall fill the vacancy by an appointment of an interim Supervisor for the remainder of the unexpired term.

At the initial election of Supervisors, the two Supervisors with the highest number of votes are elected to serve four-year terms and the remaining three Supervisors serve for two-year terms. Elections of Supervisors occur in November every two years. Until the later of six years

after formation of the District or the year that the District attains at least 250 qualified electors, the Act provides that 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 to a four-year term. The other Supervisor will be elected by landowners for a four-year term. Thereafter, as terms expire, all supervisors must be qualified electors and be elected by qualified electors to serve four-year terms.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be elected by qualified electors in the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

The Act provides that it shall not be an impermissible conflict of interest under Florida law governing public officials for a Supervisor to be a stockholder, officer or employee of a landowner. The current members of the Board and the term of each member are set forth below:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Barry Radolan	Chairman	_____
Deanna Snitko	Supervisor	_____
Giovanna Gutierrez	Supervisor	_____
James Lavigne	Supervisor	_____
Craig Shadrix	Supervisor	_____

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 Florida's "sunshine" or open meetings law.

**The District Manager and Other Consultants**

The Act authorizes the Board to hire a District Manager as the chief administrative official of the District. The Act provides that the District Manager shall have charge and supervision of the works of the District and shall be responsible for: (i) preserving and maintaining any improvement or facility constructed or erected pursuant to the provision of the Act; (ii) maintaining and operating the equipment owned by the District; and (iii) performing such other duties as may be prescribed by the Board. Wrathell, Hunt and Associates, LLC, Boca Raton, Florida, serves as the District Manager with responsibility for day-to-day operations of the District and as Assessment Consultant (hereinafter defined) to the District.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, Hopping, Green & Sams, P.A., Tallahassee, is serving as Counsel to the District; Terra-Max Engineering, Inc., Orlando, Florida is serving as the District's Consulting Engineers; Bryant Miller Olive, P.A., Orlando, Florida, is serving as Bond Counsel; and Wrathell, Hunt and Associates, LLC, Boca Raton, Florida, is serving as special assessment methodology consultant to the District.

### **Additional Matters Relating to Special Districts**

The Internal Revenue Service (the "IRS" or the "Service") recently concluded a lengthy examination of certain issues of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District ("VCCDD") and a document request with respect to bonds issued by Sumter Landing Community Development District ("SLCDD"), in each case without further action. During the course of the audit of the Audited Bonds, IRS issued a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that VCCDD is not a political subdivision for purposes of Section 103(a) of the Code because, according to the TAM, VCCDD 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. VCCDD received a second TAM dated June 17, 2015 which granted relief to VCCDD from retroactive application of the IRS's conclusion as to a political subdivision. Prior to the conclusion of the audits, the Audited Bonds were all refunded with taxable bonds. Although the TAMs are addressed to, and binding only on, the IRS and VCCDD 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.

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the interest on which is excluded from gross income for federal tax purposes. The proposed regulations require that a political subdivision (i) have the power to exercise at least one sovereign power, (ii) be formed and operated for a governmental purpose, and (iii) have a governing body controlled by or have significant uses of its fund or assets otherwise controlled by a government unit with all three sovereign powers or by an electorate that is not controlled by an unreasonably small number of unrelated electors. On March 9, 2016, the IRS released corrections to the transition rules in the proposed regulations providing that the new definition of political subdivision will not apply to bonds issued prior to the general applicability date, which is a date ninety (90) days after the proposed regulations are published in final form in the Federal Register. Accordingly, the proposed regulations, if finalized in their current form, would not be applicable to the Series 2019 Bonds, but may affect future series of bonds issued by the District, if any.

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 qualified electors within five years of the issuance of tax-exempt bonds or their bonds may be determined to be taxable retroactive to the date of

issuance. Pursuant to the Act, general elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The District was formed with the intent that it will ultimately contain a sufficient number of residents to allow for a transition to control by a general electorate. Currently, all members of the Board of the District were elected by the Landowner and none were elected by qualified electors. The Landowner will certify as to its expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act, and its expectations as to compliance with the Act by any members of the Board that it elects.

See "BONDHOLDERS' RISKS—Item Nos. \_\_\_ and \_\_\_" herein. There is no assurance that an audit by the Service will not be commenced with respect to the Series 2019 Bonds. See "TAX MATTERS" and "BONDHOLDERS' RISKS—Item No. \_\_\_."

The Bonds have been validated by a final, non-appealable order of the Circuit Court of the State of Florida in and for Orange County, Florida, in which it was determined, *inter alia*, that the District has the authority under Florida law to issue such Series 2019 Bonds, that the purpose for which such Series 2019 Bonds were issued is legal under Florida law, and that the proceedings for issuance of such Series 2019 Bonds complies with the requirements of applicable Florida law. See "VALIDATION."

## **THE CAPITAL IMPROVEMENT PLAN**

The following summarizes selected matters relating to the capital improvement plan (the "CIP"). Reference is made to the Engineer's Report for FRERC Community Development District (the "Consulting Engineer's Report") attached hereto as "APPENDIX A" and prepared by the District's Consulting Engineer, for more complete information regarding the CIP.

### **General**

The purpose of the Consulting Engineer's Report is to, among other matters, describe the CIP for the Development (referred to in the Consulting Engineer's Report as the "Plan").

Construction of Phase I of the Development consisting of the roadway, drainage, water, reclaimed water and sewer utilities commenced in 2017. Phases I and II of the CIP will include water and sewer systems, power distribution improvements, telecommunication improvements, roadway improvements, stormwater management/ grading, retaining walls, bridges, landscaping and hardscaping, signalization, water features, public parking structures, and certain miscellaneous improvements. Construction of these improvements is projected to occur through 2024. The total cost of the CIP is approximately \$118,894,335.

The Consulting Engineer's Report states that all governmental permits and approvals needed to permit the Remaining Improvements to be constructed either have been obtained, have been applied for or may be obtained in the ordinary course. See Table V of the Consulting Engineer's Report for additional information relating to permitting matters. The Consulting Engineer's Report further states that the intended improvements/ infrastructure will serve its intended purpose so long as the construction is in substantial compliance with the design, permits and requirements of local governing agencies.

## **SPECIAL ASSESSMENT METHODOLOGY**

### **General**

The District has adopted a report entitled Master Special Assessment Methodology Report (the "Assessment Methodology Report") attached hereto as "APPENDIX E," prepared by Wrathell, Hunt and Associates, LLC, as assessment consultant (the "Assessment Consultant").

As noted under "SECURITY FOR AND SOURCE OF PAYMENT OF THE Series 2019 Bonds—"General" and "True-Up Agreement" the District has covenanted in the Indenture to comply with the terms of the Assessment Proceedings adopted with respect to the 2019 Special Assessments, including the Assessment Methodology Report, and to levy the 2019 Special Assessments and any required "debt reduction payments" (also referred to herein as "True-Up Payments") as set forth in such report, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2019 Bonds when due. The District has also covenanted that it will not amend the Assessment Proceedings without the prior written consent of the Majority Owners.

The 2019 Special Assessments will be levied on the Benefitted Parcels, on an equal pro-rata gross acreage basis with respect to property that has not received a certificate of occupancy, and on an equivalent unit basis, in accordance with the District's adopted special assessment methodology, with respect to developed property that has received a certificate of occupancy. As the property is developed and receives a development or site approval, the 2019 Special Assessments will be allocated to such properties on an equivalent unit basis in accordance with the Assessment Methodology Report. Further, to the extent that any parcel has not received development or site approval, but is sold to another developer or builder, the 2019 Assessment will be assigned to such parcel at the time of sale based on the development rights associated with such parcel that is conveyed or transferred to buyer. When the 2019 Special Assessments are collected pursuant to the Uniform Method, the amounts to be assessed will include a gross-up to cover the administrative fees of the County Tax Collector and County Property Appraiser, as well as anticipated discounts associated with early payment of the 2019 Special Assessments. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS—Land Subject to the 2019 Special Assessments," "COLLECTION OF 2019 SPECIAL ASSESSMENTS," and "APPENDIX E—Assessment Methodology Report."

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## THE DEVELOPMENT

The information herein under the caption "THE DEVELOPMENT" has been furnished to the District by the Landowner and such information has been included herein without independent investigation by the District, District Manager, Morgan Stanley, District Counsel or Bond Counsel, and none of the District, District Manager, Morgan Stanley, District Counsel or Bond Counsel makes any representation or warranty concerning the accuracy or completeness of the information appearing under such caption. See the maps depicting the general location of the District and the graphic depiction of the components currently planned for the Development set forth following the cover page of this Official Statement.

### General

The Development is being constructed as a proposed mixed-use project featuring multi-family residential units, retail, restaurant, parking garages, recreation spaces and open space areas, stormwater management systems, utility infrastructure, and landscaped roadways.



In addition, certain approvals from County's Development Review Committee are needed to permit the development of the Annexed Acreage and a portion of the Additional Acreage to proceed as contemplated. These approvals are expected in the ordinary course with respect to the Annexed Acreage and, in the event the preliminary development plan modifications noted above are obtained, with respect to the Additional Acreage. See "THE DEVELOPMENT—Permitting and Concurrency Matters—Transit Oriented Development Designation and Related Matters" for a discussion of these matters. See also "BONDHOLDERS' RISKS Item No. 10."

The Assessment Proceedings relating to the Series 2019 Bonds provide for the levy of the 2019 Special Assessments only on the assessable property currently in the District's boundaries. See "SPECIAL ASSESSMENT METHODOLOGY", "BONDHOLDERS' RISKS—Item No. 4" and "APPENDIX E—Assessment Methodology Report."

## Demographic Information

See the Appraisal Report included herewith as "APPENDIX F" for additional demographic information about the Orlando area.

## Land Acquisition and Ownership

### Landowner

As of the date of this Preliminary Limited Offering Memorandum, the Landowner owns all the land in the Development.

The members of the Landowner acquired approximately 94.68 gross acres comprising the original boundaries of the Development from multiple parties in a series of transactions between 1999 and 2008 for an aggregate purchase price of \$\_\_\_\_\_ million. As a result of these transactions, all of such land was acquired by the Landowner.

### Potential Future Ownership

TBD

## Value of Land in the Development

**The discussion herein is intended to only briefly summarize the Appraisal Report, which is an integral part of this Limited Offering Memorandum. Reference is made to the full text of the Appraisal Report attached hereto. Potential investors in the Series 2019 Bonds should read the Appraisal Report in its entirety, including for more detailed information relating to the assumptions and limiting conditions set forth therein. See "APPENDIX F—Appraisal Report."**

Property Valuation & Consulting, Inc. has prepared the appraisal report attached hereto as "APPENDIX F" (the "Appraisal Report") to estimate the value to a single user of the revenue producing land in the Development (97.68) on an "as is" basis as of September 30, 2018 and on an "as developed" basis as of October 2024. **The Appraisal Report assumes, among other matters, that all of the public and private components of the CIP as reflected in Table IV of the Consulting Engineer's Report attached hereto as "APPENDIX A".**

The Appraisal Report provides that the land in the Development has been treated as entitled vacant land in the process of site development, with no vertical construction being taken into account.

The Appraisal Report uses the cost approach, as more fully detailed therein. The Appraisal Report states that in order to estimate the "as-is" and "as-developed" value to a single user, a discounted cash flow analysis was employed and that although a discounted cash flow analysis is typically considered to be part of the income capitalization approach to value, it has

been incorporated into the sales comparison approach for purposes of the Appraisal Report because the subject property has been treated as vacant land in the process of site development.

The Appraisal Report sets forth information regarding how the "as-is" and "as-developed" values of the subject property were developed. The Appraisal Report estimates that the "as is" value of the approximately 97.404 acres of land in the Development assumed to be revenue producing (referred to as "developable acres" in the Appraisal Report) is \$48,880,000 as of September 30, 2018. The Appraisal Report estimates that the "as developed" value of such acreage is \$161,770,000 as of October 2024.

The Appraisal Report states that the Development is located specifically within Target Area 2 by the City of Ocoee's Community redevelopment Agency, whose mission is to create centers of vibrant, mixed-use, urban development that is connected, walkable and sustainable. In addition, the Appraisal Report states that the City of Ocoee is to provide \$9,200,000 in impact fee credits to the Developer resulting in no out-of-pocket costs to the Developer for impact fees related to the Development.

The table below depicts the value of the "as is" and "as developed" values of the 94.68 acres referenced in the Appraisal Report.

**VALUE INDICATION(S) (Cost Approach only)**

<u>City Center West Orange</u>		
<u>Sales Comparison Approaches:</u>	<u>Indicated Value</u>	<u>Weighting</u>
Based on Buildable SF	\$53,340,000	25%
Based on Net Upland SF	\$39,390,000	75%
<b>Reconciled Land Value:</b>	<b>\$42,877,500</b>	
<b>Add - Infrastructure Cost Expended to Date:</b>	<b><u>\$6,000,000</u></b>	
<b>Rounded Reconciled Value "As-Is":</b>	<b>\$48,880,000</b>	
<b>Add - Infrastructure Cost (Not yet Incurred):</b>	<b>\$112,894,335</b>	
<b>Rounded Reconciled Value "Upon Completion" (October 2024):</b>	<b>\$161,770,000</b>	

(1) Source: The Appraisal Report

Construction Valuation of Phase I (of V)

Property Valuation & Consulting, Inc. recently prepared an additional appraisal report attached hereto as "APPENDIX F-1" (the "Phase I Appraisal Report"), which is the first of the planned five (5) phases of the Development, to estimate the value of the existing development in Phase I of the Development, which contains proposed mixed-use multi-story buildings totaling 200,000 square feet of retail and restaurant use, 32,000 square feet of office space, 500 residential units, a 122-key hotel, and a 1,867-space parking garage. The appraisal was completed on an "as is" basis as of September 13, 2018 and on an "as developed" basis as of October 2020. The Phase I Appraisal Report estimates that the "as is" value as \$19,860,000 as of

September 30, 2018. The Appraisal Report estimates that the "as developed" value of such acreage is \$226,130,000 as of October 2020.

An appraisal is only an estimate of value, as of the date stated in the appraisal, and is subject to the assumptions and limiting conditions, as well as any extraordinary assumptions and hypothetical conditions, stated in the report. Changes since that date in external and market factors or in the property itself can significantly affect the conclusions. As an opinion, it is not a measure of realizable value and may not reflect the amount which would be received if the property were sold. In reaching the estimated "as is" and "as developed" values, the Appraisal Report contains numerous assumptions and limiting conditions, which are not summarized herein and which should be considered in making an investment decision with respect to the 2019 Bond. Reference should be made to the entire Appraisal Report because relying solely on summaries, excerpts or portions of a report do not necessarily convey all of the limitations, conditions, assumptions or qualifications of the report that influenced the opinion of value.

No assurance can be given that any of the assumptions made in the Appraisal Report will be realized and, a result, no assurance can be given that the land within the Development could be sold at the estimated appraised value set forth in the Appraisal Report. The Appraisal Report is only an indication of opinion of value as of the date, and subject to the conditions and limiting conditions, set forth therein. The Appraisal Report does not predict the future value of the subject property and there can be no assurances that market conditions will not change adversely in the future. Neither the District nor the Underwriter makes any representation as to the accuracy, completeness or information contained in the Appraisal Report or as to the reasonableness of the assumptions therein.

## **Environmental Matters**

In addition to earlier Phase I environmental assessments on portions of the land in the Development, as well as studies regarding matters relating to mitigation issues, the Landowner obtained a Phase I environmental assessment from an independent consultant (the "Environmental Consultant") in 2018 with respect to all of the land in the Development. This assessment found no evidence of recognized environmental conditions with respect to such land.

## **Permitting and Concurrency Matters**

### Concurrency Matters

The Consulting Engineers' Report attached hereto as "APPENDIX A" indicates that the Development has been issued a permit for schools concurrency mitigation.

### Other Permitting Matters

The Landowner has applied for permits with the governing jurisdiction in connection with the development of the Project. "APPENDIX A—Consulting Engineers' Report" for a list of permits applied for and obtained.

The Consulting Engineers' Report attached hereto as "APPENDIX A" indicates that there is no technical reason existing at this time which would prohibit the implementation of the plans

for the Development as shown in the report and that all civil-site permits/approvals not heretofore issued and which are necessary to effect the improvements describe in the report may be obtained in the ordinary course. See "BONDHOLDERS' RISKS—Item No. 10" and "APPENDIX A—Consulting Engineers' Report."

## **Plan of Finance**

### Series 2019 Bonds

Proceeds of the Series 2019 Bonds deposited to the 2019 Acquisition and Construction Fund in the amount of \$\_\_\_\_\_ will be used to fund the cost of certain additional public components of the Remaining Improvements, including acquisition of certain transportation-related right-of-way, which comprise the 2019 Project. To the extent proceeds of the Series 2019 Bonds remain on deposit in the 2019 Acquisition and Construction Fund in excess of the amounts needed to acquire public improvements and right-of-way initially anticipated to be included in the 2019 Project, such proceeds may be used to finance the District's acquisition of other public improvements included in the Remaining Improvements, without amendment to the Consulting Engineer's Report attached hereto as "APPENDIX A," which will then become part of the 2019 Project, if not otherwise used to pay Deferred Costs and/or applied to the extraordinary redemption of Series 2019 Bonds as contemplated by the Indenture.

### [Loan(s)]

### EB-5 Investment

City Center West Orange LLC is a USCIS Approved Project and is part of the EB5 Florida Real Estate Regional Center LLC. The project is approved for \$100 Million in EB5 Financing. EB5 Florida Real Estate Regional Center LLC is owned by the principals of the Developer.

City Center West Orange currently has 79 EB5 applications filed/in the process of being filed with more than \$35 million collected from investors to date and currently has over \$8,000,000 in subscriptions receivables.

The site is within an area qualified a Targeted Employment Area ("TEA"). The significance of this designation is that a TEA designation permits an investor to invest \$500,000 instead of the typically required \$1,000,000 in an otherwise qualified project to support an EB-5 petition.

Landowner Funding

As of \_\_\_\_\_, the Landowner has invested a total of approximately \$\_\_\_\_\_ of its equity in the Development, through land purchases, pre-development and entitlement costs, including legal and engineering services, traffic consultant services, market studies, environmental and mitigation studies and reports, clearing and grading, and the cost of the Completed Improvements funded by the Landowner.

The cost of construction of the Completed Improvements and Remaining Improvements not funded by the Series 2019 Bonds and the cost of the vertical construction of uses planned for land in the Development owned by the Landowner will be funded by \_\_\_\_\_.

**Components of the Development**

The Development is being constructed as a proposed mixed-use project featuring multi-family residential units, retail, restaurant, parking garages, recreation spaces and open space areas, stormwater management systems, utility infrastructure, and landscaped roadways.

[This Space Intentionally Left Blank]

## THE LANDOWNER AND THE DEVELOPER

The information herein under the caption "THE LANDOWNER AND THE DEVELOPER" has been furnished to the District by the Landowner and such information has been included herein without independent investigation by the District, Morgan Stanley, District Counsel or Bond Counsel, and none of the District, Morgan Stanley, District Counsel or Bond Counsel makes any representation or warranty concerning the accuracy or completeness of the information appearing under such caption.

### The Landowner

The "Landowner" is comprised of the following entities described in the table below and ownership of each entity is apportioned as indicated and shall be collectively referred to herein as the "Landowner".

1.	<b>CBPW Corporation</b> , a Florida corporation a. Elizabeth Townsend b. David Townsend II c. Brian Robinson d. Jean Amm e. Charles Hawthorne f. Other employees	40% 40% 5% 5% 5% 5%
2.	<b>Maine Boulevard, LLC</b> , a Florida limited liability company a. Elizabeth Townsend b. David Townsend II c. Brian Robinson d. Jean Amm e. Charles Hawthorne f. Other employees g. Earl Leiffer	40% 40% 5% 5% 5% 5% 1%
3.	<b>Skytop Grove, Ltd.</b> , a Florida Limited partnership a. Charles Hawthorne	100%
4.	<b>Lake Bennett Village – Ocoee, LLC</b> , a Wyoming limited liability company a. Elizabeth Townsend b. David Townsend II c. Brian Robinson d. Jean Amm e. Charles Hawthorne f. Other employees	40% 40% 5% 5% 5% 5%
5.	<b>Main Street North 2, LLC</b> , a Florida limited liability company a. Elizabeth Townsend b. David Townsend II c. Brian Robinson d. Jean Amm e. Charles Hawthorne f. Other employees	40% 40% 5% 5% 5% 5%

## Development Management Agreements

Pursuant to written arrangements described below under "Development Management Agreements," the Landowner has engaged City Center West Orange, LLC, a Florida limited liability company and single-purpose entity, to serve as the exclusive Developer of the Development (the "Developer"). The Developer is managed by CCWO Development Management, LLC, a Florida limited liability company ("CCWO"). Pursuant to a written operating agreement among CCWO and the members of the Developer, CCWO is responsible for the day to day operations of the Developer, subject to certain retained rights of the voting members of the Developer with respect to major decisions.

The member interests of the Developer are issued in three classes, Class A (Manager Member), Class B Investing Members and Class C Investing Members. Class A Membership have a total of 750,000 shares (only 500,000 of which are issued to CCWO). Class B and Class C Members may invest in the Developer through the EB-5 Visa Program.

<b>Class</b>	<b>Owner</b>	<b>Capital Contribution</b>	<b>Percentage Membership Interest</b>
Class A	CCWO Development Management, LLC, a Florida limited liability		100% Common Equity Class A
Class B (Investing Members) Class C (Investing Members)			100% Preferred Common Equity

Source: Landowner and Developer

### Experience

#### David Townsend, CEO

David Townsend services as the principal and Managing Member of the Developer and has more than 37 years of real estate finance, development and marketing experience. Mr. Townsend has been involved in transactions valuing more than Two Billion Dollars (\$2,000,000,000). Mr. Townsend is the President of Park Development Corporation ("PDC"). PDC has been creating projects for development since 1995. PDC locates a development opportunity then creates an Asset Specific Entity to own and manage the Development.

Mr. Townsend's experience in the business of real estate, finance, development and marketing spans over 30 years. His broad base of knowledge allows him to stay ahead of the game and keep abreast of the latest business trends. David has proven himself to be highly successful and respected in his chosen field, and he is known for his Mediterranean-inspired Class A mixed-use developments that maximize the use of land and the aesthetics of the structures without compromising the all-important aspects of the financial industry.

The developer currently has 2,800,000 SF of mixed-use product, including retail, office, and apartments under development. He has also been directly involved with the architectural design and the implementation of complete marketing programs on several projects. He holds a Masters of Business Administration (MBA), in Finance and Economics and a Bachelor of Science (BS), degree in Accounting, Finance, Economics and marketing from the University of Detroit.

Mr. Townsend has assembled the following team of highly qualified development professionals with engineering, land planning, construction, marketing, and financial expertise.

Jean Amm, Sr. Vice President

Mr. Amm has over 28 years of engineering and construction experience in the public and private sectors in the areas of civil engineering, project management, and construction management. He has expertise in commercial, subdivision, and municipal project design. Jean is responsible for all of the firm's development and construction activities, including site selection and evaluation, due diligence, entitlements, and coordination with governmental agencies. Projects include office, retail, entertainment, condominium, apartment and hotel.

Jean received a Bachelor of Science degree in Civil Engineering (BSCE) from the University of North Carolina at Charlotte and a Master of Business Administration (MBA) from Webster University. Jean has his Class a General Contractor's license from the State of Florida (CGC 061830), which allows him to build any size building.

Brian Robinson, Chief Operations Officer

Mr. Robinson has more than 19 years of commercial real estate finance experience in the banking, finance and construction industries. Brian has worked for several financial institutions where he was primarily responsible for structuring acquisition and development financing facilities for commercial borrowers.

Brian has a Bachelor of Business Administration degree in Accounting (BBA) and a Masters of Business Administration (MBA). Brian's current responsibilities consist of attaining financing for acquisition and development projects as well as overseeing the operations of the company.

T. Andrew Pughe, Consultant

Mr. Pughe has over 40 years of experience in developing large scale master plan communities, including the development of eight golf courses and 45,000 apartments for various companies in the Southeast United States. Previous to joining Park Development, Andy was the Master Developer of MetroWest PUD in Orange County, Florida. For 22 years at MetroWest, Andy's responsibilities included initial design, project construction, and land sales, President of the Architectural Review Board, interface with City, County and State Governmental officials. Andy's efforts have made MetroWest "Nationally Recognized Development." Andrew graduated from University of Florida with a degree in Business Administration (BA).

Andrew is a Registered Florida Real Estate Broker and is past president of Home Builders Association of Mid-Florida, Industrial Development Commission of Central Florida Trustee and the Transportation Advisory Committee – City of Orlando.

### Deanna Snitko, VP, Material Specifications

Ms. Snitko has 17 year years of experience in the industries of interior design, marketing, and publishing. She has managed departments as well as businesses, handling all aspects of business activities for national and international companies; participated in the development, design, management, marketing and distribution of national and international publications; she is skilled in AutoCAD space planning and architectural drafting.

Deanna graduated Magna cum Laude with a Bachelors of Fine Arts degree in Interior Design (BFA). Deanna's current responsibilities consist of overseeing the interior design concept and acquisitions for the company's projects, as well as the initial marketing concepts for each project.

### Elizabeth Townsend, Operations Manager

Miss Townsend started with Park Development as a seasonal Office Gofer more than 10 years ago, and has been with the company full-time since 2015. Elizabeth is currently responsible for the operations of the City Center West Orange office, including Human Resources. She also oversees the IT infrastructure for the office and the construction site, while managing various research projects and day-to-day office functions.

Elizabeth is a graduate of the University of Miami with a Bachelor of Science (BS) in Industrial Engineering with a concentration in Engineering Management and earned a Master of Fine Arts (MFA) in Creative Writing from Full Sail University.

### Giovanna Gutierrez, Marketing Analyst

Miss Gutierrez is an accomplished advancement professional with a passion for education and positive impact. During her time in higher ed, she honed her marketing skills through strategic communications planning, copywriting, and design. Giovanna is currently responsible for establishing a communications plan, the creation and design of branded material, the design and maintenance of all company websites, and the curation and copywriting of CCWO News.

Giovanna is a graduate of the University of Miami with a Bachelor of Business Administration in International Marketing & Finance and Political Science. She also earned a Master of Business Administration (MBA) from Florida International University.

## **Development Team**

The Landowner and the Developer have assembled a team of experienced professionals to assist in the planning and execution of the Development. Certain of the specific aspects of the Development for which team members will be responsible are more fully described under "THE DEVELOPMENT." Individual development team members may change over the course of development of the Development from those described below.

Civil Engineer. Orlando, Florida based Terra-Max Engineering ("TME") is the civil engineering firm retained by the Landowner in connection with the Development and the

Consulting Engineers retained by the District. is a single-source provider of innovative and comprehensive environmental, geotechnical, land development, and civil engineering design solutions. Several projects for which TME served as the lead engineer are Parkview Plaza in Orlando, Florida, Piazza Roma Retail Center, Orlando, Florida, and Legacy Pointe in Orlando, Florida.

Architect. Orlando, Florida based Scott + Cormia Architecture remains one of the leading international multi-disciplinary design firms. Led by principals Ray Scott, AIA, and Matt Cormia, AIA, S+C is internationally recognized for its diversity of experience, its business acumen, creativity, and added value. For a list of projects, please see <http://scottcormia.com/works>.

General Contractor. TBD

Multi Family Sales. Coldwell Banker Residential Real Estate is a leading full-service residential real estate brokerage company with approximately 75 offices and nearly 5,000 affiliated agents serving Central Florida, Flagler, Brevard, Palm Beach, Southeast and Southwest Florida, Tampa Bay and the Panhandle. Coldwell Banker Residential Real Estate is part of NRT LLC, the nation's largest residential real estate brokerage company. For more information, visit [ColdwellBankerHomes.com](http://ColdwellBankerHomes.com).

MEP-Fire Engineer (Including Energy Modeling and Site Electrical). Orlando, Florida based Ingenuity Engineers is a full service MEP/FP firm with experience and proven performance on a broad range of projects around the world. We understand that technical ability is the core of what we do, but communication is the key to success. Ingenuity has a proactive team of experienced engineers and designers committed to partnering with the client so that we may produce a quality product tailored to their scope, schedule and budget. For a list of projects, please see <http://ingenuityengineers.com/showcase/>.

Structural Engineer. Orlando, Florida based IBC Engineering Design Services, Inc., has as its primary purpose the goal of providing personalized design for all clients and a commitment to elite engineering services. Services offered by IBC Engineering Design Services include structural design for residential space, office space, hospitals, hotels, educational facilities including universities, infrastructure, and expertise in special structures. Please see the following for a list of projects: <http://www.ibc-engineeringdesign.com/portfolio.html>.

Acoustical Engineer. Central Florida based RML Acoustics assists Owners, Architects and Engineers with the acoustical design of their projects and also provides practical solutions for Clients of all types with existing noise and vibration issues in their buildings and in the environment. Principal Acoustical Consultant Rob Lilkendey is an expert in the field of architectural and environmental acoustics, with 22 years of experience solving noise and vibration issues in buildings and optimizing acoustical environments on over 750 projects throughout the United States. His growing list of projects includes world-class performing arts centers, hospitals, schools, museums, luxury condominium towers, and weapons training facilities, to name a few, as well as many major environmental noise studies for projects of all types.

Pool Engineering. Naples, Florida based AdAu Aquatic Engineering focuses on achieving the goals of every client’s dream. Whether it’s a themed water park, a commercial pool, or an interactive water feature, we can turn your dream in to a reality. We have aggressively pursued and completed engineering opportunities throughout the country. Parking Consultant.

Landscape Architect. Central Florida based Verlander Landscape Architecture has provided innovative, creative and award winning landscape architectural designs for over 35 years throughout the state of Florida. Projects are located from Sarasota to Tallahassee to Jacksonville to Vero Beach and all of Central Florida. From the large scale resorts and regional park developments to the intricate detailing of residential gardens, Verlander Landscape Architecture embraces each project with the experience, knowledge and creativity that has become our trademark in the industry. Verlander Landscape Architecture has gone beyond the pure design knowledge necessary to develop creative and thematic landscape developments. Our involvement in the Florida nursery industry since 1980 has led to an important understanding of the horticultural aspects as well as the landscape production processes in the southeastern United States. The combination of strong landscape architectural background coupled with horticultural knowledge brings a depth and understanding of landscape design and site planning uniquely found at Verlander Landscape Architecture.

Environmental Graphics (Signage) Design.

Economic Impact Consultant. Incorporated in 1990 as a Florida Corporation, UniSource specializes in offering consulting and assistance on a broad range of Business and Economic projects and in the preparation of integrated economic, legal and financial supporting documentation. During the past several years, UniSource has taken a leading role in the U.S. Citizenship and Immigration Services’ Immigrant Investor Programs, successfully qualifying Projects and Regional Centers for EB-5 funding.

Financing/Structured Debt. TBD

**DEVELOPMENT COMPONENTS AND PHASING**

<b>Use</b>	<b>Unit</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>Total</b>
<b><u>TBD</u></b>						
Retail	Sq. Ft.					
Restaurant	Sq. Ft.					
<b><u>TBD</u></b>						
	Sq. Ft.					
	Units					
<b><u>TBD</u></b>						
	Sq. Ft.					
	Sq. Ft.					
	Sq. Ft.					
	Rooms					
	Sq. Ft.					

<u>TBD</u>	Sq. Ft. Rooms
<u>TBD</u>	Sq. Ft. Sq. Ft. Units
<u>TBD</u>	Units
<u>TBD</u>	Units Units Units
<u>Parking Garages</u>	
Garage 2	Spaces
Garage 1	Spaces Units
Residential	

Source: Landowner

**THE ANTICIPATED NUMBER OF SQUARE FEET AND/OR UNITS PLANNED FOR EACH COMPONENT OF THE DEVELOPMENT, THE MIX OF USES PLANNED FOR EACH COMPONENT OF THE DEVELOPMENT, AND THE TIMING OF CONSTRUCTION, COMPLETION, LEASING AND/OR SALE OF THE PLANNED USES IN THE DEVELOPMENT ARE BASED ON ESTIMATES AND ASSUMPTIONS MADE BY THE LANDOWNER AND DEVELOPER, AND ALTHOUGH CONSIDERED REASONABLE BY THE LANDOWNER AND DEVELOPER, UTILIZING ECONOMIC AND MARKET STUDIES, AND TAKING INTO ACCOUNT CURRENT MARKET CONDITIONS, THESE MATTERS ARE INHERENTLY UNCERTAIN AND SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES, ALL OF WHICH ARE DIFFICULT TO PREDICT AND MANY OF WHICH ARE BEYOND THE CONTROL OF THE LANDOWNER AND THE DEVELOPER. AS A RESULT, THERE CAN BE NO ASSURANCE THAT THE PLANNED DEVELOPMENT OF THE DEVELOPMENT AS DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM, INCLUDING UNDER THE CAPTION "THE DEVELOPMENT" AND ALL SUBCAPTIONS, WILL OCCUR OR BE REALIZED AS ANTICIPATED. SEE "BONDHOLDERS' RISKS" AND "SUITABILITY FOR INVESTMENT."**

The following discussion of the planned components of the Development does not address funding for the cost of the CIP, which is addressed elsewhere herein, including under "THE CIP" and "THE DEVELOPMENT—Plan of Finance" and in the Consulting Engineer's Report attached hereto as "APPENDIX A." It should be noted that as described under "THE DEVELOPMENT—Plan of Finance—Landowner Funding" certain parcels in the Development are subject to existing mortgages in favor of lenders.

## **Master Declaration**

*[A Master Declaration of Easements, Covenants and Restrictions (the "Master Declaration") will govern the overall development and operation of the Development above under "THE DEVELOPMENT", which will be the subject of an Operating and Easement Agreement.]*

## **Taxes, Fees and Assessments**

All property in the Development will also be subject to ad valorem taxes and assessments imposed from time by governmental authorities with jurisdiction over the property other than the District, including the County and The School District of Orange County. The District anticipates that from time to time it may levy an annual special assessment for administration, operation and maintenance purposes on certain assessable property in the District, which will vary annually, based on the District's adopted budget. See "THE DISTRICT."

## **UNDEVELOPED LAND AND CONCENTRATION RISK**

Certain risks are inherent in an investment in obligations secured by special assessments issued by a public authority or governmental body in the State. Certain of these risks are described earlier herein under the section entitled "ENFORCEMENT OF ASSESSMENT COLLECTIONS," however, certain additional risks are associated with the Series 2019 Bonds offered hereby. This section and the following section, "BONDHOLDERS' RISKS," do not purport to summarize all risks that may be associated with purchasing or owning the Series 2019 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 2019 Bonds.

Only a portion of the assessable land in the Development has been developed with its ultimate uses. See "BONDHOLDERS' RISKS," including Item No. 1 therein. At closing of the sale of the Series 2019 Bonds it is expected that a significant portion of the assessable land within the Development will be owned by the Landowner. The Landowner and any Affiliated Landowners are expected to continue to own significant portions of the assessable land in the Development through the final maturity of the Series 2019 Bonds

## **BONDHOLDERS' RISKS**

Certain risks are inherent in an investment in obligations secured by assessments issued by a public authority or governmental body in the State. Certain of these risks are described in the preceding section entitled "ENFORCEMENT OF 2019 ASSESSMENT COLLECTIONS," however, certain additional risks are associated with the Series 2019 Bonds offered hereby. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2019 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 2019 Bonds.

(1) Landowner Currently Owns Substantially All Of The Assessable Land In The Development; Remedies May Be Delayed, Not Readily Available Or Limited. Payment of the

2019 Special Assessments is largely dependent upon their timely payment by the Landowner. At closing of the sale of the Series 2019 Bonds it is expected that substantially all of the land within the District burdened by the 2019 Special Assessments will be owned by the Landowner. As noted under "UNDEVELOPED LAND AND CONCENTRATION RISK" it is likely that the Landowner will continue to own a significant amount of the land in the District subject to the 2019 Special Assessments through the final maturity of the Series 2019 Bonds, respectively. In the event of the institution of bankruptcy or similar proceedings with respect to the Landowner and Affiliated Landowners owning land in the District or any other subsequent significant owner of property within the District, delays will most likely occur in the payment of debt service on the Series 2019 Bonds as such bankruptcy could negatively impact the ability of; (i) the Landowner and any such other landowner within the District being able to pay the 2019 Special Assessments; (ii) the District to foreclose the lien on the 2019 Special Assessments if tax certificates are not sold; and (iii) the County to sell tax certificates in relation to such property (in the case of (ii) and (iii) only to the extent that any portion of the 2019 Special Assessments are being collected by the Uniform Method of Collection). In addition, the remedies available to the Beneficial Owners of the Series 2019 Bonds upon an Event of Default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, during a bankruptcy of the Landowner or any other landowner, the remedies specified by federal, state and local law and in the Indenture and the Series 2019 Bonds, including, without limitation, enforcement of the obligation to pay the 2019 Special Assessments may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2019 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 respecting the Series 2019 Bonds could have a material adverse impact on the interest of the Beneficial Owners thereof. The failure of a landowner in the District to pay the required 2019 Special Assessments on its property will not result in an increase in the amount of 2019 Special Assessments, as applicable, other landowners in the District are or would be required to pay.

(2) Lands In The Development May Not Be Sufficiently Valuable; Lack Of Market For Tax Certificates. The principal security for the payment of the principal of and interest on the Series 2019 Bonds is the timely collection of the 2019 Special Assessments. The 2019 Special Assessments do not constitute a personal indebtedness of the owners of the land subject thereto, but are secured only by a lien on such land. Beyond legal delays that could result from bankruptcy, the ability of the County to sell tax certificates (to the extent that any portion of the 2019 Special Assessments are being collected by the Uniform Method of Collection) will be dependent upon various factors, including the interest rate which can be earned by ownership of such certificates and the value of the land which is the subject of such certificates and which may be subject to sale at the demand of the certificate holder after two years. The determination of the benefits to be received by the land within the District as a result of implementation and development of the 2019 Project and the balance of the CIP is not indicative of the realizable or market value of the land, which value may actually be higher or lower than the assessment of benefits. In other words, the value of the land in the District could potentially be ultimately less than the debt secured by the 2019 Special Assessments associated with it. To the extent that the realizable or market value of the land is lower than the assessment of benefits, the ability of the

County to sell tax certificates relating to such land may be adversely affected (to the extent that any portion of the 2019 Special Assessments are being collected by the Uniform Method of Collection). Such adverse effect could render the District unable to collect delinquent 2019 Special Assessments, if any, and could negatively impact the ability of the District to make the full or punctual payment of the debt service on the Series 2019 Bonds, in respect of delinquent 2019 Special Assessments. The payment of the annual 2019 Special Assessments and the ability of the Tax Collector to sell tax certificates or the District to foreclose the lien of the unpaid taxes, including the 2019 Special Assessments, may be limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by the laws of the State relating to court foreclosure. Bankruptcy of a property owner will most likely also result in a delay by the Tax Collector or the District in prosecuting court foreclosure proceedings. Such delay with respect to the 2019 Special Assessments would increase the likelihood of a delay or default in payment of and interest on the Series 2019 Bonds.

(3) Issuer Must Follow Statutory Procedures To Levy And Collect 2019 Special Assessments. The District is required to comply with statutory procedures in levying the 2019 Special Assessments. Failure of the District to follow these procedures could result in the 2019 Special Assessments not being levied or potential future challenges to such levy. District counsel will, however, render a legal opinion as to the levy process and the enforceability of the 2019 Special Assessments. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS" herein.

(4) 2019 Special Assessments Are Non-Recourse. [The District has not granted, and may not grant under Florida law, a mortgage or security interest in the 2019 Project]. Furthermore, the District has not pledged the revenues, if any, from the operation of the 2019 Project as security for, or a source of payment of, the Series 2019 Bonds. The Series 2019 Bonds are payable solely from, and secured solely by, the 2019 Special Assessments. The obligation of the Landowner and the Affiliated Landowners to pay the 2019 Special Assessments is limited solely to the obligation of any other landowner in the Development to pay 2019 Special Assessments levied against its land. Neither the Landowner nor the Landowner Affiliates are guarantors of payment on any 2019 Special Assessments and the recourse for the Landowner's, the Affiliated Landowners' and any other landowner's failure to pay the 2019 Special Assessments is limited to its ownership interest in the assessed land in the District.

(5) Delays In Enforcement Of Collection Of Delinquent 2019 Special Assessments May Arise. In addition to legal delays that could result from bankruptcy, the ability of the District to enforce collection of delinquent 2019 Special Assessments will be dependent upon various factors, including the delay inherent in any judicial proceeding to enforce the lien of the 2019 Special Assessments and the value of the land which is the subject of such proceedings and which may be subject to sale. In addition, if the District should commence a foreclosure action against a landowner for nonpayment of 2019 Special Assessments, such landowner may raise affirmative defenses which could result in delays or other obstacles to completing the foreclosure action. It is also possible that the District will not have sufficient funds to pursue the foreclosure action and/or will be compelled to request Bondholders to allow funds on deposit under the Indenture to be used to pay the costs of the foreclosure action. The use of funds on deposit under the Indenture is subject to the limitations on the use of proceeds of the Series 2019 Bonds for such purpose imposed by the Code (as hereinafter defined). If the District has difficulty in

collecting the 2019 Special Assessments or has insufficient funds to pursue a foreclosure action the 2019 Reserve Account could be rapidly depleted and the ability of the District to pay debt service on the Series 2019 Bonds could be materially adversely affected.

A Florida bankruptcy court decision held that the board of supervisors of a community development district, as a creditor, may vote to approve a reorganization plan submitted by the majority landowner in the district, as debtor, notwithstanding that a majority of the members of the board of supervisors were affiliated with, or employed by, the landowner. In that instance, the reorganization plan approved by the community development district resulted in a significant delay in payment of debt service on outstanding bonds of the district. Currently, certain members of the Board of the District are employees of the Landowner or its affiliates and certain members of the Board are the spouse of a principal of the Landowner or Developer. Ultimately the qualified electors of the District are expected to elect Supervisors, as more fully described under "THE DISTRICT—Board of Supervisors." No mechanism exists under the Act or the Indenture to permit Bondholders to replace Supervisors following an Event of Default under the Indenture. See also Item No. 4—"2019 Special Assessments Are Non-Recourse" above.

(6) Challenges To The Superiority Of The Lien Of The 2019 Special Assessments By Mortgage Lenders, If Any, May Arise. Owners should note that several mortgage lenders have, in the past, raised legal challenges to the primacy of the liens similar to those of the 2019 Special Assessments in relation to the liens of mortgages burdening the same real property. The real property in the Development owned by the Landowner and its affiliates is expected to be subject to mortgages granted in favor of lenders.

(7) Amounts On Deposit In The 2019 Reserve Account May Be Insufficient To Fund Deficiencies Caused By Delinquent 2019 Special Assessments. Some of the risk factors described herein, which, if materialized, would result in a delay in the collection of the 2019 Special Assessments, may not affect the timely payment of debt service on the Series 2019 Bonds because of the 2019 Reserve Account established by the District for the Series 2019 Bonds. The ability of the 2019 Reserve Account to fund deficiencies caused by delinquent 2019 Special Assessments is dependent upon the amount, duration and frequency of such deficiencies. Moneys on deposit in the 2019 Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys available in the 2019 Reserve Account to make up deficiencies.

(8) Issuer Will Likely Have Insufficient Funds To Replenish Draws On The 2019 Reserve Account. Owners of the Series 2019 Bonds should note that although the Indenture contains a 2019 Reserve Account Requirement for the Series 2019 Bonds, and a corresponding obligation on the part of the District to replenish the 2019 Reserve Account to the 2019 Reserve Account Requirement, if in fact that account is accessed for any purpose, the District does not have a designated revenue source for replenishing that fund. Moreover, the District will not be permitted to re-assess real property then burdened by the 2019 Special Assessments in order to provide for the replenishment of the 2019 Reserve Account.

(9) Other Entities Levy Taxes And Assessments On The Development Lands; Issuer May Levy Additional Assessments. The willingness and/or ability of an owner of land within the District to pay the 2019 Special Assessments levied on its land could be affected by the existence

of other taxes and assessments imposed upon the land by the District or by the County, or by other public entities, which may be affected by the value of the land subjected to such taxation and assessment. Public entities whose boundaries overlap those of the District, such as the County and County school district, could, without the consent of the owners of the land within the District, impose additional taxes or assessments on the property within the District. The District has no control over the amount of taxes or assessments levied by governmental entities other than the District. The lien of the 2019 Special Assessments is, however, of equal dignity with the liens for State and County and certain taxes upon land. As referenced herein, the District has imposed the 2019 Special Assessments and may also impose additional assessments, including for its operation, maintenance and administrative expenses, which could encumber the property burdened by the 2019 Special Assessments. 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 2019 Special Assessments, collected pursuant to the Uniform Method are payable at one time. As referenced above, a taxpayer cannot designate specific line items on the tax bill as being paid in full, except pursuant to a contest in compliance with the procedures set forth in Section 194.171(3), Florida Statutes. Therefore, in the absence of such a contest, the failure to pay any one line item would cause the 2019 Special Assessments collected on such tax bill to not be collected. In the event of such a contest, a taxpayer may be permitted to pay only that amount of the contested tax assessment, that the taxpayer, in good faith, admits to be owing or be otherwise permitted to make a partial payment, all as more fully described under "ENFORCEMENT OF ASSESSMENT COLLECTIONS—Alternative Uniform Tax Collection Procedure" herein. Such partial payment may possibly include non-ad valorem special assessments such as the 2019 Special Assessments, although it is not clear from applicable judicial decisions that non-ad valorem assessments may be contested in the same manner as ad valorem taxes. In either case, there could be a delay in the collection of the 2019 Special Assessments collected pursuant to the applicable tax bill. The election by a significant number of landowners in the District to make partial payment of the amounts collected on a tax bill, or to contest the 2019 Special Assessments collected on the tax bill, 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 2019 Bonds.

(10) Economic Conditions May Adversely Impact Development Of The Development; Governmental Approvals Still Required. The Development may be affected by changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Landowner, Affiliated Landowners and the Developer. Although the Landowner expects that leasing and sales will occur within the Development as described herein, there can be no assurance that such leases or sales will occur or be realized in the manner currently anticipated. In addition, the Development is subject to comprehensive federal, state, and local regulations and future changes to such regulations. Approval is required from various public agencies in connection with, among other things, the design, nature and extent of required improvements, both public and private.

(12) Issuer May Have Incomplete Information Regarding The Development And The Landowner. The District may have incomplete information concerning the Development and the Landowner, its affiliates and the Developer. For example, the District has limited information concerning the condition of land in the Development, its suitability for future development and its value.

(13) Higher Interest Rates May Adversely Impact A Landowner's Ability Or Willingness To Pay 2019 Special Assessments. The interest rate borne by the Series 2019 Bonds is, in general, higher than interest rates borne by other bonds of political subdivisions that do not involve the same degree of risk as investment in the Series 2019 Bonds. These higher interest rates are intended to compensate investors in the Series 2019 Bonds for the risk inherent in a purchase of the Series 2019 Bonds. However, such higher interest rates, in and of themselves, increase the amount of 2019 Special Assessments that the District must levy in order to provide for payments of debt service on the Series 2019 Bonds, and, in turn, may increase the burden upon owners of lands within the District, thereby possibly increasing the likelihood of non-payment or delinquency in payment of such 2019 Special Assessments.

(14) There Is No Assurance Of A Liquid Secondary Market For The Series 2019 Bonds. There is no assurance that a liquid secondary market exists or will develop for the Series 2019 Bonds in the event a Beneficial Owner thereof determines to solicit purchasers for the Series 2019 Bonds it owns. Even if a liquid secondary market exists or develops, as with any marketable securities, there can be no assurance as to the price for which the Series 2019 Bonds may be sold. Such price may be lower than that paid by the current Beneficial Owner of the Series 2019 Bonds, depending on the progress of the Development, existing real estate and financial market conditions and other factors.

(15) Changes In Federal Tax Law May Adversely Affect Value Of Series 2019 Bonds; No Adjustment To Interest Rate In The Event Of A Change In The Tax-Exempt Status Of The 2019 Bonds. The Indenture does not provide for any adjustment to the interest rates borne by the Series 2019 Bonds or for a redemption of the Series 2019 Bonds in the event of a change in the tax-exempt status of the interest on the Series 2019 Bonds, Such a change could occur as a result of an adverse determination by the Service or a court with respect to the tax-exempt status of interest on the Series 2019 Bonds, because of the District's failure to comply with tax covenants contained in the Indenture, or because of a change in the United States income tax laws. Prospective purchasers of the Series 2019 Bonds should evaluate whether they can own the Series 2019 Bonds in the event that the interest on the Series 2019 Bonds becomes taxable.

As noted under "THE DISTRICT—Additional Matters Relating to Special Districts," the Service has issued the TAMs and 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, which would not apply to the Series 2019 Bonds but may apply to any bonds issued by the District in the future.

The Service has also established an on-going program to audit tax-exempt obligations to determine whether interest on such obligations is includible in gross income for federal income tax purposes. There is no assurance that an audit by the Service of the Series 2019 Bonds will not be commenced.

Owners of the Series 2019 Bonds are advised that, if the Service does audit the Series 2019 Bonds, under its current procedures, at least during the early stages of an audit, the Service will treat the District as the taxpayer, and the owners of the Series 2019 Bonds may have limited

rights to participate in such procedure. The District could settle an audit of the Series 2019 Bonds in which the Service determined the interest on the Series 2019 Bonds was not excludable from gross income or the District could file an administrative appeal with the Service; however, the District may not have available revenues to contest such determination or to enable it to enter into a financial settlement with the Service. If the District were to lose such an appeal, the interest on the Series 2019 Bonds could be declared subject to inclusion in gross income of the holders thereof from the issue date of the Series 2019 Bonds (unless the District entered into a settlement with the Service). In the event IRS determines in an audit that the interest on the Series 2019 Bonds is not excludable from gross income, unless an Owner of the Series 2019 Bonds refuses to pay tax on the interest it receives or pays such tax and sues the Service for a refund, there is no procedural avenue to bring the Service determination to a court for review and, consequently, the ability of an Owner of the Series 2019 Bonds to seek relief from a court is limited.

The commencement of an audit by the Service could adversely affect the market value and liquidity of the Series 2019 Bonds until the audit is concluded, regardless of the ultimate outcome. An adverse determination by the Service with respect to the tax-exempt status of interest on the Series 2019 Bonds may adversely impact any secondary market for the Series 2019 Bonds, and if a secondary market exists, will likely adversely impact the price for which the Series 2019 Bonds may be sold.

Various proposals are mentioned from time to time by members of the Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. In addition, the Service may, in the future, issue rulings that have the effect of changing the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations of states and their political subdivisions, such as the Series 2019 Bonds, by eliminating or changing the tax-exempt status of interest on certain of such bonds. Whether any of such proposals will ultimately become or be upheld as law, and if so, the effect such proposals could have upon the value of bonds such as the Series 2019 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 2019 Bonds.

See "THE DISTRICT – Additional Matters Relating to Special Districts" and "TAX MATTERS" herein.

(17) Consultants May Not Perform. While the District has represented to Morgan Stanley that it has selected its District Manager, District Counsel, Consulting Engineers, Trustee and other professionals with the appropriate due diligence and care, and while the foregoing parties have each represented in their respective areas as having the requisite experience to accurately and timely perform the duties assigned to them in such roles, the District does not guaranty any portion of the performance of these parties.

(18) Environmental Matters May Adversely Impact Land In The Development. The value of the land within the District, the success of the Development and the likelihood of timely payment of principal and interest on the Series 2019 Bonds could be affected by environmental factors with respect to the land in the District. Should the land in the Development be

contaminated by hazardous materials, this could materially and adversely affect the value of the land in the Development, which could materially and adversely affect the success of the Development and the likelihood of timely payment of the Series 2019 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.

(19) Impact Of Existing And Potential Future Property Tax Reform Legislation Cannot Be Predicted. On June 21, 2007, then Florida Governor Charlie Crist signed into law property tax reform legislation enacted by the Florida Legislature which, among other matters, required counties, cities and special districts to roll back their millage rates. Additional property tax reform legislation was enacted by the Florida Legislature in a special session ended October 29, 2007 and a constitutional amendment was approved by Florida voters on January 29, 2008 which, among other matters, increased the homestead exemption for certain properties. An additional constitutional amendment relating to property tax reform was approved in November, 2010. In its 2011 regular session, the Florida Legislature enacted additional legislation impacting ad valorem taxation. Constitutional amendments implementing a portion of this legislation to grant additional homestead exemptions for certain homeowners was approved by the electors in the 2012 general election. It is impossible to predict what new proposals may be presented and/or approved regarding ad valorem tax reform during the current and 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. See also the discussion of the Executive Order directing an examination of the role of special districts in Florida under "THE DISTRICT—Legal Powers and Authority." 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 2019 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."

(20) District May Not Have Ability to Obtain Permits. In connection with the foreclosure of the lien of special assessments by a community development district, the Circuit Court in and for Lake County, Florida has concluded that such district had no right, title or interest in any permits and approvals owned by the owner of the parcel(s) so foreclosed upon. In the event the District forecloses the lien of the 2019 Special Assessments against a parcel to enforce payment of the 2019 Special Assessments levied by the District, the District may not have any right, title or interest in any permits and approvals owned by the owner of the parcel(s) so foreclosed upon. Failure by the District or the subsequent landowner to obtain permits and/or approvals could adversely affect development within the Development, and may impair the price bid for such property at a public sale. However, contemporaneously with the issuance of the Series 2019 Bonds the District and the Landowner will enter into the Collateral Assignment Agreement whereby the Landowner collaterally assigns to the District certain development and contract rights to enhance the District's exercise of remedies in the event of a failure of the Landowner and Affiliated Landowners to pay the 2019 Special Assessments levied against the lands within the District owned by them. There is no assurance that the District will be able to enforce the development and contract rights assigned pursuant to the Collateral Assignment Agreement described under "SECURITY FOR AND SOURCE OF PAYMENT OF THE

SERIES 2019 BONDS—Agreement for Assignment of Development Rights" or that the Trustee will assume any obligations thereunder. There is no assurance that FDOT and/or the County will consent to the assignment to the District of the Landowner's rights under the Second SIB Loan Agreement, if the Second SIB Loan is obtained. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS—Agreement for Assignment of Development Rights" and "THE DEVELOPMENT—Plan of Finance."

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## **TAX MATTERS**

### **General**

#### **General**

The Code establishes certain requirements which must be met subsequent to the issuance of the Series 2019 Bonds in order that interest on the Series 2019 Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2019 Bonds to be included in federal gross income retroactive to the date of issuance of the Series 2019 Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2019 Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The District has covenanted in the Indenture with respect to the Series 2019 Bonds to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Series 2019 Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2019 Bonds (including any original issue discount properly allocable to the owner thereof) is excluded from gross income for purposes of federal income taxation. Interest on the Series 2019 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest

on the Series 2019 Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations for taxable years that begin prior to January 1, 2019. The alternative minimum tax on corporations was repealed for taxable years beginning on and after January 1, 2019.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Series 2019 Bonds. Prospective purchasers of Series 2019 Bonds should be aware that the ownership of Series 2019 Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2019 Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on Series 2019 Bonds; (iii) the inclusion of interest on Series 2019 Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on Series 2019 Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on Series 2019 Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the District, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2019 Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

**PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2019 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDOWNERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDOWNERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.**

### **Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Series 2019 Bonds is subject to information reporting to the Internal Revenue Service. Interest paid on tax-exempt bonds such as the Series 2019 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 2019 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 2019 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2019 Bonds and proceeds from the sale of Series 2019 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2019 Bonds. This withholding generally applies if the owner of Series 2019 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 2019 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

### **Other Tax Matters Relating to the Series 2019 Bonds**

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2019 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2019 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2019 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2019 Bonds.

Prospective purchasers of the Series 2019 Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2019 Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

On February 22, 2016, the Internal Revenue Service ("IRS") issued a notice of proposed rulemaking containing proposed regulations (the "Proposed Regulations") that provide guidance as to the definition of a political subdivision for purposes of the rules for tax-exempt bonds. If adopted, the Proposed Regulations would have affected certain State and local governments that issue tax-exempt bonds, including community development districts such as the District. However, on July 24, 2017, in response to Executive Order 13789 issued by President Trump (the "Executive Order"), the Secretary of the Treasury (the "Secretary") identified the Proposed Regulations among a list of eight regulations that (i) impose an undue financial burden on U.S. taxpayers; (ii) add undue complexity to the federal tax laws; or (iii) exceed the statutory authority of the IRS. On October 2, 2017, in his Second Report to the President on Identifying and Reducing Tax Regulatory Burdens, the Secretary reported that Treasury and the IRS believe that the Proposed Regulations should be withdrawn in their entirety, and the Treasury Department and the IRS withdrew the Proposed Regulations on October 20, 2017. The Secretary further provided that Treasury and the IRS will continue to study the legal issues relating to political subdivisions and may propose more targeted guidance in the future.

Because the Proposed Regulations have been withdrawn, it is not possible to determine the extent to which all or a portion of the discussion herein regarding the Villages and the Villages TAM (each as defined below) may continue to be applicable in the absence of further guidance from the IRS. Bond Counsel will render its opinion regarding the exclusion from gross income of interest on the Series 2019 Bonds as described below.

On May 30, 2013, the IRS delivered to Village Center CDD, a Florida special district established under Chapter 190, Florida Statutes, a private ruling, called a technical advice memorandum (the "Villages TAM"), in connection with the examination by the IRS of bonds issued by the Village Center CDD (the "Audited Bonds"). The Villages TAM concluded that, despite having certain eminent domain powers, the Village Center CDD is not a political subdivision permitted to issue tax-exempt bonds based on a number of facts including that its governing board is elected by a small group of landowners, and that it "was organized and operated to perpetuate private control and avoid indefinitely responsibility to a public electorate, either directly or through another elected state or local governmental body."

The Villages TAM, as a private, non-precedential, ruling, binds only the IRS and the Village Center CDD, and only in connection with the Audited Bonds. Moreover, the cited legal basis for the Villages TAM is extremely limited, and, therefore, the value of the Villages TAM as guidance is also limited. Nonetheless, the breadth and force of the language used in the Villages TAM may reflect the disfavor of the IRS toward governmental entities with governing boards elected by landowners, and this position may lead the enforcement branch of the IRS to select bonds of other issuers with landowner-controlled boards for examination.

In July 2016, the IRS closed the examination of the Audited Bonds with no change to their tax-exempt status. Although the audit was closed with no adverse impact on the Audited Bonds, the IRS's motivations and rationale for closing the examination are unknown. The Village Center CDD refunded the Audited Bonds with taxable bonds in 2014.

Like the board of the Village Center CDD, the Board of Supervisors of the District is necessarily elected by the landowners in the District since there is not yet enough electors residing within the District. The Act delegates to the District certain traditional sovereign powers including, but not limited to, eminent domain, ad valorem taxation and regulatory authority over rates, fees and charges for district facilities. On the basis of the Act and certain representations by the District forming a part of the District's tax certificate as to its reasonable expectations of transition to a resident-elected Board of Supervisors, it does not appear from the facts and circumstances that the District was organized to avoid indefinitely responsibility to a public electorate. On the basis of the foregoing and other factors, Bond Counsel has concluded that under current law the District is a political subdivision for purposes of Section 103 of the Code, notwithstanding that its Board of Supervisors is temporarily elected by landowners. Bond counsel intends to deliver its unqualified approving opinion in the form attached hereto as "APPENDIX C: FORM OF OPINION OF BOND COUNSEL."

The release of the Villages TAM may cause an increased risk of examination of the Series 2019 Bonds. Owners of the Series 2019 Bonds are advised that if the IRS does audit the Series 2019 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 2019 Bonds may have limited rights to participate in such procedure. The Indenture does not provide for any adjustment to the interest rates borne by the Series 2019 Bonds in the event of a change in the tax-exempt status of the Series 2019 Bonds. The commencement of an audit or an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2019 Bonds could adversely impact both liquidity and pricing of the Series 2019 Bonds in the secondary market.

## **Tax Treatment of Original Issue Discount**

Under the Code, the difference between the maturity amount of the Series 2019 Bond maturing on May 1, 2028 (the "Discount Bond"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bond was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bond at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bond in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the Discount Bond, and will increase his or her adjusted basis in the Discount Bond by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bond. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bond which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Bondowners of the Discount Bond should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bond and with respect to the state and local tax consequences of owning and disposing of the Discount Bond.

## **AGREEMENT BY THE STATE**

Under the Act, the State of Florida pledges to the holders of any bonds issued thereunder, including the Series 2019 Bonds, that it will not limit or alter the rights of the District of such bonds to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

## **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 of Florida, 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**

This offering is limited by Morgan Stanley to accredited investors within the meaning of the rules of the Florida Department of Financial Services. This limitation of the initial offering to accredited investors does not denote restrictions on transfer in any secondary market for the Series 2019 Bonds. Investment in the Series 2019 Bonds poses certain economic risks. Prospective investors in the Series 2019 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 2019 Bonds and have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. No dealer, broker, salesman or other person has been authorized by the District or Morgan Stanley 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.

### **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**

Section 517,051, Florida Statutes, and the regulations promulgated thereunder (the "Disclosure Act") 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 on as a conduit issuer such as industrial development or private activity bonds issued on behalf of private businesses). The District is not and has not ever been in default as to principal and interest on its bonds or other debt obligations.

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the owners of the Series 2019 Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Series 2019 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2019 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.

### **LITIGATION**

#### **The District**

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Series 2019 Bonds, or in any way contesting or affecting the validity of the Series 2019 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 2019 Bonds, or the existence or powers of the District.

#### **The Landowner**

*[There is no litigation of any nature now pending or threatened impacting the Landowner or its affiliates that would have a material adverse impact on the development of the Development as described herein or on the financial condition of the Landowner or the Landowner's ability to cause the Development to be developed as described herein.]*

## **The Developer**

*[There is no litigation of any nature now pending or threatened impacting the Landowner or its affiliates that would have a material adverse impact on the development of the Development as described herein or on the financial condition of the Landowner or the Landowner's ability to cause the Development to be developed as described herein.]*

## **NO RATING**

The Series 2019 Bonds are neither rated nor credit enhanced. No application for a rating or credit enhancement with respect to the Series 2019 Bonds was made, nor is there any reason to believe that the District would have been successful in obtaining either credit enhancement for the Series 2019 Bonds or a rating for the Series 2019 Bonds had application been made.

The Indenture provides that at such time as the District is advised by Morgan Stanley or otherwise becomes aware that the Series 2019 Bonds may qualify to receive an Investment Grade Rating, the District will use its best efforts to have the Series 2019 Bonds so rated including the payment of all fees and costs associated with obtaining such rating from any legally available funds. There is no assurance, however, that the District will ever have funds available to comply with such obligation or that, if undertaken, any efforts of the District to have the Series 2019 Bonds rated would result in an Investment Grade Rating. See "BONDHOLDERS' RISKS—Item Nos. 14 and 15" and "SUITABILITY FOR INVESTMENT" herein.

## **CONTINUING DISCLOSURE**

### **The District**

Pursuant to Securities Exchange Commission Rule 15c2-12(b)(5) (the "Rule"), the District will enter into a Continuing Disclosure Agreement with respect to the Series 2019 Bonds to provide updates of certain financial information and operating data relating to the District and the Development, and with respect to the District, audited financial statements commencing with the fiscal year ending \_\_\_\_\_, 2019, all as provided in the applicable Continuing Disclosure Agreement. See "APPENDIX D—Continuing Disclosure Agreement" herein with respect to the Series 2019 Bonds for the specific nature of the financial information, operating data and reports to be provided. Failure to comply with the requirements of the Continuing Disclosure Agreement will not result in an Event of Default under the Indenture. The covenants contained in the Indenture with respect to continuing disclosure and in Continuing Disclosure Agreement have been made in order to assist Morgan Stanley in complying with the Rule.

### **The Landowner and Developer**

The Continuing Disclosure Agreement also requires the Landowner and the Developer to provide certain information on a quarterly basis to the dissemination thereunder for filing with EMMA.

## **UNDERWRITING**

Morgan Stanley has agreed pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2019 Bonds from the District at an aggregate purchase price of \$\_\_\_\_\_ representing the \$\_\_\_\_\_ principal amount of the Series 2019 Bonds, less \$\_\_\_\_\_ of net original issue discount and less \$\_\_\_\_\_ of Underwriter's discount. Morgan Stanley's obligations are subject to certain conditions precedent and Morgan Stanley will be obligated to purchase all the Series 2019 Bonds if any Series 2019 Bonds are purchased. The Series 2019 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 Morgan Stanley, 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 Morgan Stanley. The Series 2019 Bonds may also be offered and sold to the Landowner, its officers and affiliates and/or to the Developer, its officers and affiliates.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the District which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Issuer.

## **EXPERTS AND DUAL ROLES**

The references herein to Terra-Max Engineering, Inc., as the District's Consulting Engineers, have been approved by said firm, and the Consulting Engineer's Report, included in Appendix A to this Limited Offering Memorandum, should be read in its entirety for complete information with respect to the subjects discussed therein.

Wrathell, Hunt and Associates, LLC, as Assessment Consultant, has prepared the Assessment Methodology Report included herein as "APPENDIX E." Wrathell, Hunt and Associates, LLC is also serving as District Manager for the District.

## **VALIDATION**

The Series 2019 Bonds are part of an issue of Bonds that were validated and confirmed by a final judgment of the Circuit Court of Orange County, Florida on October 22, 2018 and the time for taking an appeal from such final judgment has expired without an appeal being filed.

## **NO FINANCIAL STATEMENTS**

The District was established pursuant to the Ordinance 2018-028 enacted and effective August 7, 2018. Since its establishment, the District has not met the financial thresholds that would require it to prepare and file audited financial statements. Therefore no financial statements for the District are available at this time.

## **LEGAL MATTERS**

Certain legal matters related to the authorization, sale and delivery of the Series 2019 Bonds are subject to the approval of Bryant Miller Olive, P.A., Orlando, Florida, Bond Counsel. Certain legal matters will be passed upon for Morgan Stanley by its counsel, Akerman, LLP, Orlando, Florida. Certain legal matters will be passed upon by Hopping, Green & Sams, P.A., Tallahassee, Florida, Counsel to the District. Certain legal matters will be passed upon for the Trustee by its counsel, Holland & Knight, LLP, Miami, Florida.

## **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 2019 Bonds and other documents referred to herein are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such documents for full and complete statements of such provisions.

This Limited Offering Memorandum has been prepared in connection with the sale of the Series 2019 Bonds and may not be reproduced or used, as a whole or as a part, for any purpose. This Limited Offering Memorandum is not to be construed as a contract with the purchaser or the Holders or Beneficial Owners of any of the Series 2019 Bonds.

This Limited Offering Memorandum has been duly authorized, executed and delivered by the District.

## **FRERC COMMUNITY DEVELOPMENT DISTRICT NO. 1**

By: /s/ \_\_\_\_\_  
Chairman, Board of Supervisors

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**APPENDIX A**  
**CONSULTING ENGINEERS' REPORT**

**APPENDIX B**  
**MASTER TRUST INDENTURE**

**APPENDIX C**  
**FORM OF OPINION OF BOND COUNSEL**

**APPENDIX D**  
**CONTINUING DISCLOSURE**

**APPENDIX E**  
**ASSESSMENT METHODOLOGY REPORT**

**APPENDIX F**  
**APPRAISAL REPORT**

**APPENDIX F-1**  
**PHASE I APPRAISAL REPORT**

**APPENDIX G**  
**DISTRICT AUDITED FINANCIAL STATEMENTS**

**FRERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**6D**

## CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the “Disclosure Agreement”) dated January \_\_, 2019 is executed and delivered by the **FRERC COMMUNITY DEVELOPMENT DISTRICT** (the “District” or the “Issuer”), **CBPW CORPORATION**, a Florida corporation, **MAINE BOULEVARD, LLC**, a Florida limited liability company, **SKYTOP GROVE, LTD.**, a Florida Limited partnership, **LAKE BENNETT VILLAGE – OCOEE, LLC**, a Wyoming limited liability company and **MAIN STREET NORTH 2, LLC**, a Florida limited liability company (collectively, the “Landowner”) and joined in by the Disclosure Representative and the Trustee (as such terms are herein defined), in connection with the issuance of \$\_\_\_\_\_ FRERC Community Development District Special Assessment Bonds, Series 2019 (the “Bonds”). The Bonds are being issued pursuant to a Master Trust Indenture dated as of \_\_\_\_\_, 2019, as supplemented by a First Supplemental Trust Indenture dated as of \_\_\_\_\_, 2019 (collectively, the “Indenture”), each between the District and U.S. Bank National Association, as trustee (the “Trustee”). For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in consideration of the mutual promises and other considerations contained herein, the District and the Landowner covenant and agree as follows:

1. **Purpose of the Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the District and the Landowner for the benefit of the Owners of the Bonds and to assist the Participating Underwriter of the Bonds in complying with the applicable provisions of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (“SEC”) pursuant to the Securities Exchange Act of 1934, as amended from time to time (the “Rule”). The District and the Landowner understand and acknowledge that the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction or a governmental regulatory agency that the Rule requires the District or the Landowner to provide additional information, the District and the Landowner, as applicable, agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the District, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the District, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

2. **Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Filing Date” means the date set forth in Section 4(a) hereof by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Series 2019 Assessments” shall mean the non ad valorem special assessments pledged to the payment of the Bonds pursuant to the Indenture.

“Audited Financial Statements” means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i)(B) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Beneficial Owners” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bond for federal income tax purposes.

“Business Day” means a day other than (a) a Saturday, Sunday or day on which banks located in the city in which the designated corporate trust office of the Trustee and Paying Agent is located are required or authorized by law or executive order to close for business and (b) a day on which the New York Stock Exchange is closed.

“Disclosure Representative” shall mean (i) as to the District, the District Manager or its designee, or such other person as the District shall appoint from time to time, with notice to the Dissemination Agent, as the person responsible for providing information to the Dissemination Agent; and (ii) as to any entity other than the District while it is an Obligated Person, the individual executing this Disclosure Agreement on behalf of such entity or such person(s) as such entity shall designate in writing to the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent

“Dissemination Agent” shall mean Wrathell, Hunt and Associates, LLC, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent appointed by the District.

“District Manager” shall mean the person or entity serving as District Manager from time to time.

“EMMA” means the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule and accessible through its web portal located at <http://emma.msrb.org>.

“Fiscal Year” shall mean the period commencing on [\_\_\_\_\_] and ending on [\_\_\_\_\_] of the next succeeding year, or such other period of time provided by applicable law.

“Limited Offering Memorandum” shall mean the Limited Offering Memorandum dated January \_\_, 2019 prepared in connection with the issuance of the Bonds.

“Listed Event” shall mean any of the events listed in Section 7(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“MSRB Website” shall mean [www.emma.msrb.org](http://www.emma.msrb.org).

“2019 Project” shall mean the Series 2019 Project as described in the Limited Offering Memorandum.

“Obligated Person(s)” shall mean, with respect to the Bonds, those person(s) who either generally or through an enterprise fund or account of such persons are committed by contract or other arrangement to support payment of all or a part of the obligations on such Bonds, other than providers of municipal bond insurance, letters of credit, or other liquidity facilities which person(s) shall include the District and the Landowner or any other landowner in the District, while the Landowner or such other landowner is the owner of lands within the District responsible for payment of at least twenty percent (20%) of the Series 2019 Assessments.

“Owners” shall have the meaning ascribed thereto in the Indenture with respect to the Bonds and shall include beneficial owners of the Bonds, including those that have the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or are treated as the owner of any Bonds for federal income tax purposes.

“Participating Underwriter” shall mean Morgan Stanley & Co., LLC, in its capacity as the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Quarterly Report” shall mean any Quarterly Report provided by the Landowner, its successors or assigns or any other Obligated Person other than the District and as described in, Sections 5 and 6 of this Disclosure Agreement.

“Repository” shall mean each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The Repositories approved by the SEC may be found by visiting the SEC’s website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure submissions through its (“EMMA”) web portal at “<http://emma.msrb.org>.”

“State” shall mean the State of Florida.

“2019 Project” shall mean the public improvements and other capital assets acquired and constructed with proceeds of the Bonds.

### 3. **Content of Annual Reports.**

(a) The District’s Annual Report shall contain or incorporate by reference Annual Financial Information with respect to the District which includes:

(i) The amount of Series 2019 Assessments levied for the most recent Fiscal Year.

(ii) The amount of Series 2019 Assessments collected from property owners during the most recent Fiscal Year.

(iii) If available, the amount of Series 2019 Assessment delinquencies greater than 150 days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of Series 2019 Assessments due in any year, a list of delinquent property owners.

(iv) If available, the amount of tax certificates sold for lands within the District, subject to the Series 2019 Assessments, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.

(v) The balances in all funds, accounts and subaccounts for the Bonds. If requested by the Owners, the District shall provide any Owners and the Dissemination Agent with this information more frequently than annually and within thirty (30) days of the written request of the Owners.

(vi) The total amount of Bonds Outstanding.

(vii) The amount of principal and interest due on the Bonds in the current Fiscal Year.

(viii) The most recent Audited Financial Statements of the District.

(ix) Any amendment or waiver of the provisions hereof as described in Section 11 hereof.

To the extent any of the items set forth in subsections (i) through (vii) above are included in the Audited Financial Statements referred to in subsection (viii) above, they do not have to be separately set forth. Any or all of the items listed above may be incorporated by reference from other documents, including offering documents of debt issues of the District or related public entities, which have been submitted to each of the Repositories or the SEC. If the document incorporated by reference is a final offering document, it must be available from the MSRB or EMMA. The District shall clearly identify each such other document so incorporated by reference.

(b) Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

#### 4. **Provision of Annual Reports.**

(a) Subject to the following sentence, the Issuer shall provide the Annual Report to the Dissemination Agent no later than May 1 after the close of the Issuer's Fiscal Year,

commencing with the Fiscal Year ended September 30, 2018 in an electronic format as prescribed by a Repository. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3(a) of this Disclosure Agreement; provided that the Audited Financial Statements of the District may be submitted separately from the balance of the Annual Report, and may be submitted up to, but no later than, two hundred and seventy (270) days after the close of the District's Fiscal Year or consistent with Florida law as amended from time to time. If applicable law changes the Issuer's Fiscal Year from the period commencing on October 1 and ending on September 30 of the next succeeding year, the Issuer shall cause the Dissemination Agent to give notice of such change in the same manner as for a Listed Event under Section 7(a). Dissemination Agent shall file the Annual Report and the Audited Financial Statements with each Repository within thirty (30) days of their receipt.

(b) If on the fifteenth (15<sup>th</sup>) day prior to each Annual Filing Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Disclosure Representative of the District by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 4(a) above. Upon such reminder, the Disclosure Representative of the District, shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report in accordance with Section 4(a) above, or (ii) instruct the Dissemination Agent in writing that the Issuer, will not be able to file the Annual Report within the time required under the Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 7(a)(xv) has occurred and to immediately send a notice to any Repository in electronic format as required by such Repository in substantially the form attached as Exhibit A hereto.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of any Repository; and

(ii) promptly upon fulfilling its obligations under subsection (b) above, file a notice with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, state the date(s) it was provided and listing any Repository to which it was provided.

## **5. Content of Quarterly Reports.**

(a) The Landowner, until its obligations hereunder have been terminated pursuant to Section 9 hereof, shall prepare a Quarterly Report no later than thirty (30) days after the end of each calendar quarter commencing, December 31, 2018; provided, however, that so long as Landowner is a reporting company, such thirty (30) days shall be extended to the date of filing of its respective 10K or 10Q if later, as the case may be (each, a "Quarterly Receipt Date").

(b) Each Quarterly Report shall also address the following information if such information is not otherwise provided pursuant to subsection (c) of this Section 5:

(i) Status of the development of the infrastructure described in the Limited Offering Memorandum under the heading "THE DEVELOPMENT".

(ii) The status of development approvals for the infrastructure described in the Limited Offering Memorandum under the heading "THE DEVELOPMENT".

(iii) Materially adverse changes or determinations to permits/approvals for the Series 2019 Project which necessitate changes to the land-use or other plans for the Series 2019 Project.

(iv) Updated plan of finance (i.e., status of any credit enhancement, issuance of additional bonds to complete project, mortgage debt, etc.).

(v) Any event that would have a material adverse impact on the implementation of the Series 2019 Project as described in the Limited Offering Memorandum or on the ability to undertake the development of the Series 2019 Project as described in the Limited Offering Memorandum.

(vi) Any amendment or waiver of the provisions hereof pursuant to Section 11 hereof.

(c) Any of the items listed in subsection (b) above may be incorporated by reference from other documents which have been submitted to each of the Repositories or the SEC. The Landowner shall clearly identify each other document so incorporated by reference.

(d) If the Landowner sells, assigns or otherwise transfers ownership of real property in the Series 2019 Project subject to the Series 2019 Assessments to a third party, which will in turn be an Obligated Person for purposes of the Disclosure Agreement as a result thereof (a "Transfer"), the Landowner hereby agrees to require such third party to comply with the disclosure obligations of the Landowner hereunder for so long as such third party is an Obligated Person hereunder, to the same extent as if such third party were a party to this Disclosure Agreement. The Landowner involved in such Transfer shall promptly notify the District and the Dissemination Agent in writing of the Transfer. For purposes of Sections 5, 6 and 9 hereof, the term "Landowner" shall be deemed to include any third party that becomes an Obligated Person hereunder as a result of a Transfer. In the event that the Landowner remains an Obligated Person hereunder following any Transfer, nothing herein shall be construed to relieve the Landowner from their obligations hereunder.

#### **6. Provision of Quarterly Reports.**

(a) The Landowner shall provide a Quarterly Report which contains the information in Sections 5(b) and (c) of this Disclosure Agreement to the Dissemination Agent no later than the Quarterly Receipt Date for such Quarterly Report. Within thirty (30) days of the Quarterly Receipt Date, the Dissemination Agent shall file the Quarterly Report provided to it by the Landowner with each Repository (the "Quarterly Filing Date").

(b) If on the seventh (7<sup>th</sup>) day prior to each Quarterly Receipt Date the Dissemination Agent has not received a copy of the Quarterly Report due on such Quarterly Receipt Date, the Dissemination Agent shall contact the Landowner by telephone and in writing (which may be by e-mail) to remind the Landowner of its undertaking to provide the Quarterly Report pursuant to Sections 5 and 6. Upon such reminder, the Landowner shall either (i) provide the Dissemination Agent with an electronic copy of the Quarterly Report in accordance with Section 6(a) above, or (ii) instruct the Dissemination Agent in writing that the Landowner will not be able to file the Quarterly Report within the time required under this Disclosure Agreement and state the date by which such Landowner Report will be provided.

(c) If the Dissemination Agent has not received a Quarterly Report that contains, at a minimum, the information in Section 5(b) of this Disclosure Agreement by 12:00 noon on the first business day following each Quarterly Receipt Date, a Listed Event described in Section 7(a)(xv) shall have occurred and the District and the Landowner hereby direct the Dissemination Agent to send a notice to each Repository in substantially the form attached as Exhibit A hereto, with a copy to the District. The Dissemination Agent shall file such notice no later than thirty (30) days following the applicable Quarterly Receipt Date.

(d) The Dissemination Agent shall:

(i) determine prior to each Quarterly Filing Date the name and address of each Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Landowner and the District stating that the Quarterly Report has been provided pursuant to this Disclosure Agreement and stating the date(s) it was provided.

## 7. **Reporting of Significant Events.**

(a) Pursuant to the provisions of this Section 7, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after the occurrence of the event, with the exception of the event described in number (xv) or (xvi) below, which notice shall be given in a timely manner:

(i) Principal and interest payment delinquencies on the Bonds;

(ii) Non-payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(vii) Modifications to rights of Bond holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, Substitution, or sale of property securing repayment of the Bonds, if material;

(xi) Any Rating Changes.

(xii) Bankruptcy, insolvency, receivership or similar event of any Obligated Person. For the purposes of event (xii), the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

(xiii) Appointment of a successor or additional Trustee or the change of name of the Trustee, if material.

(xiv) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of an Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xv) Failure to provide any Annual Report or Quarterly Report as required under this Disclosure Agreement that contains, in all material respects, the information required to be included therein under Section 4(a) or Section 5(b) of this Disclosure Agreement, respectively.

(xvi) Any amendment to the accounting principles to be followed by the District in preparing its financial statements.

(b) Each Obligated Person shall notify the Issuer of the occurrence of a Listed Event described in Sections 7(a)(x), (xii), (xiv), or (xv) above as to such Obligated Person within five (5) Business Days after the occurrence of the Listed Event so as to enable the Issuer to comply with its obligations under this Section 7.

8. **Identifying Information.** In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Agreement to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operation data;
- (c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the Issuer;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

9. **Termination of Disclosure Agreement.** The Issuer's obligation under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, so long as there is no remaining liability of the Issuer, or if the Rule is repealed or no longer in effect. The Landowner's obligations hereunder shall terminate at the earlier of the legal defeasance, prior redemption or payment in full of the Bonds or such time as it is no longer an Obligated Person. If such termination occurs prior to the final maturity of the Bonds, the Landowner shall give notice of such termination in the same manner as for a Listed Event under Section 7.

10. **Dissemination Agent.** The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Disclosure Agreement, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent shall be Fishkind & Associates, Inc. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement.

11. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer, the Landowner and the Dissemination Agent may amend this Disclosure Agreement or any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4, 5, 6 or 7(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer and/or the Landowner, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would in the opinion of counsel to the District expert in federal securities laws, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interest of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the Issuer, the Landowner and the Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer and the Landowner, as applicable, shall describe such amendment in its next Annual Report or Quarterly Report, as applicable, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer or the Landowner, as applicable. In addition, if the amendment relates to the accounting principles to be followed by the District in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Notwithstanding the above provisions of this Section 11, the District may amend this Disclosure Agreement in accordance with this Section 11 without the consent of the Landowner, provided that no amendment to the provisions of Sections 5 and 6 hereof may be made without the consent of the Landowner as long as the Landowner is an Obligated Person.

12. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer or the Landowner from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a potential material event, in addition to that which is

required by this Disclosure Agreement. If the Issuer or the Landowner chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by the Disclosure Agreement, the Issuer or the Landowner shall have no obligation under the Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

13. **Default.** In the event of a failure of the Issuer, the Landowner, the Disclosure Representative of the District, the Disclosure Representative of the Landowner or a Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Holders of more than 50% aggregate principal amount of Outstanding Bonds and receipt of indemnity satisfactory to the Trustee, shall), or any Beneficial Owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer, the Landowner, the Disclosure Representative, of the District, the Disclosure Representative of the Landowner or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. No default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer, the Landowner, the Disclosure Representative of the District, the Disclosure Representative of the Landowner or a Dissemination Agent, to comply with the Disclosure Agreement shall be an action to compel performance.

14. **Duties of Issuer, Landowner and Dissemination Agent.** The District and the Landowner each represent and warrant that they will supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The District and the Landowner each acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, the Landowner, and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, the Landowner, or others as thereafter disseminated by the Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. Notwithstanding anything to the contrary herein, the District shall have no responsibility for any information provided by the Landowner or others in connection with the Quarterly Reports or to cause the Quarterly Reports to be provided by the Landowner.

15. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Landowner, the Dissemination Agent, the Participating Underwriter, the Trustee and Beneficial Owners, of the Bonds, and shall create no rights in any other person or entity.

16. **Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

17. **Governing Law.** This Disclosure Agreement shall be governed by the laws of the State of Florida and Federal law and venue shall be in any State or Federal Court having jurisdiction in Manatee County, Florida.

18. **Dissemination Agent's Right to Information.** The Issuer and the Landowner, respectively agree that the Dissemination Agent is a bona fide agent of the Issuer and the Landowner and may receive, on a timely basis, any information or reports it requests that the Issuer and the Landowner are required to provide hereunder.

19. **Binding Effect.** This Disclosure Agreement shall be binding upon each party and upon each successor and assignee of each party and shall inure to the benefit of and be enforceable by, each party and each successor and assignee of each party.

**SIGNATURE PAGE FOR  
CONTINUING DISCLOSURE AGREEMENT  
(FRERC Community Development District)**

**IN WITNESS WHEREOF**, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**FRERC COMMUNITY DEVELOPMENT  
DISTRICT**

ATTEST:

\_\_\_\_\_  
Secretary

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

CONSENTED TO AND AGREED TO BY:  
[\_\_\_\_\_] , as Disclosure  
Representative

**CBPW CORPORATION**, a Florida  
corporation  
By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Title: President

**MAINE BOULEVARD, LLC**, a Florida  
limited liability company  
By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SKYTOP GROVE, LTD.**, a Florida Limited  
partnership  
By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**LAKE BENNETT VILLAGE – OCOEE,  
LLC**, a Wyoming limited liability company  
By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**MAIN STREET NORTH 2, LLC**, a Florida

limited liability company

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Acknowledged and agreed to for purposes of  
Section 13 only:

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

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

**WRATHELL, HUNT & ASSOCIATES,**  
**LLC,** as Dissemination Agent

By: \_\_\_\_\_  
Title: President

**EXHIBIT A**

**NOTICE TO REPOSITORIES  
OF FAILURE TO FILE [ANNUAL][QUARTERLY] REPORT**

Name of Issuer: FRERC Community Development District

Obligated Person(s): FRERC Community Development District,  
City Center West Orange, LLC, a Florida limited liability company

Name of Bond Issue: \$\_\_\_\_\_ FRERC Community Development District  
Special Assessment Bonds, Series 2019

Date of Issuance: \_\_\_\_\_, 2019

NOTICE IS HEREBY GIVEN that the [District][Landowner] has not provided an [Annual][Quarterly] Report with respect to the above-named Bonds as required by [Section 4][Section 6] of the Continuing Disclosure Agreement dated \_\_\_\_\_, 2019, among the District, the Landowner, the Dissemination Agent and the Trustee named therein. The [District][Landowner] has advised the undersigned that it anticipates that the [Annual Report][Quarterly] will be filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_

Wrathell, Hunt and Associates, Inc., as  
Dissemination Agent of the Issuer

---

cc: Issuer  
Obligated Person(s)

**FRERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**7A**

**DRAFT**

**MINUTES OF MEETING  
FRERC  
COMMUNITY DEVELOPMENT DISTRICT**

The FRERC Community Development District held a Landowners' Meeting on October 24, 2018, at 10:00 a.m., at City Center West Orange, 7380 West Sand Lake Road, Suite 305/395, Orlando, Florida 32819.

**Present at the meeting were:**

Craig Wrathell	District Manager
John Amm	Landowner - City Center West Orange
Brian Robinson (via telephone)	Landowner - City Center West Orange
Mac McGaffney	Wrathell, Hunt and Associates, LLC
Jonathan Johnson	District Counsel
Momtaz Barq	District Engineer
Barry Radolan	
Deanna Snitko	
Giovanna Gutierrez	
James Lavigne	
Craig Shardrix	

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Wrathell called the meeting to order at 10:02 a.m.

**SECOND ORDER OF BUSINESS**

**Affidavit/Proof of Publication**

The proof of publication was provided for informational purposes.

Mr. Wrathell explained that once the District was established, Florida Statute 190 requires holding a Landowners' Meeting to elect the Board Members. Mr. Robinson obtained proxies and appointed Mr. Wrathell as proxy holder for the properties owned by the Master Developer. Mr. Wrathell noted the number of voting units available to cast, based on the acreage, rounded up, were as follows:

Lake Bennett Village-Ocoee LLC	33 voting units
Main Street North 2 LLC	5 voting units
Cbpw Corporation	30 voting units
Maine Boulevard LLC	20 voting units

39 Maine Blvd LLC 9 voting units

40 A total of 97 voting units were represented.

41

42 **THIRD ORDER OF BUSINESS**

**Election of Chair to Conduct Landowners'  
Meeting**

43

44

45 Mr. Amm and Mr. Robinson agreed to Mr. Wrathell serving as Chair to conduct the  
46 Landowners' Meeting.

47

48 **FOURTH ORDER OF BUSINESS**

**Election of Supervisors [All Seats]**

49

50 **A. Nominations**

51 Mr. Wrathell, as proxy holder, nominated the following:

52 Barry Radolan Seat 1

53 James Lavigne Seat 2

54 Deanna Snitko Seat 3

55 Giovanna Gutierrez Seat 4

56 Craig Shardrix Seat 5

57 No other nominations were made.

58 **B. Casting of Ballots**

59 **i. Determine Number of Voting Units Represented**

60 A total of 97 voting units were represented.

61 **ii. Determine Number of Voting Units Assigned by Proxy**

62 A total of 97 voting units were assigned by proxy and Mr. Wrathell, as proxy holder may  
63 cast up to 97 votes per Seat.

64 Mr. Wrathell cast the following votes:

65 Barry Radolan Seat 1 97 votes

66 James Lavigne Seat 2 97 votes

67 Deanna Snitko Seat 3 96 votes

68 Giovanna Gutierrez Seat 4 96 votes

69 Craig Shardrix Seat 5 96 votes

70 **C. Ballot Tabulation and Results**

71 Mr. Wrathell presented the following ballot tabulation, results and terms for each Seat:

72	Barry Radolan	Seat 1	97 votes	Four-year Term
73	James Lavigne	Seat 2	97 votes	Four-year Term
74	Deanna Snitko	Seat 3	96 votes	Two-year Term
75	Giovanna Gutierrez	Seat 4	96 votes	Two-year Term
76	Craig Shardrix	Seat 5	96 votes	Two-year Term

77

78 **FIFTH ORDER OF BUSINESS**

**Landowner’s Questions/Comments**

79

80 There being no Landowners’ questions or comments, the next item followed.

81

82 **SIXTH ORDER OF BUSINESS**

**Adjournment**

83

84 There being nothing further to discuss, the meeting adjourned at 10:09 a.m.

85

86

87

88

89

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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

\_\_\_\_\_  
Chair/Vice Chair

**FRERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**7B**

**DRAFT**

**MINUTES OF MEETING  
FRERC  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the FRERC Community Development District held a Regular Meeting and Multiple Public Hearings on October 24, 2018, immediately following the Landowner’s Meeting, scheduled to commence at 10:00 a.m., at City Center West Orange, 7380 West Sand Lake Road, Suite 305/395, Orlando, Florida 32819.

**Present at the meeting were:**

Barry Radolan	Chair
James Lavigne	Vice Chair
Deanna Snitko	Assistant Secretary
Giovanna Gutierrez	Assistant Secretary
Craig Shardrix	Assistant Secretary

**Also present were:**

Craig Wrathell	District Manager
Mac McGaffney	Wrathell, Hunt and Associates, LLC
Jonathan Johnson	District Counsel
Momtaz Barq	District Engineer
John Amm	City Center West Orange
Brian Robinson (via telephone)	City Center West Orange

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Wrathell called the meeting to order at 10:10 a.m. The Board Members elected in the Landowners’ Election held just prior to this meeting were present. The results were:

Barry Radolan	Seat 1	97 votes	Four-year Term
James Lavigne	Seat 2	97 votes	Four-year Term
Deanna Snitko	Seat 3	96 votes	Two-year Term
Giovanna Gutierrez	Seat 4	96 votes	Two-year Term
Craig Shardrix	Seat 5	96 votes	Two-year Term

▪ **Administration of Oath of Office to Initial Board of Supervisors**

**This item was an addition to the agenda.**

Mr. Wrathell, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Radolan, Mr. Lavigne, Ms. Snitko, Ms. Gutierrez and Mr. Shardrix.

40 Mr. Wrathell stated that, if Board Members already filed Form 1, in the County in which  
41 they reside, there was no need to file it again, until next year. Board Members were already  
42 familiar with the items in the Supervisors packet.

43 Mr. Wrathell noted to expect some delays in receiving their Supervisor’s stipend, due to  
44 the Landowner-funding process.

45 ▪ **Roll Call**

46 **This item, previously part of the First Order of Business, occurred out of order.**

47 Mr. Wrathell called the roll and noted that all Supervisors were present, in person.

48

49 **SECOND ORDER OF BUSINESS**

**Public Comments**

50

51 There were no public comments.

52

53 **THIRD ORDER OF BUSINESS**

**Consideration of Resolution 2019-03,  
54 Canvassing and Certifying the Results of  
55 the Landowners’ Election of Supervisors  
56 Held Pursuant to Section 190.006(2),  
57 Florida Statutes, and Providing for an  
58 Effective Date**

59

60 Mr. Wrathell presented Resolution 2019-03. He reiterated the outcome of the  
61 Landowners’ Election, as follows:

62	Barry Radolan	Seat 1	97 votes	Four-year Term
63	James Lavigne	Seat 2	97 votes	Four-year Term
64	Deanna Snitko	Seat 3	96 votes	Two-year Term
65	Giovanna Gutierrez	Seat 4	96 votes	Two-year Term
66	Craig Shardrix	Seat 5	96 votes	Two-year Term

67

68 **On MOTION by Mr. Lavigne and seconded by Ms. Snitko, with all in favor,**  
69 **Resolution 2019-03, Canvassing and Certifying the Results of the Landowners’**  
70 **Election of Supervisors Held Pursuant to Section 190.006(2), Florida Statutes,**  
71 **and Providing for an Effective Date, was adopted.**

72

73

74 **FOURTH ORDER OF BUSINESS** **Consideration of Resolution 2019-04,**  
 75 **Electing the Officers of the District, and**  
 76 **Providing for an Effective Date**  
 77

78 Mr. Wrathell presented Resolution 2019-04. Ms. Snitko nominated the existing slate of  
 79 officers, as follows:

80	Barry Radolan	Chair
81	James Lavigne	Vice Chair
82	Craig Wrathell	Secretary
83	Deanna Snitko	Assistant Secretary
84	Giovanna Gutierrez	Assistant Secretary
85	Craig Shardrix	Assistant Secretary
86	Mac McGaffney	Assistant Secretary
87	Craig Wrathell	Treasurer
88	Jeff Pinder	Assistant Treasurer

89 No other nominations were made.  
 90

91 **On MOTION by Mr. Shardrix and seconded by Ms. Gutierrez, with all in favor,**  
 92 **Resolution 2019-04, Electing the Officers of the District, and Providing for an**  
 93 **Effective Date, as nominated, was adopted.**

94  
 95

96 **FIFTH ORDER OF BUSINESS** **Public Hearing to Hear Comments and**  
 97 **Objections on the Adoption of the**  
 98 **District's Final Budget for Fiscal Year**  
 99 **2017/2018, Pursuant to Florida Law**

100  
 101 **A. Affidavit of Publication**

102 The proof of publication was provided for informational purposes.

103 **B. Consideration of Resolution 2019-05, Relating to the Annual Appropriations and**  
 104 **Adopting the Budget for the Fiscal Year Beginning October 1, 2017, and Ending**  
 105 **September 30, 2018; Authorizing Budget Amendments; and Providing an Effective**  
 106 **Date**

107 Mr. Wrathell stated that the Fiscal Year 2018 and 2019 proposed budgets were  
 108 presented during the Organizational meeting. He noted the proposed Fiscal Year 2018 budget

109 was identical to the one presented at the Organizational meeting. The District is Landowner-  
110 funded. The proposed Fiscal Year 2018 budget did not comprise a full year’s worth of activity;  
111 expenses were expected to be at or under budget for Fiscal Year 2018.

112

**On MOTION by Ms. Gutierrez and seconded by Ms. Snitko, with all in favor, the Public Hearing was opened.**

113

114

115

116

117

No members of the public spoke.

118

**On MOTION by Mr. Radolan and seconded by Mr. Lavigne, with all in favor, the Public Hearing was closed.**

119

120

121

122

123

Mr. Wrathell presented Resolution 2019-05.

124

**On MOTION by Ms. Gutierrez and seconded by Ms. Snitko, with all in favor, Resolution 2019-05, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2017, and Ending September 30, 2018; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.**

125

126

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131

**SIXTH ORDER OF BUSINESS**

**Public Hearing to Hear Comments and Objections on the Adoption of the District’s Final Budget for Fiscal Year 2018/2019, Pursuant to Florida Law**

132

133

134

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136

**A. Affidavit of Publication**

The proof of publication was provided for informational purposes.

137

138

**B. Consideration of Resolution 2019-06, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2018, and Ending September 30, 2019; Authorizing Budget Amendments; and Providing an Effective Date**

139

140

141

142

143

Mr. Wrathell reviewed the proposed Fiscal Year 2019 budget line items and noted that the District is Landowner-funded. The proposed Fiscal Year 2019 budget covers a full year’s worth of activity; expenses were expected to come in under budget. Per the Bond Financing

144

145

146 Team Funding Agreement, the Landowner is eligible for reimbursement for any advance-  
147 funding, engineering, and certain other bond-related expenses associated with the Costs of  
148 Issuance (COI), from the bond proceeds.

149

**On MOTION by Ms. Gutierrez and seconded by Mr. Radolan, with all in favor, the Public Hearing was opened.**

150

151

152

153

154

No members of the public spoke.

155

**On MOTION by Ms. Gutierrez and seconded by Ms. Snitko, with all in favor, the Public Hearing was closed.**

156

157

158

159

160

Mr. Wrathell presented Resolution 2019-06.

161

**On MOTION by Ms. Gutierrez and seconded by Mr. Radolan, with all in favor, Consideration of Resolution 2019-06, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2018, and Ending September 30, 2019; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.**

162

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168

**SEVENTH ORDER OF BUSINESS**

**Consideration of Budget Funding Agreement for Fiscal Year 2018/2019 Budget**

169

170

171

172

173

Mr. Wrathell presented the Fiscal Year 2018/2019 Budget Funding Agreement, between the CDD and the Landowner, which is identical to the one approved for Fiscal Year 2017/2018.

174

175

Mr. Johnson confirmed it was the same agreement, with the exception of changing the dates.

176

**On MOTION by Ms. Gutierrez and seconded by Mr. Shardrix, with all in favor, the Budget Funding Agreement for Fiscal Year 2018/2019 Budget, was approved.**

177

178

179

180

181

**EIGHTH ORDER OF BUSINESS**

**Public Hearing Confirming the Intent of the District to Use the Uniform Method of Levy, Collection and Enforcement of Non-**

182

183

184

185 Ad Valorem Assessments as Authorized  
 186 and Permitted by Section 197.3632, Florida  
 187 Statutes; Expressing the Need for the Levy  
 188 of Non-Ad Valorem Assessments and  
 189 Setting Forth the Legal Description of the  
 190 Real Property Within the District’s  
 191 Jurisdictional Boundaries that May or Shall  
 192 Be Subject to the Levy of District Non-Ad  
 193 Valorem Assessments; Providing for  
 194 Severability; Providing for Conflict and  
 195 Providing for an Effective Date  
 196

197 **A. Affidavit/Proof of Publication**

198 The proof of publication was provided for informational purposes.

199 **B. Consideration of Resolution 2019-07, Expressing its Intent to Utilize the Uniform**  
 200 **Method of Levying, Collecting, and Enforcing Non Ad Valorem Assessments Which**  
 201 **May Be Levied By the FRERC Community Development District in Accordance with**  
 202 **Section 197.3632, Florida Statutes; Providing a Severability Clause; and Providing an**  
 203 **Effective Date**

204 Mr. Wrathell Presented Resolution 2019-07.  
 205

206 **On MOTION by Ms. Gutierrez and seconded by Ms. Snitko, with all in favor, the**  
 207 **Public Hearing was opened.**

208  
 209  
 210 No members of the public spoke.

211  
 212 **On MOTION by Ms. Gutierrez and seconded by Ms. Snitko, with all in favor, the**  
 213 **Public Hearing was closed.**

214  
 215  
 216 Mr. Wrathell Presented Resolution 2019-07 and read the title.  
 217

218 **On MOTION by Ms. Snitko and seconded by Ms. Gutierrez, with all in favor,**  
 219 **Consideration of Resolution 2019-07, Expressing its Intent to Utilize the**  
 220 **Uniform Method of Levying, Collecting, and Enforcing Non Ad Valorem**  
 221 **Assessments Which May Be Levied By the FRERC Community Development**  
 222 **District in Accordance with Section 197.3632, Florida Statutes; Providing a**  
 223 **Severability Clause; and Providing an Effective Date, was adopted.**

224 **NINTH ORDER OF BUSINESS**

225 **Public Hearing to Hear Public Comments**  
226 **and Objections to the Adoption of the**  
227 **Rules of Procedure, Pursuant to Sections**  
228 **120.54 and 190.035, Florida Statutes**

229 **A. Affidavits of Publication**

- 230 • **Notice of Rule Development**
- 231 • **Notice of Rule Making**

232 The affidavits of publication were provided for informational purposes.

233 **B. Consideration of Resolution 2019-08, Adopting Rules of Procedure; Providing a**  
234 **Severability Clause; and Providing an Effective Date**

235 Mr. Wrathell stated the Rules of Procedure were presented at the prior meeting;  
236 however, due to advertising requirements, they were being presented today to hear public  
237 comments, prior to adoption. The Rules of Procedures are based generally on Statute  
238 requirements and sets forth the processes and procedures for meetings, the bid process, etc.

239

240 **On MOTION by Ms. Snitko and seconded by Ms. Gutierrez, with all in favor, the**  
241 **Public Hearing was opened.**

242

243

244 No members of the public spoke.

245

246 **On MOTION by Ms. Gutierrez and seconded by Ms. Snitko, with all in favor, the**  
247 **Public Hearing was closed.**

248

249

250 **On MOTION by Ms. Snitko and seconded by Ms. Gutierrez, with all in favor,**  
251 **Resolution 2019-08, Adopting Rules of Procedure; Providing a Severability**  
252 **Clause; and Providing an Effective Date, was adopted.**

253

254

255 **TENTH ORDER OF BUSINESS**

256 **Consideration of Resolution 2019-09,**  
257 **Designating Dates, Time and Location for**  
258 **Regular Meetings of the Board of**  
259 **Supervisors of the District for Fiscal Year**  
260 **2018/2019 and Providing for an Effective**  
261 **Date**

261

262 Mr. Wrathell presented Resolution 2019-09. The following changes were made:

263 December Meeting Date: Change “\_\_\_” to “20”

264 December Meeting Time: Change “10:00 a.m.” to “3:00 p.m.”

265

266 **On MOTION by Ms. Gutierrez and seconded by Ms. Snitko, with all in favor,**  
267 **Resolution 2019-09, Designating Dates, Time and Location for Regular**  
268 **Meetings of the Board of Supervisors of the District for Fiscal Year 2018/2019**  
269 **and Providing for an Effective Date, as amended, was adopted.**

270

271

272 **ELEVENTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial  
Statements of September 30, 2018**

273

274

275 Mr. Wrathell presented the Unaudited Financial Statements of September 30, 2018.

276

277 **On MOTION by Mr. Lavigne and seconded by Ms. Gutierrez, with all in favor,**  
278 **the Unaudited Financial Statements of September 30, 2018, were approved.**

279

280

281 **TWELFTH ORDER OF BUSINESS**

**Consideration of Minutes**

282

283 **A. August 22, 2018 Organizational Meeting**

284 **B. October 9, 2018 Regular Meeting**

285 Mr. Wrathell presented the August 22, 2018 Organizational Meeting Minutes and the

286 October 9, 2018 Regular Meeting Minutes and asked for any additions, deletions or corrections.

287

288 **On MOTION by Mr. Lavigne and seconded by Ms. Gutierrez, with all in favor,**  
289 **the August 22, 2018 Organizational Meeting Minutes and October 9, 2018**  
290 **Regular Meeting Minutes, as presented, were approved.**

291

292

293 **THIRTEENTH ORDER OF BUSINESS**

**Staff Reports**

294

295 **A. District Counsel: *Hopping Green & Sams, P.A.***

296 Mr. Johnson stated the bond validation hearing occurred earlier in the week and the

297 Final Judgment was entered, which begins the 30-day appeal period. If there are no appeals, an

298 updated Certificate of No Appeal will be provided. Mr. Johnson will distribute a copy of the

299 Final Judgment.

300 **B. District Engineer (Interim): *Terra-Max Engineering, Inc.***

301 Mr. Wrathell stated, pursuant to the Consultants' Competitive Negotiation Act (CCNA), a  
302 Request for Qualifications (RFQ) to appoint a District Engineer will be presented in the future.

303 **C. District Manager: *Wrathell, Hunt and Associates, LLC***

304 • **NEXT MEETING DATE: November 29, 2018 at 10:00 AM**

305 The next meeting will be held on November 29, 2018 at 10:00 a.m. The assessment  
306 public hearing is scheduled for that day.

307

308 **FOURTEENTH ORDER OF BUSINESS**

**Board Members' Comments/Requests**

309

310 There being no Board Members' comments or requests, the next item followed.

311

312 **FIFTEENTH ORDER OF BUSINESS**

**Public Comments**

313

314 There being no public comments, the next item followed.

315

316 **SIXTEENTH ORDER OF BUSINESS**

**Adjournment**

317

318 There being nothing further to discuss, the meeting adjourned.

319

320 **On MOTION by Ms. Gutierrez and seconded by Ms. Snitko, with all in favor, the**  
321 **meeting adjourned at 10:55 a.m.**

322

323

324

325

326

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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333  
334

---

Secretary/Assistant Secretary

---

Chair/Vice Chair

**FRERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**7C**

**DRAFT**

**MINUTES OF MEETING  
FRERC  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the FRERC Community Development District held a Public Hearing and a Regular Meeting on Thursday, November 29, 2018 at 10:00 a.m., at City Center West Orange, 7380 West Sand Lake Road, Suite 305, Orlando, Florida 32819.

**Present at the meeting were:**

Barry Radolan	Chair
James Lavigne	Vice Chair
Deanna Snitko	Assistant Secretary
Giovanna Gutierrez	Assistant Secretary
Craig Shadrix	Assistant Secretary

**Also present were:**

Craig Wrathell	District Manager
Howard McGaffney	Wrathell, Hunt and Associates LLC
Jonathan Johnson	District Counsel
Momtaz Barq	District Engineer
J.W. Howard (via telephone)	Morgan Stanley
John Amm	City Center West Orange
Brian Robinson	City Center West Orange

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Wrathell called the meeting to order at 10:06 a.m. All Supervisors were present, in person.

**SECOND ORDER OF BUSINESS**

**Public Comments**

There were no public comments.

**THIRD ORDER OF BUSINESS**

**Public Hearing to Consider the Adoption of an Assessment Roll and the Imposition of Special Assessments Relating to the Financing and Securing of certain Public Improvements**

41 Mr. Wrathell recalled that, at the previous meeting, an updated version of the  
42 Engineer's Report outlining the Capital Improvement Plan (CIP) and a Master Assessment  
43 Methodology were presented and, once the Reports were approved, the Board and Staff set  
44 this Assessment Public Hearing.

45 • *Hear testimony from the affected property owners as to the propriety and advisability*  
46 *of making the improvements and funding them with special assessments on the*  
47 *property.*

48 • *Thereafter, the governing authority shall meet as an equalizing board to hear any and*  
49 *all complaints as to the special assessments on a basis of justice and right.*

50 **A. Affidavit(s)/Proof of Publication**

51 The proofs of publication were included for informational purposes.

52 **B. Mailed Notice to Property Owners(s)**

53 A copy of the Mailed Notice to property owners and the corresponding certified mail  
54 receipts were presented for informational purposes.

55 **C. Consideration of Resolution 2019-10, Authorizing District Projects for Construction**  
56 **and/or Acquisition of Infrastructure Improvements; Equalizing, Approving, Confirming,**  
57 **and levying Special Assessments on Property Specially Benefited by Such Projects to**  
58 **Pay the Cost Thereof; Providing for the Payment and the Collection of Such Special**  
59 **Assessments by the Methods Provided for by Chapters 170, 190 and 197, Florida**  
60 **Statutes; Confirming the District's Intention to Issue Special Assessment Bonds;**  
61 **Making Provisions for Transfers of Real Property to Homeowners Associations,**  
62 **Property Owners Association and/or Governmental Entities; Providing for the**  
63 **Recording of an Assessment Notice; Providing for Severability, Conflicts and an**  
64 **Effective Date**

65 Mr. Wrathell reviewed the revised Engineer's Report, dated October 9, 2018, and the  
66 Master Special Assessment Methodology Report, dated September 25, 2018.

67

68 **On MOTION by Ms. Gutierrez and seconded by Mr. Radolan, with all in favor,**  
69 **the Public Hearing was opened.**

70

71

72 No members of the public spoke.

73

74 **On MOTION by Mr. Radolan and seconded by Mr. Lavigne, with all in favor, the**  
75 **Public Hearing was closed.**

76

77

78 Mr. Wrathell presented Resolution 2019-10 and read the title. Mr. Johnson stated that  
79 the Resolution outlines the procedural history of the CDD and provides for the finalization of  
80 the special assessments; once the Resolution is adopted, the District will effectively be securing  
81 a lien on the property and, if bonds are never issued, no payments are ever due but the lien is  
82 in place and awaiting issuance of the bonds. The Resolution provides for the assessment  
83 payments, the true-up mechanism and recording of a notice in the real property records to put  
84 all subsequent purchasers on notice; the Resolution is presented in standard form for the  
85 industry.

86

87 **On MOTION by Ms. Gutierrez and seconded by Ms. Snitko, with all in favor,**  
88 **Resolution 2019-10, Authorizing District Projects for Construction and/or**  
89 **Acquisition of Infrastructure Improvements; Equalizing, Approving, Confirming,**  
90 **and levying Special Assessments on Property Specially Benefited by Such**  
91 **Projects to Pay the Cost Thereof; Providing for the Payment and the Collection**  
92 **of Such Special Assessments by the Methods Provided for by Chapters 170, 190**  
93 **and 197, Florida Statutes; Confirming the District's Intention to Issue Special**  
94 **Assessment Bonds; Making Provisions for Transfers of Real Property to**  
95 **Homeowners Associations, Property Owners Association and/or Governmental**  
96 **Entities; Providing for the Recording of an Assessment Notice; Providing for**  
97 **Severability, Conflicts and an Effective Date, was adopted.**

98

99

100 Mr. Howard asked that the December 20 meeting remain on reserve status, as the  
101 Development Group would like to have the bond documents and the POS approved by the  
102 Board imminently. Mr. Robinson confirmed Mr. Howard's request.

103

104 **FOURTH ORDER OF BUSINESS**

**Consideration of Responses to RFP for  
Annual Audit Services**

105

106

107 **A. Affidavit of Publication**

108 The affidavit of publication was included for informational purposes.

109 **B. RFP Package**

110 The Request for Proposals (RFP) and advertisement were included for informational  
111 purposes.

112 **C. Respondents**

113 i. **Berger, Toombs, Elam, Gaines & Frank**

114 ii. **Carr, Riggs & Ingram, LLC**

115 iii. **Grau & Associates**

116 **D. Ranking**

117 Mr. Wrathell stated that Management has worked with all three firms, which are well-  
118 qualified and all with very similar qualifications, from a ranking perspective. Mr. Radolan asked  
119 if the CDD's scope of work is typical, when compared to other Districts. Mr. Wrathell stated  
120 that the audit for Fiscal Year 2018 would be basic, as the CDD was newly-formed and its  
121 operations are very simplistic but, once bonds are issued, the audit will be more complex. In  
122 response to a question regarding the audit cost, Mr. Wrathell stated that \$6,500 was budgeted.

123 Mr. McGaffney scored the respondents on the Auditor Selection Evaluation Criteria.  
124 The number-one ranked firm was Grau & Associates (Grau) with a total of 500 points, the  
125 second ranked firm was Carr, Riggs & Ingram, LLC (CRI) with 479 points and Berger, Toombs,  
126 Elam, Gaines & Frank (BTEGF), the third ranked firm, received 469 points.

127

128 **On MOTION by Ms. Gutierrez and seconded by Mr. Lavigne, with all in favor,**  
129 **accepting the ranking of Grau & Associates as the number-one ranked firm,**  
130 **Carr, Riggs & Ingram, LLC as the second ranked firm and Berger, Toombs, Elam,**  
131 **Gaines & Frank as the third ranked firm, was approved.**

132

133

134 **E. Award of Contract/Authorization to Negotiate with Number-One Ranked Firm**

135

136 **On MOTION by Mr. Radolan and seconded by Ms. Snitko, with all in favor,**  
137 **awarding the contract to Grau & Associates, the number-one ranked firm, and**  
138 **authorization for Staff to negotiate a contract with Grau & Associates, were**  
139 **approved.**

140

141 **FIFTH ORDER OF BUSINESS** **Review/Discussion/Ranking** **of**  
142 **Responses(s) to Request for Qualifications**  
143 **for Engineering Services**  
144

145 **A. Affidavit/ Proof of Publication**

146 The proof of publication was provided for informational purposes.

147 **B. RFQ Package**

148 Mr. Wrathell presented the Request for Qualifications (RFQ) for Engineering Services.

149 **C. Respondent(s)**

150 • **Terra-Max Engineering, Inc.**

151 Mr. Wrathell stated that Terra-Max Engineering, Inc., (Terra-Max), the Interim District  
152 Engineer, was the only respondent. Since they are already serving the District, it does not  
153 negate the process and the Board could proceed to ranking Terra-Max as the number-ranked  
154 firm, if it wished.

155 **D. Ranking**

156

157 **On MOTION by Mr. Lavigne and seconded by Ms. Gutierrez, with all in favor,**  
158 **ranking Terra-Max Engineering, Inc., as the number-one ranked firm, was**  
159 **approved.**

160

161

162 **E. Engagement of District Engineer**

163

164 **On MOTION by Mr. Lavigne and seconded by Ms. Snitko, with all in favor,**  
165 **authorizing Staff to negotiate a Fee Schedule and prepare a Continuing Services**  
166 **Agreement with the number-one ranked firm, Terra-Max Engineering, Inc., for**  
167 **District Engineering Services, was approved.**

168

169

170 **SIXTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial**  
**Statements of October 31, 2018**

171

172

173 Mr. Wrathell presented the Unaudited Financial Statements of October 31, 2018.

174

175 **On MOTION by Ms. Snitko and seconded by Ms. Gutierrez, with all in favor, the**  
176 **Unaudited Financial Statements of October 31, 2018, were approved.**

## 177 SEVENTH ORDER OF BUSINESS Consideration of Minutes

178

## 179 A. October 24, 2018 Landowners' Meeting

## 180 B. October 24, 2018 Regular Meeting and Public Hearings

181 Mr. Wrathell presented the October 24, 2018 Landowners' Meeting and the October 24,  
182 2018 Regular Meeting and Public Hearings Minutes and asked for any additions, deletions or  
183 corrections.

184 The following change was made to both sets of minutes and would be made to all  
185 previous minutes:

186 Throughout: Change "Shardrix" to "Shadrix"

187

188 **On MOTION by Ms. Snitko and seconded by Ms. Gutierrez, with all in favor, the**  
189 **October 24, 2018 Landowners' Meeting and October 24, 2018 Regular Meeting**  
190 **and Public Hearings Minutes, as amended, were approved.**

191

192

## 193 EIGHTH ORDER OF BUSINESS Staff Reports

194 A. District Counsel: *Hopping Green & Sams, P.A.*

196 There being no report, the next item followed.

197 B. District Engineer (Interim): *Terra-Max Engineering, Inc.*

198 There being no report, the next item followed.

199 C. District Manager: *Wrathell, Hunt and Associates, LLC*

- 200 • NEXT MEETING DATE: December 20, 2018 at 3:00 PM

201 The next meeting will be held on December 20, 2018 at 3:00 p.m.

202

## 203 NINTH ORDER OF BUSINESS Board Members' Comments/Requests

204

205 There being no Board Members' comments or requests, the next item followed.

206

## 207 TENTH ORDER OF BUSINESS Public Comments

208

209 There being no public comments, the next item followed.

210

211 **ELEVENTH ORDER OF BUSINESS**

**Adjournment**

212

213           There being nothing further to discuss, the meeting adjourned.

214

215           **On MOTION by Ms. Snitko and seconded by Mr. Lavigne, with all in favor, the**  
216           **meeting adjourned at 10:46 a.m.**

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[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

224  
225  
226  
227  
228  
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230

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Secretary/Assistant Secretary

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Chair/Vice Chair

**FRERC**

**COMMUNITY DEVELOPMENT DISTRICT**

**8C**

**FRERC COMMUNITY DEVELOPMENT DISTRICT  
NOTICE OF FISCAL YEAR 2019 MEETINGS**

The Board of Supervisors ("Board") of the FRERC Community Development District ("District") will hold Regular Meetings for Fiscal Year 2019 on the fourth Wednesday of each month at 10:00 a.m., (unless otherwise indicated), at City Center West Orange, 7380 West Sand Lake Road, Suite 305/395, Orlando, Florida 32819, as follows:

October 24, 2018 (*Landowners' Meeting, Public Hearings and Regular Meeting*)  
November 29, 2018  
December 20, 2018 at 3:00 P.M.  
January 23, 2019  
February 27, 2019  
March 27, 2019  
April 24, 2019  
May 22, 2019  
June 26, 2019  
July 24, 2019  
August 28, 2019  
September 25, 2019

The purpose of these meetings is for the Board to consider any business which may properly come before it. The meetings are open to the public and will be conducted in accordance with the provision of Florida law. The meetings may be continued to a date, time, and place to be specified on the record at the meeting. A copy of the agenda for these meetings may be obtained from Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 or by calling (561) 571-0010.

There may be occasions when one or more Supervisors or staff will participate by telephone. Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (561) 571-0010 at least 48 hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office.

A person who decides to appeal any decision made at the meeting with respect to any matter considered at the meeting is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**District Manager  
FRERC CDD**