

*Cypress Bluff  
Community Development District*

*July 28, 2020*

# *Cypress Bluff*

## *Community Development District*

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475 West Town Place, Suite 114, St. Augustine, Florida 32092

Phone: 904-940-5850 - Fax: 904-940-5899

July 22, 2020

Board of Supervisors  
Cypress Bluff  
Community Development District

Dear Board Members:

The Cypress Bluff Community Development District Meeting is scheduled for **Tuesday, July 28, 2020 at 1:30 p.m.** at using Zoom media technology. Following is the advance agenda for the meeting:

- I. Call to Order
- II. Public Comment
- III. Approval of Minutes of the June 23, 2020 Meeting
- IV. Financing Matters
  - A. Delegation Resolution 2020-12
    - 1. Third Supplemental Indenture
    - 2. Bond Purchase Contract
    - 3. PLOM
    - 4. Continuing Disclosure Agreement
  - B. Engineer's Report
  - C. Assessment Methodology Report
- V. Consideration of Resolution 2020-13, Re-Setting the Date of the Public Hearing to Adopt the Fiscal Year 2021 Budget
- VI. Staff Reports
  - A. District Counsel
  - B. District Engineer – Requisition Summary
  - C. District Manager – Discussion of the Fiscal Year 2021 Meeting Schedule
- VII. Financials Reports
  - A. Balance Sheet and Income Statement
  - B. Check Register
- VIII. Other Business
- IX. Supervisor's Requests and Audience Comments
- X. Next Scheduled Meeting – August 25, 2020 at 1:30 p.m. Location TBD
- XI. Adjournment

Enclosed under the third order of business for your review and approval is a copy of the minutes of the June 23, 2020 Board of Supervisors meeting.

The fourth order of business is financing matters. Enclosed for your review and approval are copies of the delegation resolution along with its exhibits, the engineer's report, and the assessment methodology report.

The fifth order of business is consideration of resolution 2020-13, re-setting the date of the public hearing to adopt the Fiscal Year 2021 budget. A copy of the resolution is enclosed for your review and approval.

The remainder of the agenda is general in nature. Staff will present their reports during the meeting.

We look forward to seeing you at the meeting. In the meantime, if you have any questions, please do not hesitate to call us at (904) 940-5850.

Sincerely,

*James Perry*

James Perry

District Manager  
Cypress Bluff Community  
Development District

## *AGENDA*

# *Cypress Bluff Community Development District Agenda*

Tuesday  
July 28, 2020  
1:30 p.m.

Meeting via Zoom  
Dial-In: (646) 876-9923  
Online: <https://zoom.us/j/94042354550>  
**Meeting ID#: 940 4235 4550**  
[www.CypressBluffCDD.com](http://www.CypressBluffCDD.com)

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  - A. Balance Sheet and Income Statement

B. Check Register

VIII. Other Business

IX. Supervisor's Requests and Audience Comments

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XI. Adjournment

## *MINUTES*

MINUTES OF MEETING  
CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT

The Board of Supervisors meeting of the Cypress Bluff Community Development District was held Tuesday, June 23, 2020 at 1:30 p.m. using *Zoom* communications media technology pursuant to Executive Orders 20-52, 20-69 and 20-139 issued by Governor DeSantis, including any extensions or supplements thereof, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*.

Present and constituting a quorum were:

Richard Ray	Chairman
John Holmes	Vice Chairman
Chris Price	Supervisor
Steven Grossman	Supervisor
John Hewins	Supervisor

Also present were:

Jim Perry	District Manager
Katie Buchanan	District Counsel
Jason Hall	District Engineer
Joe Muhl	PARC Group
Mikey White	PARC Group
David Ray	GMS
Ernesto Torres	GMS

The following is a summary of the discussions and actions taken at the June 23, 2020 meeting. An audio copy of the proceedings can be obtained by contacting the District Manager.

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Perry called the meeting to order and called the roll.

**SECOND ORDER OF BUSINESS**

**Public Comment**

There were no members of the public in attendance.

**THIRD ORDER OF BUSINESS**

**Approval of Minutes of the May 26, 2020 Meeting**

There were no comments on the minutes.



On MOTION by Mr. Richard Ray seconded by Mr. Holmes with all in favor the minutes of the May 26, 2020 meeting were approved as presented.

**FOURTH ORDER OF BUSINESS****Acceptance of the Fiscal Year 2019 Audit**

Mr. Perry gave an overview of the Fiscal Year 2019 audit report, which is considered a clean audit with no findings or recommendations.

On MOTION by Mr. Hewins seconded by Mr. Richard Ray with all in favor the Fiscal Year 2019 audit report was accepted.

**FIFTH ORDER OF BUSINESS****Discussion on the Fiscal Year 2021 Budget**

Mr. Perry stated as of right now Duval County is not allowing any meetings in their libraries so more than likely we have availability at Riverside Management to have the public hearing and the next meeting on July 28<sup>th</sup>. That is more than likely where we will need to have the meeting and we will let everyone know a couple weeks prior. Other than that, this item is just a placeholder in regard to the budget that was approved at the last meeting.

Mr. White stated if there are any issues with scheduling the next meeting at Riverside Management, we could investigate whether we could schedule it at the eTown welcome center.

**SIXTH ORDER OF BUSINESS****Discussion of Lifestyle Coordinator Services**

Mr. Price stated this is an agreement for services for an independent contractor to come in and serve as a part-time representative as a community events director, essentially. This person would cater to the resident's needs, assist with community events, keep up with the database of the residents that are there. Basically, someone just to be a part of the community that can help the community to build relationships and put a little bit of fun into the CDD. The reason I am presenting it is because the contractor that we are proposing to hire on a part-time basis is Mary Grace LaMendola. This person has served as an events coordinator in Nocatee and is now the Enclave social coordinator and president of the Enclave community association that is there in Nocatee and she happens to be the sister of David and Rick Ray.

Ms. Buchanan stated the one thing I will point out is generally when we have independent contractors working for the District, we require them to have a certain level of insurance, as well as provide insurance coverage to the District as an additional insured. This

particular role being an events coordinator is of a different nature so if you are comfortable accepting this modified language, which essentially acknowledges that her role is limited to event planning and therefore the District would indemnify her for any potential liability that may be incurred.

On MOTION by Mr. Price seconded by Mr. Hewins with Mr. Richard Ray abstaining, Ms. Mary Grace LaMendola serving as an events and development coordinator for the CDD was approved.

## **SEVENTH ORDER OF BUSINESS**

### **Staff Reports**

#### **A. District Counsel**

There being nothing to report, the next item followed.

#### **B. District Engineer - Requisition Summary**

Mr. Hall gave an overview of requisitions 5 through 10 being presented for approval, copies of which were included in the agenda package.

Ms. Buchanan asked the payment to Sunstate is not a payment that is supposed to be funded through the developer funding agreement, correct?

Mr. Richard Ray stated I think it would be. I'm assuming this is the first payment under the landscape agreement with the DOT, so it would be reimbursed by the developer.

Mr. White stated correct.

On MOTION by Mr. Richard Ray seconded by Mr. Grossman with all in favor requisitions 5 through 9 were approved, with the invoice behind requisition number 10 to be paid from O&M and be reimbursed by the developer.

#### **C. District Manager**

Mr. Perry stated we have done some analysis of all of the construction funds and payments related to the amenities and we will be working with Mikey on that.

As soon as we finalize the location of the next meeting, we will let all of the board members know.

Mr. Richard Ray suggested approving holding the July 28<sup>th</sup> meeting at the eTown welcome center for noticing purposes.

On MOTION by Mr. Richard Ray seconded by Mr. Holmes with all in favor holding the July 28, 2020 meeting and public hearing at the eTown welcome center was approved.

**EIGHTH ORDER OF BUSINESS**

**Financial Reports**

**A. Balance Sheet and Income Statement**

**B. Check Register**

Mr. Perry gave an overview of the financial reports and check register, copies of which were included in the agenda package.

On MOTION by Mr. Grossman seconded by Mr. Holmes with all in favor the check register totaling \$12,398.06 was approved.

**NINTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**TENTH ORDER OF BUSINESS**

**Supervisor's Requests and Audience Comments**

There being none, the next item followed.

**ELEVENTH ORDER OF BUSINESS**

**Next Scheduled Meeting – July 28, 2020 at 1:30 p.m. at the eTown Welcome Center**

**TWELFTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Hewins seconded by Mr. Holmes with all in favor the meeting was adjourned.

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Secretary/Assistant Secretary

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Chairman/Vice Chairman

## *FOURTH ORDER OF BUSINESS*

*A.*

## RESOLUTION 2020-12

A RESOLUTION OF THE BOARD OF SUPERVISORS OF CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$9,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS IN ONE OR MORE SERIES (THE "SERIES 2020 BONDS"); DETERMINING CERTAIN DETAILS OF THE SERIES 2020 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD SUPPLEMENTAL TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2020 BONDS; APPOINTING THE UNDERWRITER; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTRACT OF PURCHASE WITH RESPECT TO THE SERIES 2020 BONDS AND AWARDING THE SERIES 2020 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 2020 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 2020 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2020 BONDS; MAKING CERTAIN DECLARATIONS; 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, Cypress Bluff 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. 2018-335 of the City Council of the City of Jacksonville, Florida (the "City"), enacted on June 26, 2018 and effective on June 29, 2018, as amended;

**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. 2018-27 on August 1, 2018 (the "Initial Resolution"), authorizing, among other things, the issuance in one or more series of not to exceed \$96,000,000 aggregate principal amount of its Special Assessment Bonds; and

**WHEREAS**, the District has determined to issue its Cypress Bluff Community Development District Special Assessment Bonds (Del Webb Project), in one or more series, (the "Series 2020 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 2020 Project"); and

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

(i) a form of Third Supplemental Trust Indenture ("Third Supplement"), between The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"), and the District attached hereto as **Exhibit A**;

(ii) a form of Contract of Purchase with respect to the Series 2020 Bonds between MBS Capital Markets, 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 District, Pulte Group Company, LLC, (the "Developer"), and Government Management Services, LLC, as dissemination agent, attached hereto as **Exhibit D**.

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

**Section 1. Authorization, Designation and Principal Amount of the Series 2020 Bonds.** There are hereby authorized and directed to be issued the Series 2020 Bonds, in the aggregate principal amount of not to exceed \$9,000,000 for the purposes, among others, of providing funds for the payment of all or a portion of the costs of the Series 2020 Project. The purchase price of the Series 2020 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 2020 Bonds as set forth in the Master Trust Indenture between the District and the Trustee, as supplemented by the Third 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 2020 Bonds, the Indenture and any other documents which may be necessary or helpful in connection with the issuance and delivery of the Series 2020 Bonds and in connection with the application of the proceeds thereof.

**Section 3. Details of the Series 2020 Bonds.** The District hereby determines that the Series 2020 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 Third 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 Third Supplement attached hereto.

**Section 5. Appointment of Underwriter; Negotiated Sale.** MBS Capital Markets, LLC, is hereby appointed the underwriter of the Series 2020 Bonds (the "Underwriter"). The Series 2020 Bonds shall be sold by a negotiated sale to the Underwriter. It is hereby determined by the District that a negotiated sale of the Series 2020 Bonds to the Underwriter will best effectuate the purposes of the Act, is in the best 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 2020 Bonds and the institutional market for unrated securities such as the Series 2020 Bonds, it is desirable to sell the Series 2020 Bonds pursuant to a negotiated sale so as to have an underwriter involved from the outset of the financing to assist in these matters; (ii) because of changing market conditions for tax-exempt bonds and the necessity of being able to adjust the terms of the Series 2020 Bonds, it is in the best interests of the District to sell the Series 2020 Bonds by a negotiated sale; (iii) the Underwriter has participated in structuring the issuance of the Series 2020 Bonds and can assist the District in attempting to obtain the most attractive financing for the District; and (iv) the District will not be adversely affected if the Series 2020 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 2020 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 of the Florida Statutes, to be delivered to the District prior to the execution of the Contract of Purchase, a copy of which is attached as an exhibit to the Contract of Purchase, will be entered into the official records of the District;

(ii) Receipt by the Chair of a written offer to purchase the Series 2020 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 \$9,000,000 initial aggregate principal amount of Series 2020 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 2020 Bonds are sold, (B) a price of not less than 98%, excluding underwriter's discount, of the par amount of the Series 2020 Bonds, (C) the final maturity of the Series 2020 Bonds shall not be later than May 1, 2050 and (D) the Series 2020 Bonds shall be subject to optional redemption not later than May 1, 2033.

**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 2020 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 2020 Bonds, and upon such award, to deliver the same to the Underwriter for use by it in connection with the sale and distribution of the Series 2020 Bonds. The Limited Offering Memorandum shall be substantially in the form 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 2020 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 2020 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). Government Management Services, LLC is hereby appointed as the initial Dissemination Agent to perform the duties required under the Continuing Disclosure Agreement.

**Section 9. Appointment of Trustee.** The Bank of New York Mellon Trust Company, N.A. 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 2020 Bonds shall be applied to (i) paying all or a portion of the costs of the 2020 Project, (ii) funding the Debt Service Reserve Account of the Debt Service Reserve Fund for the Series 2020 Bonds, and (iii) paying the costs of issuance of the Series 2020 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 2020 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 2020 Bonds from gross income of the holders thereof) and to do and cause to be done any and all acts and things necessary or desirable for carrying out the transactions contemplated by this Resolution. In the event that the 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 2020 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 2020 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 2020 Bonds relating to the Series 2020 Project.

**Section 16. Assessment Methodology Report.** The Board hereby approves of changes to the Assessment Methodology Report previously approved by the Board and also authorizes further revisions and supplements to the Assessment Methodology Report with respect to the marketing and sale of the Series 2020 Bonds relating to the Series 2020 Project.

**Section 17. 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 18. 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 Cypress Bluff Community Development District, this 28<sup>th</sup> day of July, 2020.

**CYPRESS BLUFF 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 THIRD SUPPLEMENT**

**EXHIBIT B**

**FORM OF CONTRACT OF PURCHASE**

**EXHIBIT C**

**FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM**

**EXHIBIT D**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**



*1.*

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THIRD SUPPLEMENTAL TRUST INDENTURE

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BETWEEN

CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT

AND

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee

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Dated as of August 1, 2020

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Authorizing and Securing

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

CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT  
Special Assessment Bonds, Series 2020 (Del Webb Project)

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THIS THIRD SUPPLEMENTAL TRUST INDENTURE dated as of August 1, 2020 (the "Third Supplemental Indenture") between **CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT** (the "Issuer"), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association duly organized and existing under the laws of the United States of America, with its designated corporate trust office currently located at 10161 Centurion Parkway North, Jacksonville, Florida 32256 (said banking association and any bank or trust company becoming successor trustee under this Third 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. 2018-335-E enacted by the City Council of the City of Jacksonville, Florida (the "City") on June 26, 2018 and effective on June 29, 2018, as amended by Ordinance 2019-599E enacted by the City on October 22, 2019, effective October 28, 2019 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 February 1, 2019 (the "Master Indenture"), between the Issuer and the Trustee, and currently consists of approximately 1,273.92 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 Plan"); and

**WHEREAS**, the Board of Supervisors of the Issuer (the "Board") duly adopted Resolution No. 2018-27 on August 1, 2018 (the "Initial Bond Resolution"), authorizing, among other things, the issuance, in one or more series, of not to exceed \$96,000,000 aggregate principal amount of its Cypress Bluff 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 Plan; and

**WHEREAS**, the District's Resolution [2020-\_\_] was duly adopted by the Board on July [\_\_\_], 2020, authorizing, among other things, the sale of its Special Assessment Bonds, Series 2020 (Del Webb Project) (the "Series 2020 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 Third Supplemental Indenture to secure the issuance of the Series 2020 Bonds and to set forth the terms of the Series 2020 Bonds; and

**WHEREAS**, the Issuer will apply the proceeds of the Series 2020 Bonds to: (i) finance a portion the Cost of acquiring, constructing and equipping assessable improvements comprising the Series 2020 Project (as defined herein); (ii) pay certain costs associated with the issuance of the Series 2020 Bonds; and (iii) make a deposit into the Series 2020 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2020 Bonds, without privilege or priority of one Series 2020 Bond over another; and

**WHEREAS**, the Series 2020 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 2020 Special Assessments (as hereinafter defined) levied on that portion of the District Lands benefitted by the Series 2020 Project; and

**NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE WITNESSETH**, that to provide for the issuance of the Series 2020 Bonds, the security and payment of the principal or redemption price thereof (as the case may be) and interest thereon, the rights of the Bondholders and the performance and observance of all of the covenants contained herein and in said Series 2020 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2020 Bonds by the 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 2020 Bonds issued hereunder and any other amounts owed hereunder, and any Bonds issued on a parity with the Series 2020 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 2020 Bonds issued and to be issued under this Third Supplemental Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this Third Supplemental Indenture) of any one

Series 2020 Bond over any other Series 2020 Bond, all as provided in the Indenture (as hereinafter defined), and any Bonds issued on a parity with the Series 2020 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 2020 Bonds issued, and any Bonds issued on a parity with the Series 2020 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 2020 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 Third Supplemental Indenture and the rights hereby granted shall cease and terminate, otherwise this Third Supplemental Indenture to be and remain in full force and effect.

## **ARTICLE I. DEFINITIONS**

In this Third 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, collectively, the Agreement Regarding the Acquisition of Certain Work Product and Infrastructure, dated [August \_\_, 2020,] by and between the Issuer and the Developer.

"Arbitrage Certificate" shall mean that certain Arbitrage Certificate of the Issuer, dated [August \_\_, 2020,] relating to certain restrictions on arbitrage under the Code.

"Assessment Methodology" shall mean, collectively, the Cypress Bluff Community Development District Master Special Assessment Methodology Report dated August 20, 2018, as supplemented by the Supplemental Assessment Methodology Report for the Special Assessment Revenue Bonds Series 2020, dated [August \_\_, 2020,] each as prepared by the Methodology Consultant and relating to the Series 2020 Bonds, including, without limitation, all exhibits and appendices thereto.

"Assessment Resolutions" shall mean Resolution Nos. 2018-25, 2018-26, 2018-34 and Resolution No. 2020-08 of the Issuer adopted August 20, 2018, August 20, 2018 and [August \_\_ 2020,] respectively, as amended and supplemented from time to time.

"Authorized Denomination" shall mean, with respect to the Series 2020 Bonds, \$5,000 or any integral multiple thereof; provided however, that the Series 2020 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, dated August \_\_ 2020,] between the District, the Developer.

"Completion Agreement" shall mean the Completion Agreement by and between the Issuer and the Developer, dated August \_\_ 2020,] as such agreement may be modified from time to time.

"Declaration of Consent" shall mean the Declaration of Consent to Jurisdiction of Cypress Bluff Community Development District and to Imposition of Special Assessments for Series 2020 Bonds, dated [August \_\_ 2020,] delivered by the Developer.

"Del Webb CIP" shall mean certain public infrastructure improvements for a portion of the District including Parcel E-3a and Parcel E-3(b)/(c).

"Developer" shall mean Pulte Group Company, LLC, a Florida incorporated 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 shall be Government Management Services, LLC.

"Engineer's Report" shall mean the Improvement Plan for the Cypress Bluff Community Development District, as amended, dated September 24, 2019, as supplemented by the Supplemental Engineer's Report for the Series 2020 Capital Improvements dated July 14 , 2020, each as prepared by England, Thims & Miller, Inc.

"Indenture" shall mean, collectively, the Master Indenture, as supplemented and as particularly supplemented by this Third Supplemental Indenture.

"Interest Payment Date" shall mean May 1 and November 1 of each year, commencing November 1, 2020.

"Methodology Consultant" shall mean, initially, Governmental Management Services, LLC, or such successor Methodology Consultant appointed by the District.

"Parcel E-3a" shall mean that portion of the District Lands designated as parcel E-3a in the Assessment Methodology.

"Parcel E-3(b)/(c)" shall mean that portion of the District Lands designated as parcel E-3(b)/(c) in the Assessment Methodology.



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

"Pledged Revenues" shall mean, with respect to the Series 2020 Bonds (a) all revenues received by the Issuer from the Series 2020 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2020 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2020 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2020 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; 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).

"Quarterly 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 No. 2018-27 of the Issuer adopted on August 1, 2018, as supplemented by [Resolution No. 2020-\_\_] of the Issuer adopted on [July 28, 2020.]

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

"Series 2020 Bond Redemption Fund" shall mean the Series 2020 Bond Redemption Fund established pursuant to Section 4.01(g) of this Third Supplemental Indenture.

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

"Series 2020 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 Third Supplemental Indenture.

"Series 2020 Debt Service Reserve Requirement" shall mean, an amount equal to [\_\_\_\_] percent [(\_\_\_\_%)] of the maximum annual Debt Service Requirement for the Series 2020 Bonds as of any date of calculation as provided for herein, which initially is [\$\_\_\_\_\_].

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

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

"Series 2020 Lands" shall mean that portion of the District Lands subject to the lien of the Series 2020 Special Assessments.

"Series 2020 Prepayment" shall mean the payment by any owner of property of the amount of Series 2020 Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments 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 2020 Prepayment Principal.

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

"Series 2020 Prepayment Principal" shall mean the portion of a Prepayment corresponding to the principal amount of Series 2020 Special Assessments being prepaid.

"Series 2020 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 Third Supplemental Indenture.

"Series 2020 Project" shall mean, that portion of the Del Webb CIP acquired and/or constructed with proceeds of the Series 2020 Bonds.

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

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

"Series 2020 Special Assessments" shall mean the Special Assessments levied on that portion of the District Lands specially benefitted by the Series 2020 Project or any portion thereof, which assessments correspond in amount to the debt service on the Series 2020 Bonds.

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

"Third Supplemental Indenture" shall mean this Third Supplemental Trust Indenture dated as of [July 1, 2020,] by and between the Issuer and the Trustee, as supplemented or amended.

"True-Up Agreement" shall mean the Agreement between the Issuer and the Developer Regarding the True-Up and Payment of Series 2020 Assessments dated [August \_\_, 2020.]

"Trustee" shall mean The Bank of New York Mellon Trust Company, N.A., 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 2020 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 2020 BONDS**

SECTION 2.01 Amounts and Terms of Series 2020 Bonds; Issue of Series 2020 Bonds. No Series 2020 Bonds may be issued under this Third 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 2020 Bonds that may be issued under this Third Supplemental Indenture is expressly limited to [\$\_\_\_\_\_]. The Series 2020 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2020 Bonds shall be issued substantially in the form attached 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 Third Supplemental Indenture. The Issuer shall issue the Series 2020 Bonds upon execution of this Third 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 2020 Bonds and deliver them as specified in the request.

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

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

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

(a) The Series 2020 Bonds are being issued hereunder in order to provide funds to (i) pay a portion of the Costs of the Series 2020 Project, (ii) fund the Series 2020 Debt Service Reserve Account, and (iii) pay the costs of issuance of the Series 2020 Bonds. The Series 2020 Bonds shall be designated "Cypress Bluff Community Development District (Duval County, Florida) Special Assessment Bonds, Series 2020," and shall be issued as fully registered bonds without coupons in Authorized Denominations.

(b) The Series 2020 Bonds shall be dated the date of original issuance thereof. Interest on the Series 2020 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2020 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to November 1, 2020, in which case from the date of original issuance of the Series 2020 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 hereof in connection with a book-entry only system of registration of the Series 2020 Bonds, the principal or Redemption Price of the Series 2020 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2020 Bonds. Except as otherwise provided in Section 2.07 hereof in connection with a book-entry only system of registration of the Series 2020 Bonds, the payment of interest on the Series 2020 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2020 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Any interest on any Series 2020 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Series 2020 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2020 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant 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 2020 Bonds.

The Series 2020 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.

Maturity Date ( <u>May 1</u> )	Principal <u>Amount</u>	Interest <u>Rate</u>
_____	\$ _____	_____ %
_____	_____	_____
_____	_____	_____
_____	_____	_____

(a) Interest on the Series 2020 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 2020 Bonds on the day before the default occurred.

SECTION 2.06 Disposition of Series 2020 Bond Proceeds. From the net proceeds of the Series 2020 Bonds received by the Trustee, which shall be [\$\_\_\_\_\_] (reflecting the aggregate principal amount of the Series 2020 Bonds of [\$\_\_\_\_\_] less an underwriter's discount of [\$\_\_\_\_\_] and retained by the purchaser of the Series 2020 Bonds);

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

(b) [\$\_\_\_\_\_] shall be deposited into the Series 2020 Costs of Issuance Subaccount of the Series 2020 Acquisition and Construction Account and applied to pay costs of issuance of the Series 2020 Bonds;

(c) [\$\_\_\_\_\_] shall be deposited into the Series 2020 Acquisition and Construction Subaccount – Parcel E-3(a) of the Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied to pay Costs of the Parcel E-3(a) Project in accordance with Article V of the Master Indenture;

(d) [\$\_\_\_\_\_] shall be deposited into the Series 2020 Acquisition and Construction Subaccount – Parcel E-3(b)/(c) of the Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied to pay Costs of the Parcel E-3(b)/(c) Project in accordance with Article V of the Master Indenture;

(e) [\$\_\_\_\_\_] from proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Interest Account and applied to pay capitalized interest on the Series 2020 Bonds through November 1, 2020; and

(f) [\$\_\_\_\_\_] constituting all remaining proceeds of the Series 2020 Bonds, shall be deposited in the Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied to pay Costs of the Series 2020 Project in accordance with Article V of the Master Indenture.

SECTION 2.07 Book-Entry Form of Series 2020 Bonds. The Series 2020 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 2020 Bonds in the form of fully registered Series 2020 Bonds in accordance with the instructions from Cede & Co. While the Series 2020 Bonds are registered in book-entry only, presentation of the Series 2020 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 2020 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 2020 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 2020 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2020 Bonds, all the Series 2020 Bonds shall be executed by the Issuer for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Issuer or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Assessment Resolutions;
- (b) Executed originals of the Master Indenture and this Third Supplemental Indenture;
- (c) An opinion of Counsel to the Issuer addressed to the Issuer 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 2020 Project being financed with the proceeds of the Series 2020 Bonds, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body having lawful jurisdiction in order to construct, acquire, own and operate the Series 2020 Project, (iii) all proceedings undertaken by the Issuer with respect to the Series 2020 Special Assessments have been in accordance with Florida law, (iv) the Issuer has taken all action necessary to levy and impose the Series 2020 Special Assessments, and (v) the Series 2020 Special Assessments are legal, valid and binding liens upon the property against which such Series 2020 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 2020 Bonds, the Issuer will not be in default in the performance of the terms and provisions of the Master Indenture or this Third Supplemental Indenture;

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

(f) A certificate of the Methodology Consultant addressing the validity of the Series 2020 Assessments.

Delivery to the Trustee of the net proceeds from the issuance and sale of the Series 2020 Bonds is conclusive evidence of the satisfaction of conditions precedent for authentication of the Series 2020 Bonds.

### ARTICLE III.

#### REDEMPTION OF SERIES 2020 BONDS

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

(a) Optional Redemption. The Series 2020 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, \_\_\_\_] (less than all Series 2020 Bonds to be specified by the Issuer in writing), at a Redemption Price equal to 100% of the principal amount of Series



2020 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 2020 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole, on any date, or in part, on any Quarterly Redemption Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2020 Bonds to be redeemed, plus interest accrued to the date of redemption, as follows:

- (i) from Series 2020 Prepayments deposited into the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund following the payment in whole or in part of Series 2020 Special Assessments on any portion of the Series 2020 Lands in accordance with the provisions of Section 4.05(a) of this Third Supplemental Indenture, including any excess moneys transferred from the Series 2020 Debt Service Reserve Account to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund resulting from such Series 2020 Prepayment pursuant to Section 4.01(f)(ii) of this Third Supplemental Indenture.
- (ii) on or after the Completion Date of the Series 2020 Project, by application of moneys remaining in the Series 2020 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 2020 Project, which has been transferred as specified in Section 4.01(a) hereof to the Series 2020 General Account of the Series 2020 Bond Redemption Fund, credited toward extinguishment of the Series 2020 Special Assessments and applied toward the redemption of the Series 2020 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2020 Special Assessments which the Issuer shall describe to the Trustee in writing.
- (iii) following condemnation or the sale of any portion of the Series 2020 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 2020 Project to the Trustee by or on behalf of the Issuer for deposit into the Series 2020 General Account of the Series 2020 Bond Redemption Fund in order to effectuate such redemption and, which moneys shall be applied by the Issuer to redeem Series 2020 Bonds in accordance with the manner it has credited such moneys

toward extinguishment of Series 2020 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 2020 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 2020 General Account of the Series 2020 Bond Redemption Fund which moneys shall be applied by the Issuer to redeem Series 2020 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2020 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 2020 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 2020 Funds and Accounts (other than the Rebate Fund) sufficient to pay and redeem all Outstanding Series 2020 Bonds and accrued interest thereon to the date of redemption in addition to all amounts owed to Persons under the Indenture.
- (vi) on [\_\_\_\_\_ 1, 20\_\_] from amounts transferred to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund from the Series 2020 Acquisition and Construction Account and from any applicable true-up payment as provided in Section 4.01(a) of this Third Supplemental Indenture.

(c) Mandatory Sinking Fund Redemption. The Series 2020 Bond maturing on [May 1, \_\_\_\_\_] is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2020 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 November 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>
_____	\$_____	_____	\$_____
_____	_____	_____	_____
_____	_____	_____*	_____

\*Final Maturity

The Series 2020 Bond maturing on [\_\_\_\_\_ 1, 2030] is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2020 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>
_____	\$_____	_____	\$_____
_____	_____	_____*	_____
_____	_____		

\*Final Maturity

The Series 2020 Bond maturing on [\_\_\_\_\_ 1, 20\_\_] is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2020 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 November 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>
_____	\$_____	_____	\$_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____*	_____
_____	_____		

\*Final Maturity

The Series 2020 Bond maturing on [May \_\_, 20\_\_] is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2020 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 November 1 of the years and in the principal amounts set forth below:

<u>Year</u> <u>(May 1)</u>	<u>Sinking Fund</u> <u>Installment</u>	<u>Year</u> <u>(May 1)</u>	<u>Sinking Fund</u> <u>Installment</u>
_____	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____ *	_____
_____	_____		

\*Final Maturity

SECTION 3.02 Notice of Redemption. When required to redeem Series 2020 Bonds under any provision of this Third Supplemental Indenture or directed to redeem Series 2020 Bonds by the Issuer, the Trustee shall give or cause to be given to Owners of the Series 2020 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.

(a) The Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the "Series 2020 Acquisition and Construction Account." Proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Acquisition and Construction Account, together with any excess moneys transferred to the Series 2020 Acquisition and Construction Account. Such moneys in the Series 2020 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 Third Supplemental Indenture to pay costs to acquire and construct the Series 2020 Project. After the Completion Date of the Series 2020 Project and after retaining in the Series 2020 Acquisition and Construction Account the amount, if any, of all remaining unpaid Costs of any portion of the Series 2020 Project set forth in the Consulting Engineer's Certificate establishing such Completion Date, any funds remaining in the Series 2020 Acquisition and Construction Account shall be transferred to and deposited into the Series 2020 General Account of the Series 2020 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2020 Bonds, and the Series 2020 Acquisition and Construction Account shall be closed. Earnings on investments in the Series 2020 Acquisition and Construction Account shall remain therein.

There is hereby established within the Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund held by the Trustee a "Series 2020 Costs of Issuance Subaccount." Amounts in the Series 2020 Costs of Issuance Subaccount shall be applied by the Trustee to pay the costs relating to the issuance of the Series 2020 Bonds. Six months after the date of issuance of the Series 2020 Bonds, any moneys remaining in the Series 2020 Costs of Issuance Subaccount which have not been requisitioned by the Issuer to pay costs relating to the issuance of the Series 2020 Bonds shall be deposited into the Series 2020 Acquisition and Construction Account and applied as set forth in Article V of the Master Indenture and Section 4.01(a) of this Third Supplemental Indenture, and the Series 2020 Costs of Issuance Subaccounts shall be closed.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Series 2020 Revenue Account." Series 2020 Special Assessments (except for Series 2020 Prepayments which shall be identified as such by the Issuer to the Trustee to be deposited in the Series 2020 Prepayment Account) shall be deposited by the Trustee into the Series 2020 Revenue Account which shall be applied as set forth in Article VI of the Master Indenture and Section 4.02 of this Third Supplemental Indenture.

(c) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2020 Principal Account." Moneys shall be deposited into such Account as provided in Article VI of the Master Indenture and Section 4.02 of this Third Supplemental Indenture, and applied for the purposes provided therein.

(d) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2020 Interest Account." Proceeds of the Series 2020 Bonds shall be deposited into such Account in the amount set forth in Section 2.06(c) and 2.06(d) of this Third Supplemental Indenture. Moneys deposited into such Account pursuant to the Master Indenture and Section 4.02 of this Third Supplemental Indenture, shall be applied for the purposes provided therein.

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

(f) 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 2020 Debt Service Reserve Account."

(i) Proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Debt Service Reserve Account in the amount set forth in Section 2.06(a) of this Third Supplemental Indenture, which account will be held for the benefit of all of the Series 2020 Bonds, without privilege or priority of one Series 2020 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 2020 Debt Service Reserve Account and transfer any excess therein (except for excess resulting from interest earnings as provided in Section 4.01(f)(iv) below, excess resulting from failure of receipt of notice by the Trustee from the Issuer 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 2020 Debt Service Reserve Requirement, as follows: (A) prior to the Completion Date of the Series 2020 Project, to the Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund, and (B) on and after the Completion Date of the Series 2020 Project, such amounts shall be transferred to the Series 2020 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 2020 Special Assessment against such lot or parcel as provided in Section 4.05(a) of [this third 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 2020 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 2020 Debt Service Reserve Account in excess of the Series 2020 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2020 Debt Service Reserve Account to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund, as a credit against the Series 2020 Prepayment otherwise required to be made by the owner of such lot or parcel.

(iii) Earnings on investments in the Series 2020 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 2020 Debt Service Reserve Account were valued by the Trustee there was a deficiency in the Series 2020 Debt Service Reserve Account, or if after such date withdrawals have been made from the Series 2020 Debt Service Reserve Account and have created such a deficiency, then earnings on investments in the Series 2020 Debt Service Reserve Account shall be deposited to the credit of the Series

2020 Debt Service Reserve Account until the amounts on deposit therein equal the Series 2020 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 2020 Debt Service Reserve Account is not reduced below the then Series 2020 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 2020 Project, to the Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund, and (y) on and after the Completion Date of all of the components of the Series 2020 Project, to the Series 2020 Revenue Account of the Revenue Fund. Upon the occurrence and continuance of an Event of Default, earnings on investments in the Series 2020 Debt Service Reserve Account shall remain therein.

(g) Pursuant to Section 6.06 of the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Fund designated as the "Series 2020 Bond Redemption Fund" and within such Fund, a "Series 2020 General Account" and a "Series 2020 Prepayment Account." Except as otherwise provided in this third Supplemental Indenture, moneys to be deposited into the Series 2020 Bond Redemption Fund, as provided in Article VI of the Master Indenture shall be deposited to the Series 2020 General Account of the Series 2020 Bond Redemption Fund. Series 2020 Prepayments shall be identified as such by the Issuer to the Trustee to then be deposited directly into the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund, as provided in the Indenture.

(i) Moneys in the Series 2020 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 2020 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 2020 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) through (xv) hereof an amount of Series 2020 Bonds equal to the amount of money transferred to the Series 2020 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 2020 Bonds that are subject to optional redemption pursuant to Section 3.01(a) hereof such amount of Series 2020 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 2020 Prepayment Account of the Series 2020 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 2020 Bonds equal to the amount of money transferred to the Series 2020 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 2020 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2020 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 2020 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2020 Bonds due on such May 1 or November 1, less any amounts on deposit in the Series 2020 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, to the Series 2020 Principal Account of the Debt Service Fund, an amount equal to the principal amount of Series 2020 Bonds Outstanding and maturing on such May 1, if any, less any amounts on deposit in the Series 2020 Principal Account not previously credited;

THIRD, no later than the Business Day next preceding each May 1, to the Series 2020 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2020 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2020 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 2020 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 2020 Debt Service Reserve Requirement;

FIFTH, notwithstanding the foregoing, at any time the Series 2020 Bonds are subject to redemption on a date which is not an Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2020 Interest Account the amount necessary to pay interest on the Series 2020 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 2020 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.

Prior to the Completion Date of the Series 2020 Project, on each November 2, the Trustee shall transfer the balance on deposit in the Series 2020 Revenue Account to the Series 2020 Acquisition and Construction on or after the Completion Date of the Series 2020 Project, on each November 2, the Trustee shall transfer to the Issuer, at the Issuer's written direction, the balance on deposit in the Series 2020 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 2020 Debt Service Reserve Account shall be equal to the Series 2020 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 2020 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2020 Bonds, to execute and deliver the Indenture and to pledge the Pledged Revenues for the benefit of the Series 2020 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 2020 Bonds, except for Bonds issued to refund all or a portion of the Series 2020 Bonds. The Series 2020 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 2020 Bonds under the Indenture against all claims and demands of all persons whomsoever.

SECTION 4.04 Series 2020 Project to Conform to Plans and Specifications; Changes. The Issuer will proceed to complete the Series 2020 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 2020 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 2020 Special Assessments may, at its option, or under certain circumstances described in the Assessment Resolutions in connection with Series 2020 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 2020 Special Assessments by paying to the Issuer all or a portion of the Series 2020 Special

Assessment which shall constitute Series 2020 Prepayments as directed in writing by the Issuer pursuant to the provisions of Section 4.01(g)(ii) of this Third Supplemental Indenture, plus accrued interest to the next succeeding Quarterly Redemption Date (or the second succeeding Quarterly Redemption Date if such prepayment is made within forty-five (45) calendar days before a Quarterly Redemption Date), attributable to the property subject to Series 2020 Special Assessment owned by such owner; provided, however, to the extent that such payments are to be used to redeem Series 2020 Bonds in the event the amount in the Series 2020 Debt Service Reserve Account will exceed the Series 2020 Debt Service Reserve Requirement as a result of a Series 2020 Prepayment in accordance with this Section 4.05(a) and the resulting redemption in accordance with Section 3.01(b)(i) of this Third Supplemental Indenture of Series 2020 Bonds, the excess amount above the Series 2020 Debt Service Reserve Requirement shall be transferred from the Series 2020 Debt Service Reserve Account to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund, as a credit against the Series 2020 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 2020 Debt Service Reserve Account to equal or exceed the Series 2020 Debt Service Reserve Requirement and accompanied by cash flows which demonstrate that, after giving effect to the proposed redemption of Series 2020 Bonds, there will be sufficient Pledged Revenues to pay the principal and interest, when due, on all Series 2020 Bonds that will remain Outstanding. The written instructions shall be delivered to the Trustee on or prior to the 46th day prior to a Quarterly Redemption Date.

(b) Upon receipt of Series 2020 Prepayments as described in paragraph (a) above, ~~which~~ includes accrued interest to the next succeeding Quarterly Redemption Date (or the second succeeding Quarterly Redemption Date if such prepayment is made within forty-five (45) calendar days before a Quarterly 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 2020 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 2020 Special Assessment has been paid in whole or in part and that such Series 2020 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be. Upon receipt of any such moneys from the Issuer the Trustee shall immediately deposit the same into the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund to be applied in accordance with Section 4.01(g)(ii) of this Third Supplemental Indenture, to the redemption of Series 2020 Bonds in accordance with Section 3.01(b)(i) of this Third Supplemental Indenture.

The Trustee shall conclusively rely on the Issuer's determination of what moneys constitute Prepayments. The Trustee shall calculate the amount available for the extraordinary

mandatory redemption of the applicable Series 2020 Bonds pursuant to Section 3.01(b)(i) of this Third Supplemental Indenture on each March 15, June 15, September 15 and December 15.

**ARTICLE V.**  
**ADDITIONAL COVENANTS OF THE ISSUER**

SECTION 5.01 Collection of Series 2020 Special Assessments. Notwithstanding Section 9.04 of the Master Trust Indenture, the Series 2020 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 2020 Special Assessments levied on platted lots and pledged hereunder to secure the Series 2020 Bonds will be collected pursuant to the Uniform Method pursuant to Section 9.04 of the Master Trust Indenture [commencing Fiscal Year 2021-2022.] 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 2020 Bonds, requests that the Issuer not use the Uniform Method, but instead collect and enforce Series 2020 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 2020 Special Assessments in the manner and pursuant to the method so requested by the Trustee.

Any Series 2020 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 2020 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 2020 Special Assessments, including the Assessment Resolutions and the Assessment Methodology, and to levy the Series 2020 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 2020 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 2020 Special Assessments and Series 2020 Bonds.

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

plus attorneys' fees, if any), the property may then be purchased by the Issuer for an amount equal to the balance due on the Series 2020 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the Issuer and the Issuer shall receive in its corporate name or in the name of a special purpose entity title to the property for the benefit of the Owners of the Series 2020 Bonds; provided that the Trustee shall have the right, acting at the written direction of the Majority Owners of the Series 2020 Bonds, but shall not be obligated, to direct the Issuer 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 2020 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 2020 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners of the Series 2020 Bonds.

SECTION 5.04 No Parity Bonds; Limitation on Parity Liens. Other than refunding bonds issued to refund the Outstanding Series 2020 Bonds, the Issuer shall not, while any Series 2020 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Pledged Revenues. The Issuer further covenants and agrees that so long as the Series 2020 Bonds are Outstanding, it will not impose debt service Special Assessments for capital projects on any lands subject to the Series 2020 Special Assessments without the written consent of the Majority Owners; provided, however, the Series 2020 Special Assessments have been Substantially Absorbed evidence of which shall be provided by the District to the Trustee in a written certificate upon which the Trustee may conclusively rely. Notwithstanding the foregoing, the Issuer is not precluded from imposing capital Special Assessments on property then subject to the Series 2020 Special Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District, evidence of which shall be provided by the Issuer to the Trustee in a written certificate upon which the Trustee shall conclusively rely.

SECTION 5.05 Acknowledgment Regarding Series 2020 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 2020 Bonds, the Series 2020 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 2020 Bonds, (i) the Pledged Revenues include, without limitation, all unencumbered amounts on deposit in the Series 2020 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 2020 Project or otherwise) without the consent of the Majority Owners of the Series 2020 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 2020 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 Completion Agreement and 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 Completion Agreement and the True-Up Agreement, and, upon the occurrence and continuance of a default under such Agreement, the Issuer covenants and agrees that the Trustee, at the written direction of the Majority Owners of the Series 2020 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 Issuer to enforce, or permit the Trustee to enforce in its stead, all of the provisions of the Completion Agreement and the True-Up Agreement upon demand of the Majority Owners of the Series 2020 Bonds, or the Trustee at the written direction of the Majority Owners of the Series 2020 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 Issuer 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 not be deemed to have accepted any obligation under the Collateral Assignment by virtue of such assignment; provided, however, the Trustee shall act in accordance with the written directions of the Majority Owners of the Series 2020 Bonds. Notwithstanding anything to the contrary herein, prior to taking any action under this Article V, the Trustee shall have first been indemnified to its satisfaction.

## ARTICLE VI. MISCELLANEOUS PROVISIONS

SECTION 6.01 Interpretation of Supplemental Indenture. This Third Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2020 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this Third 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 Third Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

SECTION 6.03 Counterparts. This Third 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 Third Supplemental Indenture are hereby incorporated herein and made a part of this Third 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 2020 Bonds or the date fixed for the redemption of any Series 2020 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 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 2020 Bonds.

SECTION 6.07 Tax Reporting Obligations. If the Bonds are ever held in other than book entry form of registration, upon the Trustee's written request, the Issuer and each Bond Owner shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation the cost basis reporting obligations under Section 6045 of the Internal Revenue Code of 1986 and the applicable regulations thereunder, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

[Remainder of page intentionally left blank]

**IN WITNESS WHEREOF**, Cypress Bluff Community Development District has caused this Third 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 The Bank of New York Mellon Trust Company, N.A. has caused this Third Supplemental Trust Indenture to be executed by a Vice President, all as of the day and year first above written.

**SEAL**

**CYPRESS BLUFF COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

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

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

**THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.,**  
as Trustee

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

2.



**CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT**  
**(City of Jacksonville, Florida)**  
**[\$[Bond Amount] Special Assessment Bonds, Series 2020 (Del Webb Project)]**  
**[BPA Date]**

**BOND PURCHASE AGREEMENT**

Cypress Bluff Community Development District  
City of Jacksonville, Florida

Ladies and Gentlemen:

MBS Capital Markets, LLC (the "Underwriter") offers to enter into this Bond Purchase Agreement ("Purchase Agreement") with the Cypress Bluff Community Development District (the "District"). This offer is made subject to written acceptance hereof by the District at or before 11:59 p.m., New York time, on the date hereof. If not so accepted, this offer will be subject to withdrawal by the Underwriter upon written notice delivered to the District at any time prior to the acceptance hereof by the District. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such term in the Limited Offering Memorandum or in the Indenture, as applicable, each as defined herein.

**1. Purchase and Sale.** Upon the terms and conditions and in reliance on the representations, warranties, covenants and agreements set forth herein, the Underwriter hereby agrees to purchase from the District, and the District hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of its \$[Bond Amount] Cypress Bluff Community Development District Special Assessment Bonds, Series 2020 (Del Webb Project) (the "Series 2020 Bonds"). The Series 2020 Bonds shall be dated as of the date of their delivery and shall be payable on the dates and principal amounts, bear such rates of interest and be subject to redemption, all as set forth in Exhibit A attached hereto. Interest on the Series 2020 Bonds is payable semi-annually on May 1 and November 1 each year, commencing November 1, 2020. The purchase price for the Series 2020 Bonds shall be \$[PP] (representing the aggregate par amount of the Series 2020 Bonds of \$[Bond Amount].00, [less/plus] [net] original issue [discount/premium] of \$[OID/BP] and less an Underwriter's discount of \$[UD]).

The disclosure statement required by Section 218.385, Florida Statutes, is attached hereto as Exhibit B.

**2. The Series 2020 Bonds.** The Series 2020 Bonds are authorized and issued pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes (the "Act"), the Florida Constitution, and other applicable provisions of law, and Ordinance 2018-335-E, enacted by the City Council of the City of Jacksonville, Florida on June 26, 2018, effective June 29, 2018. The District was established for the purposes, among other things, of financing and managing the design, acquisition, construction, maintenance, and operation of system, facilities and basic infrastructure

within and without the boundaries of the District. The Series 2020 Bonds are being issued pursuant to the Act and a Master Trust Indenture, dated as of February 1, 2019 (the "Master Indenture"), from the District to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as supplemented by a Third Supplemental Trust Indenture, dated as of [August] 1, 2020, from the District to the Trustee (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), and Resolution Nos. 2018-27 and 2020-[ ], adopted by the Board of Supervisors of the District (the "Board") on August 1, 2018 and July 28, 2020, respectively (collectively, the "Bond Resolution"), authorizing the issuance of the Series 2020 Bonds. The Series 2020 Special Assessments comprising the Pledged Revenues have been levied by the District on the lands within the District specially benefited by the Series 2020 Project pursuant to Resolution Nos. 2018-25, 2018-26 adopted by the Board on August 20, 2018, Resolution No. 2018-34 adopted by the Board on September 25, 2018 and a resolution to be adopted by the Board on or about August [ ], 2020 (collectively, the "Assessment Resolutions").

Consistent with the requirements of the Indenture and the Act, the Series 2020 Bonds are being issued for the primary purpose of (i) financing a portion of the Cost of the acquisition, construction and equipping of assessable improvements (the "Series 2020 Project"), (ii) paying certain costs associated with the issuance of the Series 2020 Bonds and (iii) funding the Series 2020 Debt Service Reserve Account.

The principal and interest on the Series 2020 Bonds are payable from and secured by the Pledged Revenues, which consist primarily of the revenues derived by the District from non-ad valorem special assessments levied against certain lands in the District that are subject to assessment as a result of the Series 2020 Project or any portion thereof.

At the time of issuance of the Series 2020 Bonds, the District and Pulte Home Company, LLC (the "Developer") will enter into: (a) the Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") among the District, the Developer and Governmental Management Services, LLC (the "Dissemination Agent") dated as of the date of Closing (hereinafter defined); (b) the Agreement Between the District and the Developer Regarding the True-Up and Payment of Series 2020 Special Assessments (the "True Up Agreement") dated as of the date of Closing; (c) the Collateral Assignment and Assumption of Development and Contract Rights (the "Collateral Assignment") between the District and the Developer dated as of the date of Closing; (d) the Completion Agreement (the "Completion Agreement") between the District and the Developer dated as of the date of Closing; and (e) the Declaration of Consent to Jurisdiction of Cypress Bluff Community Development District and to Imposition of Special Assessments for Series 2020 Bonds (the "Declaration of Consent") by the Developer dated as of the date of Closing. For purposes hereof, this Purchase Agreement, the Indenture, the Continuing Disclosure Agreement, the True-Up Agreement, the Collateral Assignment, the Completion Agreement and the Declaration of Consent, are referred to herein collectively as the "Financing Documents."

### **3. Delivery of Limited Offering Memorandum and Other Documents.**

(a) Prior to the date hereof, the District provided to the Underwriter for its review the Preliminary Limited Offering Memorandum, dated [PLOM Date] (the "Preliminary Limited Offering Memorandum"), that the District deemed final as of its date, except for certain permitted omissions (the "permitted omissions"), as contemplated by Rule

15c2-12 of the Securities and Exchange Commission (the "SEC Rule") in connection with the pricing of the Series 2020 Bonds. The District hereby confirms that the Preliminary Limited Offering Memorandum was deemed final as of its date, except for the permitted omissions.

(b) The District shall deliver, or cause to be delivered, at its expense, to the Underwriter, within seven (7) business days after the date hereof, or use good faith to deliver within such shorter period as may be requested by the Underwriter and at least one (1) business day prior to the date of Closing, or within such other period as the Underwriter may inform the District which is necessary for the Underwriter to comply with regulations of the Municipal Securities Rulemaking Board ("MSRB") in order to accompany any confirmation that requests payment from any customer, sufficient copies of the final Limited Offering Memorandum (the "Limited Offering Memorandum") to enable the Underwriter to fulfill its obligations pursuant to the securities laws of the State of Florida and the United States, in form and substance satisfactory to the Underwriter. In determining whether the number of copies to be delivered by the District are reasonably necessary, at a minimum, the number shall be determined by the Underwriter and conveyed to the District as shall be sufficient to enable the Underwriter to comply with the requirements of the SEC Rule, all applicable rules of the MSRB, and to fulfill its duties and responsibilities under Florida and federal securities laws generally.

The Underwriter agrees to file the Limited Offering Memorandum in accordance with applicable MSRB rules.

The District authorizes, or ratifies as the case may be, the use and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in connection with the limited public offering and sale of the Series 2020 Bonds. The Underwriter agrees that it will not confirm the sale of any Series 2020 Bonds unless the confirmation of sale requesting payment is accompanied or preceded by the delivery of a copy of the Limited Offering Memorandum.

(c) From the date hereof until the earlier of (1) ninety (90) days from the "end of the underwriting period" (as defined in the SEC Rule), or (2) the time when the Limited Offering Memorandum is available to any person from the MSRB (but in no case less than twenty-five (25) days following the end of the underwriting period), if the District has knowledge of the occurrence of any event which may make it necessary to amend or supplement the Limited Offering Memorandum in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter and if, in the reasonable opinion of the District or the Underwriter, such event requires the preparation and publication of an amendment or supplement to the Limited Offering Memorandum, the District, at its expense (unless such event was caused by the Underwriter), shall promptly prepare an appropriate amendment or supplement thereto (and file, or cause to be filed, the same with the MSRB, and mail such amendment or supplement to each record owner of Series 2020 Bonds) so that the statements in the Limited Offering Memorandum as so amended or supplemented will not, in light of the circumstances under which they were made, be misleading, in a form and in a manner reasonably approved by the Underwriter. The District will promptly notify the Underwriter of the occurrence of any event of which it has knowledge which, in its opinion, is an event described in the preceding sentence. The amendments or supplements that may

be authorized for use with respect to the Series 2020 Bonds are hereinafter included within the term "Limited Offering Memorandum."

**4. Authority of the Underwriter.** The Underwriter is duly authorized to execute this Purchase Agreement and to perform its obligations hereunder. 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.

**5. Offering and Sale of Series 2020 Bonds.** The Underwriter agrees to make a bona fide limited offering to "accredited investors" representing the general public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) of all of the Series 2020 Bonds at not in excess of the initial public offering price or prices (or below the yield or yields) set forth in Exhibit A hereto; provided, however, that the Underwriter may (i) offer and sell the Series 2020 Bonds to certain bond houses, brokers or to similar persons or organizations acting in the capacity of underwriters or wholesalers at prices lower than the public offering prices set forth in Exhibit A hereto, or (ii) change such initial offering prices (or yields) as the Underwriter deems necessary in connection with the marketing of the Series 2020 Bonds. The Underwriter agrees to assist the District in establishing the issue price as provided in Section 20 hereof.

The District hereby authorizes the Underwriter to use the Limited Offering Memorandum in connection with the limited public offering and sale of the Series 2020 Bonds and ratifies and confirms the distribution and use by the Underwriter prior to the date hereof of the Preliminary Limited Offering Memorandum in connection with such limited public offering and sale.

**6. District Representations, Warranties, Covenants and Agreements.** The District represents and warrants to and covenants and agrees with the Underwriter that, as of the date hereof and as of the date of Closing:

(a) The District is a local unit of special purpose government, duly organized and established and validly existing under the Act and the Constitution and laws of the State of Florida, with full legal right, power and authority to (1) impose, levy and collect the Series 2020 Special Assessments in the manner described in the Limited Offering Memorandum, (2) issue the Series 2020 Bonds for the purposes for which they are to be issued, as described in the Limited Offering Memorandum, (3) secure the Series 2020 Bonds as provided by the Indenture, (4) enter into the Financing Documents to which it is a party, (5) carry out and consummate all of the transactions contemplated by the Bond Resolution, the Assessment Resolutions and the Financing Documents, and (6) undertake the completion of the Series 2020 Project.

(b) The District has complied with the Bond Resolution, the Assessment Resolutions, the Act, and the Constitution and laws of the State of Florida in all matters relating to the Financing Documents and the Series 2020 Bonds, and the imposition, levy and collection of the Series 2020 Special Assessments.

(c) The District has duly authorized and approved (1) the execution and delivery, or adoption, as the case may be, and performance of the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Series 2020 Special Assessments and the Series 2020 Bonds, (2) the use and distribution of the Preliminary Limited Offering Memorandum and the delivery and distribution of the Limited Offering Memorandum, and (3) the taking of any and all such action as may be required on the part of the District to carry out, give effect to and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Series 2020 Special Assessments, the Series 2020 Bonds and the Limited Offering Memorandum.

(d) Each of the Financing Documents to which the District is a party constitutes a legally valid and binding obligation of the District enforceable in accordance with its terms, and, upon due authorization, execution and delivery thereof by the parties thereto, will constitute a legal, valid and binding obligation of the District enforceable in accordance with its terms.

(e) When delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Purchase Agreement, the Series 2020 Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute legal, valid and binding special obligations of the District, conforming to the Act, and entitled to the benefit and security of the Indenture.

(f) Upon the execution, authentication, issuance and delivery of the Series 2020 Bonds as aforesaid, the Supplemental Indenture will provide, for the benefit of the holders from time to time of the Series 2020 Bonds, a legally valid and binding pledge of and a security interest in and to the Pledged Revenues pledged to the Series 2020 Bonds, subject only to the provisions of the Supplemental Indenture permitting the application of such Pledged Revenues for the purposes and on the terms and conditions set forth in the Supplemental Indenture.

(g) Other than any approvals that might be required under the securities laws of any state, no approval, permit, consent or authorization of, or registration or filing with, any governmental or public agency or authority or any other entity not already obtained or made, or to be obtained or made simultaneously with the issuance of the Series 2020 Bonds, is required to be obtained or made by the District in connection with the issuance and sale of the Series 2020 Bonds, or the execution and delivery by the District of, or the due performance of its obligations under, the Financing Documents and the Series 2020 Bonds, and any such approvals, permits, consents or authorizations so obtained are in full force and effect.

(h) Other than as disclosed in the Limited Offering Memorandum, the District is not in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States, the Financing Documents, the Series 2020 Bonds or any applicable judgment or decree or any other loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, that could have a materially adverse effect on the business or operations of the District, and no event of default by the District has occurred and is continuing under any such instrument except as otherwise stated herein.

(i) The execution and delivery by the District of the Financing Documents, the Series 2020 Bonds and any other instrument to which the District is a party and which is used or contemplated for use in conjunction with the transactions contemplated by the Financing Documents, the Series 2020 Bonds, or the Limited Offering Memorandum, and the compliance with the provisions of each such instrument and the consummation of any transactions contemplated hereby and thereby, will not conflict with or constitute a breach of or default under any indenture, contract, agreement, or other instrument to which the District is a party or by which it is bound, or to the best of its knowledge under any provision of the Constitution of the State of Florida or any existing law, rule, regulation, ordinance, judgment, order or decree to which the District (or any of its supervisors or officers in their respective capacities as such) or its properties is subject.

(j) Except as disclosed in the Limited Offering Memorandum, there is no action, suit, hearing, inquiry or investigation, at law or in equity, before or by any court, public board, agency or body, pending or, to the best knowledge of the District, threatened against or affecting the District or any of its supervisors in their respective capacities as such, in which an unfavorable decision, ruling or finding would, in any material way, adversely affect (1) the transactions contemplated by the Bond Resolution, the Assessment Resolutions, the Financing Documents or the Series 2020 Bonds, (2) the organization, existence or powers of the District or any of its supervisors or officers in their respective capacities as such, (3) the business, properties or assets or the condition, financial or otherwise, of the District, (4) the validity or enforceability of the Series 2020 Bonds, the Financing Documents, the Series 2020 Special Assessments or any other agreement or instrument to which the District is a party and which is used or contemplated for use in the transactions contemplated hereby or by the Indenture, (5) the exclusion from gross income for federal income tax purposes of the interest on the Series 2020 Bonds, (6) the exemption under the Act of the Series 2020 Bonds and the interest thereon from taxation imposed by the State of Florida, (7) the legality of investment in the Series 2020 Bonds for certain investors as provided in the Act, (8) the issuance, sale or delivery of the Series 2020 Bonds, or (9) the collection of the Series 2020 Special Assessments and the pledge thereof under the Indenture to pay the principal, premium, if any, or interest on the Series 2020 Bonds.

(k) The District has not issued, assumed or guaranteed any indebtedness, incurred any material liabilities, direct or contingent, or entered into any contract or arrangement of any kind payable from or secured by a pledge of the Pledged Revenues pledged to the Series 2020 Bonds with a lien thereon prior to or on a parity with the lien of the Series 2020 Bonds.

(l) Between the date of this Purchase Agreement and the date of Closing, the District will not, without the prior written consent of the Underwriter, incur any material liabilities, direct or contingent, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District, other than (1) as contemplated by the Limited Offering Memorandum, or (2) in the ordinary course of business.

(m) Any certificates signed by any official of the District authorized to do so shall be deemed a representation and warranty by the District to the Underwriter as to the statements made therein.

(n) No representation or warranty by the District in this Purchase Agreement nor any statement, certificate, document or exhibit furnished or to be furnished by the District pursuant to this Purchase Agreement or the Limited Offering Memorandum or in connection with the transactions contemplated hereby contains or will contain on the date of Closing any untrue statement of a material fact or omits or will omit 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 no representation is made with respect to information concerning The Depository Trust Company, the Underwriter, or concerning information in the Limited Offering Memorandum under the captions "SUITABILITY FOR INVESTMENT," "DESCRIPTION OF THE SERIES 2020 BONDS - Book-Entry Only System," "THE DISTRICT - District Manager and Other Consultants," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "LITIGATION - Developer" and "UNDERWRITING."

(o) Except as disclosed in the Limited Offering Memorandum, the District is not in default and has not been in default at any time after December 31, 1975 as to principal or interest with respect to any obligations issued or guaranteed by the District.

**7. The Closing.** At 12:00 noon, New York time, on [Closing Date], or at such earlier or later time or date to which the District and the Underwriter may mutually agree, the District will, subject to the terms and conditions hereof, deliver the Series 2020 Bonds to the Underwriter in full book-entry form, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the aggregate purchase price of the Series 2020 Bonds as set forth in Section 1 hereof (such delivery of and payment for the Series 2020 Bonds is herein called the "Closing"). The District shall cause CUSIP identification numbers to be printed on the Series 2020 Bonds, but neither the failure to print such number on any Series 2020 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Series 2020 Bonds in accordance with the terms of this Purchase Agreement. The Closing shall occur at the offices of the District, or such other place to which the District and the Underwriter shall have mutually agreed. The Series 2020 Bonds shall be prepared and delivered as fully registered bonds in such authorized denominations and registered in full book-entry form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") and shall be delivered to DTC during the business day prior to the Closing for purposes of inspection, unless the DTC "F.A.S.T." procedure is used which requires the Registrar to retain possession of the Series 2020 Bonds.

**8. Closing Conditions.** The Underwriter has entered into this Purchase Agreement in reliance upon the representations, warranties, covenants and agreements of the District contained herein and contained in the documents and instruments delivered at the Closing, and upon the performance by the District of its obligations hereunder, as of the date of Closing. Accordingly, the Underwriter's obligations under this Purchase Agreement to cause the purchase, acceptance of delivery and payment for the Series 2020 Bonds shall be subject to 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 shall also be subject to the following conditions:

(a) The representations and warranties of the District contained herein shall be true, complete and correct on and as of the date of Closing, the statements made in all certificates and other documents delivered to the Underwriter at the Closing shall be true, complete and correct as of the date of Closing, and the District shall be in compliance with each of the agreements made by it in this Purchase Agreement and the Indenture as of the date of Closing;

(b) At the Closing, (1) the Bond Resolution, the Assessment Resolutions, the Financing Documents and the Series 2020 Special Assessments shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and the District shall have adopted and there shall be in full force and effect such additional agreements therewith and in connection with the issuance of the Series 2020 Bonds all such action as in the reasonable opinion of Bond Counsel shall be necessary in connection with the transactions contemplated hereby, (2) the Limited Offering Memorandum shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, (3) there shall not have occurred any event that causes the Limited Offering Memorandum or any amendment or supplement thereto to contain an untrue or misleading statement of fact that in the opinion of the Underwriter or its counsel is material or omits to state a fact that in the opinion of the Underwriter or its counsel is material and necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (4) the District shall perform or shall have performed all of its obligations under or specified in the Financing Documents to be performed at or prior to the Closing, and (5) the Series 2020 Bonds shall have been duly authorized, executed, authenticated and delivered;

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

(1) A certificate of the District, dated the date of Closing, regarding the Limited Offering Memorandum and no default;

(2) The Bond Resolution and Assessment Resolutions, certified by authorized officers of the District under its seal as true and correct copies and as having been adopted with only such amendments, modifications or supplements as may have been approved by the Underwriter;

(3) The Master Indenture and Supplemental Indenture, certified by authorized officers of the District as true and correct copies;

(4) A copy of the Limited Offering Memorandum, and any amendments or supplements thereto;

(5) A certificate of the District, dated the date of Closing, signed on its behalf by the Chairman and the Secretary of its Board of Supervisors, in substantially the form attached as Exhibit C hereto;



(6) An opinion, dated the date of Closing, of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, substantially in the form attached as an Appendix to the Limited Offering Memorandum;

(7) A supplemental opinion, dated the date of Closing, of Bond Counsel to the effect that (i) the Underwriter may rely on the approving opinion of Bond Counsel as though such opinion were addressed to them, (ii) the Series 2020 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, and (iii) Bond Counsel has reviewed (A) the statements contained in the Limited Offering Memorandum under the sections captioned "DESCRIPTION OF THE SERIES 2020 BONDS" (other than the portion thereof captioned "Book-Entry Only System" and other than any information therein relating to DTC or the book-entry system) and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS" (other than the portions thereof captioned "Collateral Assignment," "Completion Agreement" and "True-Up Agreement") and is of the opinion that insofar as such statements purport to summarize certain provisions of the Series 2020 Bonds and the Indenture, such statements are accurate summaries of the provisions purported to be summarized therein, and (B) the information contained in the Limited Offering Memorandum under the section captioned "TAX MATTERS" and believes that such information is accurate;

(8) An opinion, dated the date of Closing, of Hopping Green & Sams P.A. Tallahassee, Florida, District Counsel, in substantially the form attached as Exhibit D hereto;

(9) An opinion, dated the date of Closing, of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Counsel to the Underwriter (the "Underwriter's Counsel"), in form and substance satisfactory to the Underwriter;

(10) A certificate, dated the date of Closing, of the authorized officers of the District to the effect that, on the basis of the facts, estimates and circumstances in effect on the date of Closing, it is not expected that the proceeds of the Series 2020 Bonds will be used in a manner that would cause the Series 2020 Bonds to be "arbitrage bonds" within the meaning of Section 148 of Internal Revenue Code of 1986, as amended;

(11) Specimen Series 2020 Bonds;

(12) Executed Financing Documents;

(13) A copy of the executed Letter of Representations between the District and The Depository Trust Company, New York, New York;

(14) A copy of the Master Special Assessment Methodology Report and the Supplemental Assessment Methodology Report for the Special Assessment Bonds Series 2020, each prepared by Government Management Services, LLC, and a certificate from such firm in substantially the form attached as Exhibit E hereto;

(15) An opinion, dated the date of Closing, of in-house counsel to the Trustee, substantially to the effect that the Trustee is a duly organized national banking association with necessary powers to perform its obligations under the Indenture and has the corporate power to execute and deliver the Supplemental Indenture and that the Indenture is binding and enforceable against the Trustee, all in form and substance satisfactory to the Underwriter;

(16) A copy of the Supplemental Engineer's Report for the Del Webb e-Town Series 2020 Capital Improvements (the "Engineer's Report"), and a certificate from the District Engineer, in substantially the form attached as Exhibit F hereto;

(17) A certificate executed by the District Manager that all resolutions required to be published by Florida law have been published in accordance with the requirements of Florida law;

(18) A certificate of the Developer, in substantially the form attached as Exhibit G hereto and an opinion of counsel to the Developer in substantially the form attached as Exhibit H hereto;

(19) Evidence of compliance with the requirements of Section 189.051 and Section 215.84, Florida Statutes;

(20) Such additional legal opinions, certificates (including such certificates as may be required by regulations of the Internal Revenue Service in order to establish the tax exempt character of the Series 2020 Bonds, which certificates shall be satisfactory in form and substance to Bond Counsel), and other evidence as the Underwriter, Bond Counsel or Underwriter's Counsel may deem necessary to evidence the truth and accuracy as of the date of Closing of the representations and warranties of the District herein contained and of the information contained in the Limited Offering Memorandum and the due performance and satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by it.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance as set forth herein or as described herein or as otherwise satisfactory to the Underwriter. Receipt of, and payment for, the Series 2020 Bonds shall constitute evidence of the satisfactory nature of such as to the Underwriter. The performance of any and all obligations of the District hereunder and the performance of any and all conditions herein for the benefit of the Underwriter may be waived by the Underwriter in their sole discretion.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to cause the purchase, acceptance of delivery and payment for the Series 2020 Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to cause the purchase, acceptance of delivery and payment of the Series 2020 Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate, and neither the Underwriter nor the District shall be under

further obligation hereunder, but the respective obligations of the Underwriter and the District set forth in Section 10 hereof shall continue in full force and effect.

**9. Termination.** The Underwriter may terminate this Purchase Agreement by written notice to the District in the event that between the date hereof and the date of Closing:

(a) the marketability of the Series 2020 Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation (other than any actions taken by either House of Congress on or prior to the date hereof) (1) enacted or adopted by the United States, (2) 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 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, the Treasury Department of the United States or the Internal Revenue Service, or (3) favorably reported out of the appropriate Committee for passage to either House of the Congress by any full Committee of such House to which such legislation has been referred for consideration, or by any decision of any court of the United States or by any order, rule or regulation (final, temporary or proposed) on behalf of the Treasury Department of the United States, the Internal Revenue Service or any other authority or regulatory body of the United States, or by a release or announcement or communication issued or sent by the Treasury Department of the United States or the Internal Revenue Service, or any comparable legislative, judicial or administrative development affecting the federal tax status of the District, its property or income, obligations of the general character of the Series 2020 Bonds, as contemplated hereby, or the interest thereon; or

(b) any legislation, rule, or regulation shall be introduced in, or be enacted or adopted in the State of Florida, or a decision by any court of competent jurisdiction within the State of Florida shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2020 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2020 Bonds to be purchased by them; or

(c) any amendment to the Limited Offering Memorandum is proposed by the District or deemed necessary by Bond Counsel or the Underwriter which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2020 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2020 Bonds to be purchased by them; or

(d) there shall have occurred any outbreak or escalation of hostility, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Underwriter, impractical or inadvisable to proceed with the offering or delivery of the Series 2020 Bonds as contemplated by the Limited Offering Memorandum (exclusive of any amendment or supplement thereto); or

(e) legislation shall be enacted or adopted, or any action shall be taken by, or on behalf of, the Securities and Exchange Commission which, in the reasonable opinion of

Bond Counsel, has the effect of requiring the contemplated distribution of the Series 2020 Bonds to be registered under the Securities Act of 1933, as amended (the "1933 Act"), or the Indenture to be qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), or any laws analogous thereto relating to governmental bodies, and compliance therewith cannot be accomplished prior to the Closing; or

(f) legislation shall be introduced by amendment or otherwise in or be enacted by the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, release, regulation, official statement or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental authority having jurisdiction of the subject matter of the Series 2020 Bonds shall have been proposed, issued or made (which is beyond the control of the Underwriter or the District to prevent or avoid) to the effect that the issuance, offering or sale of the Series 2020 Bonds as contemplated hereby or by the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Series 2020 Bonds is or would be in violation of any of the federal securities laws at Closing, including the 1933 Act, as amended and then in effect, the Securities Exchange Act of 1934, as amended and then in effect, or the 1939 Act, as amended and then in effect, or with the purpose or effect of otherwise prohibiting the offering and sale of either the Series 2020 Bonds as contemplated hereby, or of obligations of the general character of the Series 2020 Bonds; or

(g) there shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the District or proceedings under the federal or State of Florida bankruptcy laws shall have been instituted by the District, in either case the effect of which, in the reasonable judgment of the Underwriter, is such as to materially and adversely affect (1) the market price or the marketability of the Series 2020 Bonds, or (2) the ability of the Underwriter to enforce contracts for the sale of the Series 2020 Bonds; or

(h) a general banking moratorium shall have been declared by the United States, New York or State of Florida authorities which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2020 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2020 Bonds to be purchased by them; or

(i) any national securities exchange or any governmental authority shall impose, as to the Series 2020 Bonds or obligations of the general character of the Series 2020 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the establishment of material restrictions upon trading of securities, including limited or minimum prices, by any governmental authority or by any national securities exchange which, in the reasonable opinion of the Underwriter materially adversely affects the market for the Series 2020 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2020 Bonds to be purchased by it; or

(j) legal action shall have been filed against the District wherein an adverse ruling would materially adversely affect the transactions contemplated hereby or by the Limited Offering Memorandum or the validity of the Series 2020 Bonds, the Bond Resolution, the Assessment Resolutions or any of the Financing Documents; provided,

however, that as to any such litigation, the District may request and the Underwriter may accept an opinion by Bond Counsel, or other counsel acceptable to the Underwriter, that in such counsel's opinion the issues raised by any such litigation or proceeding are without substance or that the contentions of any plaintiffs therein are without merit; or

(k) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the District's obligations; or

(l) any information shall have become known which, in the Underwriter's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Limited Offering Memorandum, as the information contained therein has been supplemented or amended by other information, or causes the Limited Offering Memorandum, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit 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 and upon the receipt of notice of same by the District, the District fails to promptly amend or supplement the Limited Offering Memorandum; or

(m) an event occurs as a result of which the Limited Offering Memorandum, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact which is 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 which, in the reasonable opinion of the Underwriter, requires an amendment or supplement to the Limited Offering Memorandum and, in the reasonable opinion of the Underwriter, materially adversely affects the marketability of the Series 2020 Bonds or the contemplated offering prices thereof and upon the receipt of notice by the District, the District fails to promptly amend or supplement the Limited Offering Memorandum; or

(n) the Internal Revenue Service makes a determination with respect to any special purpose development district formed under Florida law (referred to herein as a "Special District") deeming that all or certain of such Special Districts are not a "political subdivision" for purposes of Section 103(a) of the Internal Revenue Code, and such determination, in the reasonable opinion of the Underwriter, materially adversely affects the federal tax status of the District, the tax exempt character or marketability of the Series 2020 Bonds or the contemplated offering prices thereof.

## **10. Expenses.**

(a) The District agrees to pay from the proceeds of the Series 2020 Bonds, and the Underwriter shall be under no obligation to pay, all expenses incident to the performance of the District's obligations hereunder, including but not limited to (1) the cost of the preparation, printing or other reproduction (for distribution prior to, on or after the date of acceptance of this Purchase Agreement) of a reasonable number of copies of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, (2) the fees and disbursements of Bond Counsel, District Counsel, Underwriter's Counsel, Government Management Services, LLC, as Assessment Consultant, England Thims & Miller, Inc., as District Engineer, and any other experts or consultants retained by the

District, including, but not limited to, the fees and expenses of the District Manager, and (3) the fees and disbursements of the Trustee, Bond Registrar and Paying Agent under the Indenture.

(b) The Underwriter shall pay (1) the cost of qualifying the Series 2020 Bonds for sale in various states chosen by the Underwriter and the cost of preparing or printing any Blue Sky and legal investment memoranda to be used in connection with such sale, and (2) out-of-pocket expenses and advertising, incurred by them in connection with their offering and distribution of the Series 2020 Bonds.

(c) In the event that either the District or the Underwriter shall have paid obligations of the other as set forth in this Section, adjustment shall be made at or prior to Closing.

**11. Notices.** All notices, demands and formal actions hereunder shall be in writing and mailed, telegraphed or delivered to:

The Underwriter: MBS Capital Markets, LLC  
152 Lincoln Avenue  
Winter Park, Florida 32789  
Attn: Brett Sealy

The District: Cypress Bluff Community Development District  
c/o Governmental Management Services, LLC  
475 West Town Place, Suite 114  
St. Augustine, Florida 32092  
Attn: James Perry

Copy to District Counsel: Hopping Green & Sams, P.A.  
119 S. Monroe St., Suite 300  
Tallahassee, Florida 32301  
Attn: Katie Buchanan

**12. Parties in Interest.** This Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assignees of the District or the Underwriter) and no other party or person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties, covenants and agreements in this Purchase Agreement shall remain operative and in full force and effect, regardless of: (a) any investigations made by or on behalf of the Underwriter; (b) the delivery of and payment for the Series 2020 Bonds pursuant to this Purchase Agreement; or (c) any termination of this Purchase Agreement but only to the extent provided by the last paragraph of Section 7 hereof.

**13. Waiver.** Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in its sole discretion.

14. **Effectiveness.** This Purchase Agreement shall become effective upon the execution of the acceptance hereof by the Chairman and shall be valid and enforceable at the time of such acceptance.

15. **Counterparts.** This Purchase Agreement may be executed in several counterparts, each of which shall be regarded as a net original and all of which shall constitute one and the same document.

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

17. **Florida Law Governs.** The validity, interpretation and performance of this Purchase Agreement shall be governed by the laws of the State of Florida.

18. **Truth In Bonding Statement.** Pursuant to the provisions of Section 218.385(2) and (3), Florida Statutes, as amended, the Underwriter provides the following truth-in-bonding statement:

(a) The District is proposing to issue \$[Bond Amount].00 of its Series 2020 Bonds for the purposes described in Section 2 hereof. This obligation is expected to be repaid over a period of approximately [30] years. At a true interest cost of approximately [TIC]%, total interest paid over the life of the obligation will be \$[\_\_\_\_\_].

(b) The sources of repayment for the Series 2020 Bonds are the Pledged Revenues (as described in Section 2 hereof). Authorizing this obligation will result in an average of approximately \$[\_\_\_\_\_] not being available to finance other services of the District every year for approximately [30] years.

19. **No Advisory or Fiduciary Role.** The District acknowledges and agrees that (a) the purchase and sale of the Series 2020 Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter, (b) 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 an advisor (including, without limitation, a Municipal Advisor, as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act), agent or fiduciary of the District, (c) the Underwriter 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 or any affiliate of 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 Purchase Agreement, (d) the District has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with the offering of the Series 2020 Bonds, (e) the Underwriter has financial and other interests that differ from those of the District, and (f) the District has received the Underwriter's G-17 Disclosure Letter.

**20. Establishment of Issue Price.**

(a) The Underwriter agrees to assist the District in establishing the issue price of the Series 2020 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 as Exhibit I hereto, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2020 Bonds.

(b) Except as otherwise set forth in Exhibit A attached hereto, the District will treat the first price at which 10% of each maturity of the Series 2020 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 Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Series 2020 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2020 Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Series 2020 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing has occurred, until the 10% test has been satisfied as to the Series 2020 Bonds of that maturity or until all Series 2020 Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Series 2020 Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Series 2020 Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2020 Bonds, the Underwriter will neither offer nor sell unsold Series 2020 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 Series 2020 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 it has sold 10% of that maturity of the Series 2020 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.



(d) The Underwriter acknowledges that sales of any Series 2020 Bonds to any person that is a related party to the 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 (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2020 Bonds to the public and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) to participate in the initial sale of the Series 2020 Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2020 Bonds to the public);

(iii) a purchaser of any of the Series 2020 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 interests, 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 interests by one entity of the other); and

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

[Remainder of Page Intentionally Left Blank]

**21. Entire Agreement.** This Purchase Agreement when accepted by you in writing as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the District or the Underwriter). No other person shall acquire or have any right hereunder or by virtue hereof.

Very truly yours,

**MBS CAPITAL MARKETS, LLC**

By: \_\_\_\_\_  
Brett Sealy, Managing Partner

Accepted by:

**CYPRESS BLUFF  
COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Richard T. Ray, Chairman,  
Board of Supervisors

## EXHIBIT A

### MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS\*

Maturity Date	Principal Amount	Interest Rate	Yield	Price	CUSIP*
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\* The District is not responsible for the use of CUSIP numbers, nor is any representation made as to their correctness.

† Represents maturity for which 10% test has been met as of sale date.

#### Redemption Provisions

Optional Redemption. The Series 2020 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 May 1, 20[\_\_\_] (less than all Series 2020 Bonds to be specified by the District in writing), at a Redemption Price equal to 100% of the principal amount of Series 2020 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 2020 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2020 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:

Year (May 1)	Sinking Fund Installment	Year (May 1)	Sinking Fund Installment
-----------------	--------------------------------	-----------------	--------------------------------

\* Final Maturity

The Series 2020 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2020 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:

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

The Series 2020 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2020 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:

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

The Series 2020 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2020 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:

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

The above Sinking Fund Installments are subject to recalculation, as provided in the Master Indenture, as the result of the redemption of Series 2020 Bonds other than in accordance with scheduled Sinking Fund Installments so as to re-amortize the remaining Outstanding principal of Series 2020 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term thereof.

Extraordinary Mandatory Redemption. The Series 2020 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole, on any date, or in part, on any Quarterly Redemption Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2020 Bonds to be redeemed, plus interest accrued to the date of redemption, as follows:

(i) from Series 2020 Prepayments deposited into the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund following the payment in whole or in part of Series 2020 Special Assessments on any portion of the Series 2020 Lands in accordance with the provisions of the Third Supplemental Indenture, including any excess moneys transferred from the Series 2020 Debt Service Reserve Account to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund resulting from such Series 2020 Prepayment pursuant to the Third Supplemental Indenture; or

(ii) on or after the Completion Date of the Series 2020 Project, by application of moneys remaining in the Series 2020 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 2020 Project, which has been transferred as specified in the Third Supplemental Indenture to the Series 2020 General Account of the Series 2020 Bond Redemption Fund, credited toward extinguishment of the Series 2020 Special Assessments and applied toward the redemption of the Series 2020 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2020 Special Assessments which the District shall describe to the Trustee in writing; or

(iii) following condemnation or the sale of any portion of the Series 2020 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 2020 Project to the Trustee by or on behalf of the District for deposit into the Series 2020 General Account of the Series 2020 Bond Redemption Fund in order to effectuate such redemption and which moneys shall be applied by the District to redeem Series 2020 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2020 Special Assessments which the District shall describe to the Trustee in writing; or

(iv) following the damage or destruction of all or substantially all of the Series 2020 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 2020 General Account of the Series 2020 Bond Redemption Fund which moneys shall be applied by the District to redeem Series 2020 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2020 Special Assessments; provided, however, that at least 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 Consulting Engineer confirming that the repair and restoration of the Series 2020 Project would not be economical or would be impracticable, such certificate upon which the Trustee shall be entitled to rely; or

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

(vi) on [\_\_\_\_\_] 1, 20[\_\_\_], from amounts transferred to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund from the Series 2020 Acquisition and Construction Account and from any applicable true-up payment as provided in the Third Supplemental Indenture.

**EXHIBIT B**

**[\$[Bond Amount] Cypress Bluff Community Development District  
Special Assessment Bonds, Series 2020  
(Del Webb Project)**

**DISCLOSURE STATEMENT**

[BPA Date]

Cypress Bluff Community Development District  
City of Jacksonville, Florida

Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced bonds (the "Series 2020 Bonds"), MBS Capital Markets, LLC (the "Underwriter"), having purchased the Series 2020 Bonds pursuant to a Bond Purchase Agreement, dated as of [BPA Date] (the "Purchase Agreement"), between the Underwriter and Cypress Bluff Community Development District (the "District"), makes the following disclosures in connection with the limited public offering and sale of the Series 2020 Bonds:

(a) The total underwriting discount paid to the Underwriter pursuant to the Purchase Agreement is \$[\_\_\_\_\_] (approximately [\_\_\_\_\_]%).

(b) The total amount of expenses estimated to be incurred by the Underwriter in connection with the issuance of the Series 2020 Bonds is \$[\_\_\_\_\_]. An itemization of these expenses is attached hereto as Schedule I.

(c) There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Series 2020 Bonds.

(d) The components of the Underwriter's discount are as follows:

Per \$1,000

Management Fee  
Takedown  
Expenses

\_\_\_\_\_

(e) There are no other fees, bonuses, or other compensation estimated to be paid by the Underwriter in connection with the Series 2020 Bonds to any person not regularly employed or retained by the Underwriter.

(f) The name and address of the Underwriter is set forth below:

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

We understand that you do not require any further disclosure from the Underwriter, pursuant to Section 218.385(6), Florida Statutes.

Very truly yours,

**MBS CAPITAL MARKETS, LLC**

By: \_\_\_\_\_  
Brett Sealy, Managing Partner



## SCHEDULE I

### ESTIMATED EXPENSES TO BE INCURRED BY UNDERWRITER

Travel Expenses

Communication

Day Loan

Clearance & Settlement Charges

CUSIP / DTC

Contingency

**Total**

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## EXHIBIT C

### FORM OF CERTIFICATE OF DISTRICT

The undersigned, as Chairman and Secretary, respectively, of the Board of Supervisors (the "Board") of Cypress Bluff Community Development District (the "District"), a local unit of special-purpose government duly established and validly existing under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes (the "Act"), hereby certify to MBS Capital Markets, LLC (the "Underwriter") in satisfaction of Section 8(c)(5) of the Bond Purchase Agreement, dated [BPA Date], between the District and the Underwriter (the "Purchase Agreement") in connection with the issuance by the District of its \$[Bond Amount] Cypress Bluff Community Development District Special Assessment Bonds, Series 2020 (Del Webb Project) (the "Series 2020 Bonds"), as follows (terms used and not otherwise defined herein shall have the meaning ascribed to such terms in the Purchase Agreement):

1. Richard T. Ray is the duly appointed and acting Chairman of, and James Perry is the duly appointed and acting Secretary to, the Board, authorized by resolution of the Board pursuant to the Act to be custodian of all bonds, documents and papers filed with the District and the official seal of the District.

2. The following named persons are as of the date hereof the duly elected, qualified and acting members of the Board:

<u>Name</u>	<u>Term Expires November</u>
Richard T. Ray	2022
John Holmes	2020
John S. Hewins	2022
Stephen Grossman	2020
Chris Price	2020

3. The following named persons are the only designated, elected or appointed, qualified and acting officers of the Board, holding the office of appointment set forth opposite their names, respectively:

<u>Name</u>	<u>Title</u>
Richard T. Ray	Chairman
John Holmes	Vice Chairman
John S. Hewins	Assistant Secretary
Stephen Grossman	Assistant Secretary
Chris Price	Assistant Secretary
James Perry	Secretary, Assistant Treasurer
James Oliver	Treasurer
Ernesto Torres	Assistant Secretary

Each of said persons since his or her appointment as aforesaid has been and now is the duly designated and qualified officer of the Board holding the office set forth opposite his or her name, if required to file an oath of office, has done so, and if legally required to

give a bond or undertaking has filed such bond or undertaking in form and amount required by law.

4. The seal, an impression of which appears below, is the only proper and official seal of the District.

5. At duly called and held meetings of the Board on August 1, 2018 and July 28, 2020, the Board duly adopted Resolution Nos. 2018-27, and 2020-[ ], respectively (collectively, the "Bond Resolution"), which Bond Resolution remains in full force and effect on the date hereof.

6. At duly called and held meetings of the Board on August 20, 2018, September 25, 2018 and August [ ], 2020, the Board duly adopted Resolution Nos. 2018-25, 2018-26, 2018-34 and 2020-[ ] (collectively, the "Assessment Resolution"), which Assessment Resolution remains in full force and effect on the date hereof.

7. The above referenced meetings of the Board at which the Bond Resolution and Assessment Resolution were adopted were duly called in accordance with applicable law and at said meetings a quorum was present and acted throughout. All meetings of the Board at which the Board considered any matters related to the Bond Resolution, the Assessment Resolution, the Indenture, the Series 2020 Bonds or any documents related to the issuance of the Series 2020 Bonds have been open to the public and held in accordance with the procedures required by Section 189.015 and Chapter 286, Florida Statutes, and all laws amendatory thereof and supplementary thereto.

8. The District has complied with the provisions of Chapters 170, 190 and 197, Florida Statutes, related to the imposition, levy, collection and enforcement of the Series 2020 Special Assessments.

9. Upon authentication and delivery of the Series 2020 Bonds, the District will not be in default in the performance of the terms and provisions of the Bond Resolution, the Assessment Resolution or the Indenture.

10. Each of the representations and warranties made by the District in the Purchase Agreement is true and accurate on and as of this date.

11. The District has complied with all the agreements and satisfied all the conditions on its part to be complied with on or before the date hereof for delivery of the Series 2020 Bonds pursuant to the Purchase Agreement, the Bond Resolution, the Assessment Resolution and the Indenture.

12. To the best of our knowledge, since the date of the Limited Offering Memorandum, no material or adverse change has occurred in the business, properties, other assets or financial position of the District or results of operations of the District, and to the best of our knowledge, the District has not, since the date of the Limited Offering Memorandum, incurred any material liabilities other than as set forth in or contemplated by the Limited Offering Memorandum.

13. To the best of our knowledge, the statements appearing in the Limited Offering Memorandum did not as of its date and do not as of the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be included therein or necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading; provided, however, that no representation is made with respect to information concerning The Depository Trust Company or its book-entry only system, or concerning information in the Limited Offering Memorandum under the captions "SUITABILITY FOR INVESTMENT," "DESCRIPTION OF THE SERIES 2020 BONDS - Book-Entry Only System," "THE DISTRICT - District Manager and Other Consultants," "THE DEVELOPER," "THE DEVELOPMENT," "TAX MATTERS," "LITIGATION - Developer" and "UNDERWRITING." Subject to the foregoing limitations, nothing has come to our attention which would lead us to believe that the Limited Offering Memorandum, as of its date or as of the date hereof contained an untrue statement of a material fact, or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

14. Except as set forth in the Limited Offering Memorandum, no litigation or other proceedings are pending or to the knowledge of the District threatened in or before any agency, court or tribunal, state or federal, (a) restraining or enjoining or seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2020 Bonds or the imposition, levy and collection of the Series 2020 Special Assessments or the pledge thereof to the payment of the principal of, premium, if any, and interest on the Series 2020 Bonds, (b) questioning or affecting the validity of any provision of the Series 2020 Bonds, the Bond Resolution, the Assessment Resolution, the Financing Documents or the Series 2020 Special Assessments, (c) questioning or affecting the validity of any of the proceedings or the authority for the authorization, sale, execution or delivery of the Series 2020 Bonds, (d) questioning or affecting the organization or existence of the District or the title of any of its officers to their respective offices or any powers of the District under the laws of the State of Florida, (e) contesting or affecting the Series 2020 Special Assessments or the Series 2020 Project, (f) contesting the accuracy or completeness of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or any amendment or supplement thereto, (g) contesting the exclusion of interest on the Series 2020 Bonds from federal income taxation, or (h) contesting the exemption from taxation of the Series 2020 Bonds and the interest thereon under Florida law or the legality for investment therein.

15. To the best of our knowledge, the interest rates on the Series 2020 Bonds are in compliance with the requirements of Section 215.84(3), Florida Statutes.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, we have executed this certificate and affixed the official seal of the District as of the [day] day of August, 2020.

(SEAL)

By: \_\_\_\_\_  
Richard T. Ray,  
Chairman, Board of Supervisors  
Cypress Bluff Community Development District

By: \_\_\_\_\_  
James Perry, Secretary, Board of Supervisors  
Cypress Bluff Community Development District

**EXHIBIT D**  
**FORM OF DISTRICT COUNSEL OPINION**  
**[TO COME]**

## **EXHIBIT E**

### **FORM OF CERTIFICATE OF GOVERNMENTAL MANAGEMENT SERVICES, LLC**

I, James Perry, Managing Director of Governmental Management Services, LLC ("GMS"), do hereby certify to Cypress Bluff Community Development District (the "District") and MBS Capital Markets, LLC (the "Underwriter") in connection with the issuance, sale and delivery by the District on this date of its \$[Bond Amount] Cypress Bluff Community Development District Special Assessment Bonds, Series 2020 (Del Webb Project) (the "Series 2020 Bonds") as follows (terms used and not otherwise defined herein shall have the meaning ascribed to such term in the Limited Offering Memorandum, dated [BPA Date] (the "Limited Offering Memorandum") of the District relating to the Series 2020 Bonds):

1. GMS has been retained by the District to prepare the Master Special Assessment Methodology Report, dated August 20, 2018, and the Supplemental Assessment Methodology Report for the Special Assessment Revenue Bonds Series 2020, dated August [ ], 2020 comprising a part of the assessment proceedings of the District (collectively, the "Report");

2. the Series 2020 Special Assessments when, as and if finally determined in accordance with the methodology set forth in such Report will be sufficient to meet the debt service requirements on the Series 2020 Bonds;

3. the Series 2020 Project provides a special benefit to the properties assessed and the Series 2020 Special Assessments are fairly and reasonably allocated to the properties assessed;

4. GMS consents to the use of the Report included as Appendix B to the Limited Offering Memorandum;

5. GMS consents to the references to the firm in the Limited Offering Memorandum;

6. the Report was prepared in accordance with all applicable provisions of Florida law;

7. except as disclosed in the Limited Offering Memorandum, GMS 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; and

8. the information contained in the Report and the Limited Offering Memorandum under the caption "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" is true and correct in all material respects and such information did not, and does not, contain any untrue statement of a material fact and did not, and does not, omit to state any fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

**IN WITNESS WHEREOF**, the undersigned has executed this certificate as of the  
[day] day of [month], 2020.

**GOVERNMENTAL MANAGEMENT  
SERVICES, LLC**

By: \_\_\_\_\_  
James Perry, Managing Director



## **EXHIBIT F**

### **FORM OF CERTIFICATE OF DISTRICT ENGINEER**

[Closing Date]

Board of Supervisors  
Cypress Bluff Community Development District  
City of Jacksonville, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

Re: Cypress Bluff Community Development District Special Assessment Bonds,  
Series 2020 (Del Webb Project) (the "Series 2020 Bonds")

Ladies and Gentlemen:

The undersigned serves as the District Engineer to the Cypress Bluff Community Development District (the "District"). This Certificate is furnished pursuant to Section 8(c)(16) of the Bond Purchase Agreement, dated [BPA Date], between the District and MBS Capital Markets, LLC (the "Purchase Agreement") relating to the sale of the Series 2020 Bonds. Terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in said Purchase Agreement or in the Limited Offering Memorandum, dated [BPA Date], relating to the Series 2020 Bonds (the "Limited Offering Memorandum").

1. England, Thims & Miller, Inc. (the "Firm") has been retained by the District to serve as the District Engineer and to prepare the Supplemental Engineer's Report for the Del Webb e-Town Series 2020 Capital Improvements (the "Report") included as an appendix to the Limited Offering Memorandum. Consent is hereby given to the references to the Firm and the Report in the Limited Offering Memorandum and to the inclusion of the Report as an appendix to the Limited Offering Memorandum.

2. The Report was prepared in accordance with generally accepted engineering practices.

3. In connection with the preparation of the Report personnel of the Firm participated in meetings with representatives of the District and its counsel, Bond Counsel, the Underwriter and its counsel and others in regard to the Series 2020 Project. The Series 2020 Project consists solely of infrastructure and other improvements set forth in the Act. Nothing has come to the attention of the Firm in relation to our engagement as described in this paragraph which would cause us to believe that the Report was, as of its date, or is as of the date hereof, or any of the statements in the Limited Offering Memorandum specifically attributed to the Firm were, as of the date of the Limited Offering Memorandum, or are as of the date hereof, inaccurate in any material respect.

4. The information contained in the Limited Offering Memorandum under the heading "THE CAPITAL IMPROVEMENT PROGRAM" and in Appendix "A" to the Limited Offering Memorandum are accurate statements and fairly present the information

purported to be shown, and nothing has come to the attention of the Firm that would lead it to believe that such section and appendix contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such statements, in light of the circumstances in which they were made, not misleading.

5. Except as described in the Report, all permits, consents or licenses, and all notices to or filings with governmental agencies necessary for the construction and acquisition of the Series 2020 Project as described in the Limited Offering Memorandum required to be obtained or made have been obtained or made or it is reasonable to believe that they will be obtained or made when required. There is no reason to believe that any permits, consents, licenses or governmental approvals required to complete any portion of the Series 2020 Project as described in the Limited Offering Memorandum will not be obtained as required. There is no reason to believe that the necessary water and sewer capacity will not be available when needed to permit the development of the Development as described in the Limited Offering Memorandum.

6. The proceeds of the Series 2020 Bonds deposited in the Series 2020 Acquisition and Construction Account and the Subaccounts therein created under the Indenture, together with the investment earnings thereon, will be sufficient to complete the portion of the Series 2020 Project to be financed with proceeds of the Series 2020 Bonds.

**ENGLAND, THIMS & MILLER, INC.**

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

## EXHIBIT G

### FORM OF CERTIFICATE OF DEVELOPER

The undersigned, a duly authorized representative of **PULTE HOME COMPANY, LLC**, a Florida corporation, (the "Developer"), the developer of [e-Town] (the "Development"), does hereby certify to the **CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT** (the "District") and **MBS CAPITAL MARKETS, LLC** (the "Underwriter") that:

1. This certificate is delivered by the Developer to enable the Underwriter to comply with Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale by the District of its \$[Bond Amount] Special Assessment Bonds, Series 2020 (Del Webb Project) (the "Series 2020 Bonds"). Capitalized terms that are used in this certificate and not otherwise defined shall have the meanings assigned to such terms in the Limited Offering Memorandum, dated [BPA Date] (the "Limited Offering Memorandum"), and the Bond Purchase Agreement, dated [BPA Date], between the Underwriter and the District (the "Purchase Agreement").

2. The information contained in the Limited Offering Memorandum under the heading "THE DEVELOPER" and, as it pertains only to the Developer and its interest in the Development, under the headings "INTRODUCTION," "THE CAPITAL IMPROVEMENT PROGRAM," "THE DEVELOPMENT" and "LITIGATION - Developer" contains no untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading as of the date of the Limited Offering Memorandum and as of the date hereof (subject to any applicable qualifications and exceptions set forth therein). We have no reason to believe that the information in the subsections "Participating Homebuilders/Developers" and "Competition" under the caption "THE DEVELOPMENT" contains an untrue statement of a material fact or omits to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading as of the date of the Limited Offering Memorandum and as of the date hereof.

3. As of the date hereof, there has been no action taken by or omitted by the Developer that impairs the contemplated transactions by the District with respect to the Series 2020 Bonds, including: (a) the issuance and sale of the Series 2020 Bonds upon the terms set forth in the Purchase Agreement; (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 Series 2020 Project (as described in the Limited Offering Memorandum subject to any applicable qualifications and exceptions set forth therein); and (d) the execution, delivery and receipt of the Purchase Agreement, the Series 2020 Bonds, the Indenture, the Financing Documents and any and all such other agreements or documents as may be required to be executed, delivered and received by the District, of which the Developer has been made aware by the District as of the date hereof, 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 Purchase Agreement which reference it.

4. The consummation of the transactions described in the Limited Offering Memorandum does not on the date hereof and will not at the time of such consummation, to the best knowledge of the Developer as of the date hereof, 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 does not, on the date hereof, and will not at the time of such consummation, to the best of the Developer's knowledge as of the date hereof, 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, which would have a material adverse effect on the Series 2020 Bonds or the Development.

5. As of the date hereof, the Developer is not in default under any resolution, 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, which would have a material adverse effect on the Series 2020 Bonds or the Development.

6. As of the date hereof, there is no action, suit or proceeding at law or in equity by or before any court or public board or body pending or, to the best of the Developer's knowledge, threatened against the Developer: (a) seeking to restrain or enjoin the issuance or delivery of the Series 2020 Bonds or the application of the proceeds thereof, or the levy or collection of the Series 2020 Special Assessments; (b) contesting or affecting the authority for the issuance of the Series 2020 Bonds or the validity or enforceability of the Series 2020 Bonds, the Indenture, the Financing Documents or the transactions contemplated thereunder; or (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.

7. The Developer is complying in all material respects with all provisions of applicable law in all material matters relating to the Development and the District and its undertaking as described in the Limited Offering Memorandum (subject to any applicable qualifications and exceptions set forth therein) and the Indenture, including applying for all necessary permits as described in the Engineer's Report. The Developer hereby certifies that: (a) it has the appropriate land use and zoning approvals required by the City or the County to permit the development of the Development and the construction of the improvements as described in the Limited Offering Memorandum under the heading of "THE DEVELOPMENT" (subject to any applicable qualifications and exceptions set forth therein); (b) the Developer is not in default of the e-Town PUD, the City zoning requirements or any permit or development agreement which would adversely affect the District's ability to complete development of the Series 2020 Project (as described in the Limited Offering Memorandum, subject to any applicable qualifications and exceptions set forth therein) or the Developer's ability to complete the Development as described in the Limited Offering Memorandum and all appendices thereto (subject to any applicable qualifications and exceptions set forth therein); and (c) assuming compliance by the Developer with the material conditions of the e-Town PUD and the City zoning

requirements, all of which conditions are within the control of the Developer, and upon issuance of applicable future permits, the Development and the District will be able to be developed as described in the Limited Offering Memorandum (subject to any applicable qualifications and exceptions set forth therein).

8. Notwithstanding anything to the contrary hereunder, the Developer cannot and does not purport to make any certifications hereunder as to future circumstances and actions the potential realization of which may be subject to change due to events and other happenings beyond the control of Developer.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, the undersigned has hereunto set his hand for and on behalf of the Developer as of the [day] day of [month], 2020.

**PULTE HOME COMPANY, LLC,**  
a Florida corporation,  
as Developer

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

**EXHIBIT H**

**FORM OF OPINION OF COUNSEL TO DEVELOPER**

**[TO COME]**

## EXHIBIT I

### FORM OF ISSUE PRICE CERTIFICATE

**CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT**  
**[\$[Bond Amount] Special Assessment Bonds, Series 2020**  
**(Del Webb Project)**

The undersigned, on behalf of **MBS CAPITAL MARKETS, LLC** ("MBS"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Series 2020 Bonds"). Capitalized terms shall have the meaning ascribed in Section 2 hereof.

MBS and the District entered into a Bond Purchase Agreement on the Sale Date in connection with the sale of the Series 2020 Bonds (the "Purchase Agreement"). Pursuant to the terms of the Purchase Agreement, MBS made a bona fide limited offering of the Series 2020 Bonds to a portion of the Public representing accredited investors as required by Florida law at the prices or yields for each such maturity as shown on the cover page of the Limited Offering Memorandum, dated [BPA Date], relating to the Series 2020 Bonds.

1. Sale of the Series 2020 Bonds. As of the date of this certificate, for each Maturity of the Series 2020 Bonds, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Defined Terms.

(a) *District* means Cypress Bluff Community Development District.

(b) *Maturity* means Series 2020 Bonds with the same credit and payment terms. Series 2020 Bonds with different maturity dates, or Series 2020 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

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

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Series 2020 Bonds. The Sale Date of the Series 2020 Bonds is [BPA Date].

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District to participate in the initial sale of the Series 2020 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2020 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2020 Bonds to the Public).



3. Reserve Account. A reserve account in an amount equal to the Series 2020 Debt Service Reserve Requirement was necessary in order to market and sell the Bonds given the nature of the Series 2020 Bonds which are secured by special assessments and the delinquent assessment collection procedures related thereto.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents MBS' interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Certificate executed by the District in connection with the issuance, sale and delivery of the Series 2020 Bonds and with respect to compliance with the federal income tax rules affecting the Series 2020 Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Series 2020 Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Series 2020 Bonds.

**MBS CAPITAL MARKETS, LLC**

By: \_\_\_\_\_  
Brett Sealy, Managing Partner

Dated: [Closing Date]

**SCHEDULE A**  
**SALE PRICES OF THE SERIES 2020 BONDS**  
*(Attached)*

3.

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

**NEW ISSUE – BOOK-ENTRY ONLY**

**NOT RATED**

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

**CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT  
(City of Jacksonville, Florida)  
\$[Bond Amount]\* Special Assessment Bonds, Series 2020 (Del Webb Project)**

Dated: Date of original issuance

Due: May 1, as shown below

The \$[Bond Amount]\* Cypress Bluff Community Development District Special Assessment Bonds, Series 2020 (Del Webb Project) (the "Series 2020 Bonds"), are being issued by the Cypress Bluff Community Development District (the "District") pursuant to a Master Trust Indenture dated as of February 1, 2019 (the "Master Indenture"), from the District to The Bank of New York Mellon Trust Company, N.A. as trustee (the "Trustee"), as supplemented by a Third Supplemental Trust Indenture dated as of [August] 1, 2020, from the District to the Trustee (the "Third Supplemental Indenture" and, together with the Master Indenture, the "Indenture").

The Series 2020 Bonds are being issued only in fully registered form, in denominations of \$5,000 and integral multiples thereof; provided, however, that delivery of the Series 2020 Bonds to the initial purchasers thereof shall be in denominations of \$100,000 or integral multiples of \$5,000 in excess of \$100,000. The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes (the "Act"), the Florida Constitution, and other applicable provisions of law, and established by Ordinance 2018-335-E, enacted by the City Council of the City of Jacksonville, Florida (the "City") on June 26, 2018, effective June 29, 2018, as amended by Ordinance 2019-599-E, enacted by the City Council of the City on October 22, 2019, effective October 28, 2019 (as amended, the "Ordinance"). The Series 2020 Bonds are payable from and secured by the Pledged Revenues (as defined herein). The Pledged Revenues consist primarily of the revenues derived by the District from non-ad valorem special assessments levied against certain lands within the District. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS" herein.

The Series 2020 Bonds, when issued, will be registered in the name of Cede & Co., as the owner and nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2020 Bonds will be made in book-entry only form. Accordingly, principal of and interest on the Series 2020 Bonds will be paid from the sources provided herein by the Trustee directly to Cede & Co. as the nominee of DTC and the registered owner thereof. Disbursements of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to the beneficial owners is the responsibility of DTC Participants and the Indirect Participants, as more fully described herein. Any purchaser as a beneficial owner of a Series 2020 Bond

must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Series 2020 Bond. See "DESCRIPTION OF THE SERIES 2020 BONDS – Book-Entry Only System" herein. The Series 2020 Bonds will bear interest at the fixed rates set forth below, calculated on the basis of a 360-day year comprised of twelve 30-day months. Interest on the Series 2020 Bonds is payable semi-annually on each May 1 and November 1, commencing November 1, 2020.

**The Series 2020 Bonds are subject to optional, mandatory and extraordinary mandatory redemption at the times, in the amounts and at the redemption prices as more fully described herein. See "DESCRIPTION OF THE SERIES 2020 BONDS – Redemption Provisions" herein.**

The Series 2020 Bonds are being issued to (i) finance the Cost of acquiring, constructing and equipping assessable improvements comprising the Series 2020 Project (as defined herein), (ii) pay certain costs associated with the issuance of the Series 2020 Bonds, and (iii) make a deposit into the Series 2020 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2020 Bonds, without privilege or priority of one Series 2020 Bond over another.

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

THE SERIES 2020 BONDS INVOLVE A DEGREE OF RISK (SEE "BONDOWNERS' RISKS" HEREIN) AND ARE NOT SUITABLE FOR ALL INVESTORS (SEE "SUITABILITY FOR INVESTMENT" HEREIN). THE UNDERWRITER IS LIMITING THE OFFERING OF THE SERIES 2020 BONDS TO ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. HOWEVER, THE LIMITATION OF THE INITIAL OFFERING OF SERIES 2020 BONDS TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFER IN ANY SECONDARY MARKET FOR THE SERIES 2020 BONDS. THE SERIES 2020 BONDS ARE NOT CREDIT ENHANCED AND ARE NOT RATED AND NO APPLICATION HAS BEEN MADE FOR A RATING WITH RESPECT TO THE SERIES 2020 BONDS, NOR IS THERE ANY REASON TO BELIEVE THAT THE DISTRICT WOULD HAVE BEEN SUCCESSFUL IN OBTAINING A RATING FOR THE SERIES 2020 BONDS HAD APPLICATION BEEN MADE.

This cover page contains information for quick reference only. It is not, and is not intended to be, a summary of the Series 2020 Bonds. Investors must read the entire Limited Offering Memorandum, including the appendices attached hereto, to obtain information essential to the making of an informed investment decision.

**PRINCIPAL AMOUNTS, INTEREST RATES, MATURITY DATES,  
YIELDS, PRICES AND INITIAL CUSIP NUMBERS\***

\$\_\_\_\_\_ % Term Series 2020 Bond Due May 1, 20\_\_ Yield \_\_\_\_\_ % Price \_\_ CUSIP No.† \_\_\_\_\_  
\$\_\_\_\_\_ % Term Series 2020 Bond Due May 1, 20\_\_ Yield \_\_\_\_\_ % Price \_\_ CUSIP No.† \_\_\_\_\_  
\$\_\_\_\_\_ % Term Series 2020 Bond Due May 1, 20\_\_ Yield \_\_\_\_\_ % Price \_\_ CUSIP No.† \_\_\_\_\_  
\$\_\_\_\_\_ % Term Series 2020 Bond Due May 1, 20\_\_ Yield \_\_\_\_\_ % Price \_\_ CUSIP No.† \_\_\_\_\_

*The Series 2020 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to prior sale, withdrawal or modification of the offer and the receipt of the opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, as to the validity of the Series 2020 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Hopping Green & Sams P.A., Tallahassee, Florida, for the Developer by its counsel, Burr & Forman LLP, Jacksonville, Florida, for the Trustee by its in-house counsel, and for the Underwriter by its counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida. It is expected that the Series 2020 Bonds will be available for delivery through The Depository Trust Company in New York, New York on or about \_\_\_\_\_, 2020.*

**MBS Capital Markets, LLC**

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

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\* Preliminary, subject to change.

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

## RED HERRING LANGUAGE

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. The Series 2020 Bonds may not be sold nor may offers to buy be accepted prior to the time the Limited Offering Memorandum is delivered in final form. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the Series 2020 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT**

**BOARD OF SUPERVISORS**

Richard T. Ray, Chairman  
John Holmes, Vice Chairman  
John S. Hewins, Assistant Secretary  
Stephen Grossman, Assistant Secretary  
Chris Price, Assistant Secretary

**DISTRICT MANAGER/ASSESSMENT CONSULTANT**

Governmental Management Services, LLC  
St. Augustine, Florida

**DISTRICT COUNSEL**

Hopping Green & Sams P.A.  
Tallahassee, Florida

**DISTRICT ENGINEER**

England, Thims & Miller, Inc.  
Jacksonville, Florida

**BOND COUNSEL**

Bryant Miller Olive P.A.  
Orlando, Florida



## **REGARDING USE OF THIS LIMITED OFFERING MEMORANDUM**

No dealer, broker, salesman or other person has been authorized by the District, the City of Jacksonville, Florida, Duval County, Florida, the State of Florida or the Underwriter 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. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2020 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the District, the District Manager, the District Engineer, the Assessment Consultant, the Developer and other sources that are believed by the Underwriter to be reliable.

The Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with and as part of its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

At closing, the District, the District Engineer, the District Manager, the Assessment Consultant and the Developer will each deliver certificates certifying that certain of the information supplied by each does not contain any untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. 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 with respect to the matters described herein since the date hereof.

In connection with this offering, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Series 2020 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Series 2020 Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, nor has the Indenture been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth in such acts. The registration, qualification or exemption of the Series 2020 Bonds in accordance with the applicable securities law provisions of any jurisdictions wherein these securities have been or will be registered, qualified or exempted should not be regarded as a recommendation thereof. Neither the District, the City of Jacksonville, Florida, Duval County, Florida, the State of Florida, nor any of its subdivisions or agencies have guaranteed or passed upon the merits of the Series 2020 Bonds, upon the probability of any earnings thereon or upon the accuracy or adequacy of this Limited Offering Memorandum.

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States

Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "anticipate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when any of its expectations or events, conditions or circumstances on which such statements are based occur, other than as described under "CONTINUING DISCLOSURE" herein.

The order and placement of materials in this Limited Offering Memorandum, including the appendices, are not to be deemed a determination of relevance, materiality or importance, and this Limited Offering Memorandum, including the appendices, must be considered in its entirety. The captions and headings in this Limited Offering Memorandum are for convenience of reference only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Limited Offering Memorandum.

This Limited Offering Memorandum is being provided to prospective purchasers in electronic format on the following websites: [www.munios.com](http://www.munios.com) and [www.emma.msrb.org](http://www.emma.msrb.org). This Limited Offering Memorandum may be relied upon only as printed in its entirety directly from such websites.

This Limited Offering Memorandum is not, and shall not be deemed to constitute, an offer to sell, or the solicitation of an offer to buy, real estate, which may only be made pursuant to offering documents satisfying applicable federal and state laws relating to the offer and sale of real estate.

This Preliminary Limited Offering Memorandum is in a form deemed final by the District for purposes of Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended, except for certain information permitted to be omitted pursuant to Rule 15c2-12(b)(1).

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## **LIMITED OFFERING MEMORANDUM**

**relating to**

### **CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT**

**(City of Jacksonville, Florida)**

**[\$[Bond Amount]\* Special Assessment Bonds, Series 2020 (Del Webb Project)**

## **INTRODUCTION**

The purpose of this Limited Offering Memorandum, including the cover page and appendices hereto, is to set forth certain information concerning the Cypress Bluff Community Development District (the "District") in connection with the offering and issuance by the District of its \$[Bond Amount]\* Special Assessment Bonds, Series 2020 (Del Webb Project) (the "Series 2020 Bonds").

The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes (the "Act"), the Florida Constitution, and other applicable provisions of law, and established by Ordinance 2018-335-E, enacted by the City Council of the City of Jacksonville, Florida (the "City") on June 26, 2018, effective June 29, 2018, as amended by Ordinance 2019-599E, enacted by the City Council of the City on October 22, 2019, effective October 28, 2019 (the "Boundary Amendment") to expand the boundaries of the District to include an additional 24 acres of land (as amended, the "Ordinance"). See "THE DISTRICT" herein.

The Series 2020 Bonds are being issued pursuant to the Act and a Master Trust Indenture dated as of February 1, 2019 (the "Master Indenture"), from the District to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") as supplemented by a Third Supplemental Trust Indenture dated as of [August] 1, 2020, from the District to the Trustee (the "Third Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), and resolutions adopted by the Board of Supervisors of the District on August 1, 2018 and [July 28, 2020], authorizing the issuance of the Series 2020 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 which appears in composite APPENDIX C attached hereto.

The District was established for the purposes, among other things, of financing and managing the planning, acquisition, construction, maintenance and operation of the infrastructure necessary for community development in the Development (hereinafter defined). For a complete discussion of the Development, see "THE DEVELOPMENT" and "THE CAPITAL IMPROVEMENT PROGRAM" herein. The Act authorizes the District to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping, operating and maintaining water management, water supply, sewer and wastewater management, bridges or culverts, district roads, recreational facilities and other basic infrastructure projects within or without the boundaries of the District, all as provided in the Act.

Under the Constitution and laws of the State of Florida (the "State"), including the Act, the District has the power and authority to levy non-ad valorem assessments upon

District Lands (hereinafter defined) and to issue the Series 2020 Bonds for the purposes of providing community development services and facilities, including those financed with the proceeds of the Series 2020 Bonds as described herein.

Consistent with the requirements of the Indenture and the Ordinance, the Series 2020 Bonds are being issued to (i) finance the Cost of acquiring, constructing and equipping assessable improvements comprising the Series 2020 Project (as defined herein), (ii) pay certain costs associated with the issuance of the Series 2020 Bonds, and (iii) make a deposit into the Series 2020 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2020 Bonds, without privilege or priority of one Series 2020 Bond over another.

Proceeds of the Series 2020 Bonds will be used to finance the acquisition and construction of certain infrastructure improvements for the special benefit of the lands within the District. The District encompass approximately 1,274 acres located entirely within the City and is planned for 1,950 residential units and recreational facilities (the "District Lands"). For more complete information about the District, its Governing Body, and the District Manager, see "THE DISTRICT" herein.

The Series 2020 Bonds are payable from and secured by the Pledged Revenues, which is defined in the Third Supplemental Indenture as (a) all revenues received by the District from the Series 2020 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2020 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2020 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2020 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; 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 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 (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).

"Series 2020 Special Assessments" is defined in the Third Supplemental Indenture as the Special Assessments levied on that portion of the District Lands specially benefitted by the Series 2020 Project or any portion thereof, which assessments correspond in amount to the debt service on the Series 2020 Bonds.

"Special Assessments" is defined in the Master Indenture as (a) the net proceeds derived from the levy and collection of "special assessments," as provided for in Sections 190.011(14) and 190.022 of the Act (except for any such special assessments levied and collected for maintenance purposes), against the District Lands that are subject to assessment as a result of a particular Project or any portion thereof, and (b) the net proceeds derived from the levy and collection of "benefit special assessments," as provided for in Section 190.021(2) of the Act, against the District Lands that are subject to assessment as a result of a particular Project or any portion thereof, and in the case of both "special assessments" and "benefit special assessments," including the interest and penalties on such assessments, pursuant to all applicable provisions of the Act and Chapter

170, Florida Statutes, and Chapter 197, Florida Statutes (and any successor statutes thereto), including, without limitation, any amount received from any foreclosure proceeding for the enforcement of collection of such assessments or from the issuance and sale of tax certificates with respect to such assessments, less (to the extent applicable) the fees and costs of collection thereof payable to the Tax Collector and less certain administrative costs payable to the Property Appraiser pursuant to the Property Appraiser and Tax Collector Agreement. "Special Assessments" shall not include "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act.

The Series 2020 Special Assessments represent an allocation of a portion of the costs of the Series 2020 Project, including bond financing costs, to the District Lands benefiting from the Series 2020 Project, specifically the Del Webb e-Town neighborhood (the "Development") in accordance with the Supplemental Report (hereinafter defined). The Supplemental Report and assessment resolutions with respect to the Series 2020 Bonds (collectively, the "Assessment Proceedings") permit the prepayment in part or in full of the Series 2020 Special Assessments at any time without penalty. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein.

Subsequent to the issuance of the Series 2020 Bonds, the District may cause one or more Series of Bonds to be issued pursuant to the Master Indenture, subject to the terms and conditions thereof. Bonds may be issued for the purpose of financing the Cost of acquisition or construction of the Capital Improvement Program or to refund all or a portion of a Series of Bonds. The District covenants and agrees in the Third Supplemental Indenture that other than refunding bonds issued to refund the Outstanding Series 2020 Bonds, the District shall not, while any Series 2020 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Pledged Revenues. The District further covenants and agrees in the Third Supplemental Indenture that so long as the Series 2020 Bonds are Outstanding, it will not impose debt service Special Assessments for capital projects on any lands subject to the Series 2020 Special Assessments without the written consent of the Majority Owners; provided, however, the Series 2020 Special Assessments have been Substantially Absorbed, evidence of which shall be provided by the District to the Trustee in a written certificate upon which the Trustee may conclusively rely. Notwithstanding the foregoing, the District is not precluded from imposing capital Special Assessments on property then subject to the Series 2020 Special Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – No Parity Bonds; Limitation on Parity Liens" herein.

"Substantially Absorbed" is defined in the Third Supplemental Indenture as the date on which a principal amount of the Series 2020 Special Assessments equaling at least ninety percent (90%) of the then Outstanding principal amount of the Series 2020 Bonds are levied on the District Lands benefiting from the Series 2020 Project with respect to which a certificate of occupancy has been issued for a structure thereon. Satisfaction of the foregoing definition shall be evidenced by the delivery by the Issuer to the Trustee of a written certificate of the Methodology Consultant to such effect and upon which the Trustee may conclusively rely.



There follows in this Limited Offering Memorandum a brief description of the District and the Development, together with summaries of the terms of the Series 2020 Bonds, the Indenture and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and statutes and all references to the Series 2020 Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in the Indenture, the form of which appears as composite APPENDIX C attached hereto.

### **SUITABILITY FOR INVESTMENT**

Investment in the Series 2020 Bonds poses certain economic risks. No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum. Additional information will be made available to each prospective investor, including the benefit of a site visit to the District, and the opportunity to ask questions of the District, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the Series 2020 Bonds. Prospective investors are encouraged to request such additional information, visit the District and ask such questions.

While the Series 2020 Bonds are not subject to registration under the Securities Act of 1933, as amended (the "Securities Act"), the Underwriter has determined that the Series 2020 Bonds are not suitable for investment by persons other than, and, as required by Chapter 189, Florida Statutes, will offer the Series 2020 Bonds only to, "accredited investors," as such term is utilized in Chapter 517, Florida Statutes, and the rules promulgated thereunder. However, the limitation of the initial offering to accredited investors does not denote restrictions on transfer in any secondary market for the Series 2020 Bonds. Prospective investors in the Series 2020 Bonds should have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Series 2020 Bonds and should have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment.

### **OUTSTANDING INDEBTEDNESS OF THE DISTRICT**

On February 7, 2019, the District issued its \$11,565,000 Special Assessment Bonds, Series 2019 (the "Series 2019 Master Infrastructure Bonds"), which are currently outstanding in the principal amount of \$11,040,000. Net proceeds of the Series 2019 Master Infrastructure Bonds in the amount of approximately \$10.1 million were applied to finance a portion of the master infrastructure within the District including (a) improvements associated with E-Town Parkway such as utilities, landscape and irrigation, hardscape, signage, electric, and lighting (b) certain collector roadway improvements and (c) recreational facilities associated with the District but not specific to the Development. Special Assessments that secure the Series 2019 Master Infrastructure Bonds have been allocated to Parcels E-2, E-3a, E-4, E-5, E-6 and E-7a of the District, consisting of 398 acres planned to include 1,123 residential units.

On April 15, 2020, the District issued its \$7,705,000 Special Assessment Bonds, Series 2020 (the "Series 2020 Master Infrastructure Bonds"), which are currently outstanding in the principal amount of \$7,705,000. Net proceeds of the Series 2020 Master Infrastructure Bonds in the amount of approximately \$7.1 million were applied to finance a portion of the master infrastructure within the District including (a) improvements associated with E-Town Parkway such as utilities, landscape and irrigation, hardscape, signage, electric, and lighting (b) certain collector roadway improvements and (c) recreational facilities associated with the District but not specific to the Development. The Special Assessments that secure the Series 2020 Master Infrastructure Bonds have been allocated to Parcels E-3b/c, E-7b, E-7c and E-8 of the District, consisting of 185 acres planned to include 706 residential units together with the addition twenty-one (21) lots within Parcels E-2, E-4, E-5, E-6 and E-7a.

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

### **General Description**

The Series 2020 Bonds are issuable as fully registered bonds, without coupons, in denominations of \$5,000 or any multiple thereof; provided, however, with respect to the Series 2020 Bonds all initial purchasers must purchase at least \$100,000 of the Series 2020 Bonds and integral multiples of \$5,000 in excess thereof at the time of initial delivery of the Series 2020 Bonds.

The Series 2020 Bonds will be dated their date of issuance and delivery to the initial purchasers thereof and will bear interest payable on each May 1 and November 1, commencing November 1, 2020 (each, an "Interest Payment Date") and shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The Series 2020 Bonds will mature on November 1 of such years, in such amounts and at such rates as set forth on the cover page of this Limited Offering Memorandum.

Interest on the Series 2020 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2020 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to November 1, 2020, in which case from the date of original issuance of the Series 2020 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.

Except as otherwise provided in the Third Supplemental Indenture in connection with a book-entry only system of registration of the Series 2020 Bonds, the principal or Redemption Price of the Series 2020 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2020 Bonds. Except as otherwise provided in the Third Supplemental Indenture in connection with a book-entry only system of registration of the Series 2020 Bonds, the payment of interest on the Series 2020 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2020 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as

such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Any interest on any Series 2020 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Series 2020 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than 15 nor less than 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 day prior to such mailing, at his address as it appears in the Bond Register not less than 10 days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2020 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least 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 15 days prior to the relevant Interest Payment Date.

The Series 2020 Bonds will initially be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), which will act initially as securities depository for the Series 2020 Bonds and, so long as the Series 2020 Bonds are held in book-entry only form, Cede & Co. will be considered the Registered Owner for all purposes hereof. See "- Book-Entry Only System" below for more information about DTC and its book-entry only system.

## **Redemption Provisions**

*Optional Redemption.* The Series 2020 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 May 1, 20[ ] (less than all Series 2020 Bonds to be specified by the District in writing), at a Redemption Price equal to 100% of the principal amount of Series 2020 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 2020 Bond maturing on May 1, 20[ ], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2020 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:

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

The Series 2020 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2020 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:

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

The Series 2020 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2020 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:

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

The Series 2020 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2020 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:

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

The above Sinking Fund Installments are subject to recalculation, as provided in the Master Indenture, as the result of the redemption of Series 2020 Bonds other than in accordance with scheduled Sinking Fund Installments so as to re-amortize the remaining Outstanding principal of Series 2020 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term thereof.

Extraordinary Mandatory Redemption. The Series 2020 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole, on any date, or in part, on any Quarterly Redemption Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2020 Bonds to be redeemed, plus interest accrued to the date of redemption, as follows:

(i) from Series 2020 Prepayments deposited into the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund following the payment in whole or in part of Series 2020 Special Assessments on any portion of the Series 2020 Lands in accordance with the provisions of the Third Supplemental Indenture, including any excess moneys transferred from the Series 2020 Debt Service Reserve Account to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund resulting from such Series 2020 Prepayment pursuant to the Third Supplemental Indenture; or

(ii) on or after the Completion Date of the Series 2020 Project, by application of moneys remaining in the Series 2020 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 2020 Project, which has been transferred as specified in the Third Supplemental Indenture to the Series 2020 General Account of the Series 2020 Bond Redemption Fund, credited toward extinguishment of the Series 2020 Special Assessments and applied toward the redemption of the Series 2020 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2020 Special Assessments which the District shall describe to the Trustee in writing; or

(iii) following condemnation or the sale of any portion of the Series 2020 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 2020 Project to the Trustee by or on behalf of the District for deposit into the Series 2020 General Account of the Series 2020 Bond Redemption Fund in order to effectuate such redemption and which moneys shall be applied by the District to redeem Series 2020 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2020 Special Assessments which the District shall describe to the Trustee in writing; or

(iv) following the damage or destruction of all or substantially all of the Series 2020 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 2020 General Account of the Series 2020 Bond Redemption Fund which moneys shall be applied by the District to redeem Series 2020 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2020 Special Assessments; provided, however, that at least 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 Consulting Engineer confirming that the repair and restoration of the Series 2020 Project would not be economical or would be impracticable, such certificate upon which the Trustee shall be entitled to rely; or

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

(vi) on [\_\_\_\_\_] 1, 20[\_\_\_], from amounts transferred to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund from the Series 2020 Acquisition and Construction Account and from any applicable true-up payment as provided in the Third Supplemental Indenture.

The Master Indenture provides that, except to the extent otherwise provided in a Supplemental Indenture, if less than all of a Series of Bonds of a maturity are to be redeemed, the Trustee shall select the particular Bonds or portions of the Bonds to be called for redemption by lot in such reasonable manner as the Trustee in its discretion may determine. In the case of any partial optional redemption of Bonds of a Series, such redemption shall be effectuated by redeeming Bonds of such Series of such maturities in such manner as shall be specified by the District in writing, subject to the provisions of the Master Indenture. In the case of any partial extraordinary mandatory redemption of Bonds of a Series, such redemption shall be effectuated by redeeming Bonds of such Series pro rata among the maturities, treating each date on which a Sinking Fund Installment is due as a separate maturity for such purpose, with the portion to be redeemed from each maturity being equal to the product of the aggregate principal amount of Bonds of such Series to be redeemed multiplied times a fraction the numerator of which is the principal amount of the Series of Bonds of such maturity outstanding immediately prior to the redemption date and the denominator of which is the aggregate principal amount of all Bonds of such Series outstanding immediately prior to the redemption date.

### **Notice of Redemption**

When required to redeem or purchase Bonds of a Series under any provision of the Indenture or directed to do so by the District, the Trustee shall cause notice of the redemption, either in whole or in part, to be given by Electronic Means or mailed at least 30 but not more than 60 days prior to the redemption or purchase date to all Owners of Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth day prior to such mailing), at their registered addresses and also to any Credit Facility Issuer, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not

affect the validity of the redemption or purchase of the Bonds of such Series for which notice was duly mailed in accordance with the Master Indenture. Such notice shall be given in the name of the District, shall be dated, shall set forth the Bonds of such Series Outstanding which shall be called for redemption or purchase and shall include, without limitation, the following additional information: (a) the redemption or purchase date; (b) the redemption or purchase price; (c) CUSIP numbers, to the extent applicable, and any other distinctive numbers and letters; (d) if less than all Outstanding Bonds of a Series to be redeemed or purchased, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed or purchased; (e) that on the redemption or purchase date the redemption or purchase price will become due and payable upon surrender of each such Bond or portion thereof called for redemption or purchase, and that interest thereon shall cease to accrue from and after said date; (f) the place where such Bonds are to be surrendered for payment of the redemption or purchase price, which place of payment shall be a corporate trust office of the Trustee; and (g) any condition or conditions to be met prior to the redemption of the Bonds of such Series, including, but not limited to receipt of funds sufficient to accomplish the redemption of the Bonds.

If at the time of mailing of 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 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.

### **No Acceleration**

The Indenture does not permit the acceleration of the principal of the Series 2020 Bonds upon an Event of Default (as defined in the Indenture). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – Enforcement and Collection of Series 2020 Special Assessments" herein and "APPENDIX C – Copy of Master Indenture and Form of Third Supplemental Indenture" attached hereto.

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

THE INFORMATION IN THIS CAPTION CONCERNING THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK, ("DTC") AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND NEITHER THE DISTRICT NOR THE UNDERWRITER MAKES ANY REPRESENTATION OR WARRANTY OR TAKES ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

DTC will act as securities depository for the Series 2020 Bonds. The Series 2020 Bonds will be issued as fully-registered bonds 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 bond certificate will be issued for each maturity of each Series of the Series 2020 Bonds and will be deposited with DTC. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the

meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "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 (the "Indirect Participants"). DTC has a Standard and Poor's rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

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

To facilitate subsequent transfers, all Series 2020 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2020 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2020 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2020 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an 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 made among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2020 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2020 Bonds, as the case may be, to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2020 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2020 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2020 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Paying Agent for the Series 2020 Bonds. 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 the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2020 Bonds at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2020 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2020 Bond certificates will be printed and delivered to DTC.

NEITHER THE DISTRICT NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE SERIES 2020 BONDS. THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DTC PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE SERIES 2020 BONDS PAID TO DTC OR ITS NOMINEE, AS THE

REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM.

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

### **General**

The Series 2020 Bonds are payable from and secured by the Pledged Revenues, which is defined in the Third Supplemental Indenture as (a) all revenues received by the District from the Series 2020 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2020 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2020 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2020 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; 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 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 (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).

The Series 2020 Special Assessments represent an allocation of a portion of the costs of the Series 2020 Project, including bond financing costs, to the District Lands benefiting from the Series 2020 Project in accordance with the Methodology Report, which is attached hereto as APPENDIX B.

THE SERIES 2020 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE CITY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2020 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO COLLECT SERIES 2020 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2020 BONDS. THE SERIES 2020 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE CITY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

### **No Parity Bonds; Limitation on Parity Liens**

The District covenants and agrees in the Third Supplemental Indenture that other than refunding bonds issued to refund the Outstanding Series 2020 Bonds, the District shall not, while any Series 2020 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Pledged Revenues. The District further covenants and agrees in the Third Supplemental Indenture that so long as the Series 2020 Bonds are Outstanding, it will not impose debt service Special Assessments for capital projects on any lands subject

to the Series 2020 Special Assessments without the written consent of the Majority Owners; provided, however, the Series 2020 Special Assessments have been Substantially Absorbed evidence of which shall be provided by the District to the Trustee in a written certificate upon which the Trustee may conclusively rely. Notwithstanding the foregoing, the District is not precluded from imposing capital Special Assessments on property then subject to the Series 2020 Special Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District.

WHILE NO FUTURE ADDITIONAL BONDS WILL BE PAYABLE FROM OR SECURED BY THE SERIES 2020 SPECIAL ASSESSMENTS PLEDGED AS SECURITY FOR THE SERIES 2020 BONDS, THE DISTRICT, THE CITY, DUVAL COUNTY, FLORIDA (THE "COUNTY"), THE SCHOOL BOARD OF DUVAL COUNTY, FLORIDA, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF MAY IN THE FUTURE IMPOSE, LEVY AND COLLECT ASSESSMENTS AND TAXES THE LIENS OF WHICH WILL BE CO-EQUAL WITH THE LIEN OF ASSESSMENTS WHICH INCLUDES THE SERIES 2020 SPECIAL ASSESSMENTS SECURING THE SERIES 2020 BONDS. See "—Enforcement and Collection of Series 2020 Special Assessments" below.

#### **Series 2020 Debt Service Reserve Account**

Pursuant to the Master Indenture, the Trustee shall establish an Account within the Debt Service Reserve Fund designated as the "Series 2020 Debt Service Reserve Account."

Proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Debt Service Reserve Account in the amount set forth in the Third Supplemental Indenture, which account will be held for the benefit of all of the Series 2020 Bonds, without privilege or priority of one Series 2020 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 in the Indenture. [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 2020 Debt Service Reserve Account and transfer any excess therein (except for excess resulting from interest earnings as provided below, excess resulting from failure of receipt of notice by the Trustee from the District as provided below, and excess resulting from Prepayments as provided below) above the Series 2020 Debt Service Reserve Requirement, as follows: (A) prior to the Completion Date of the Series 2020 Project, to the Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund; and (B) on and after the Completion Date of the Series 2020 Project, such amounts shall be transferred to the Series 2020 Revenue Account. The "Series 2020 Debt Service Reserve Requirement" is defined in the Third Supplemental Indenture as an amount equal to [ ]% of the maximum annual Debt Service Requirement for the Series 2020 Bonds as of any date of calculation as provided for therein, which initially is \$[\_\_\_\_].

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 2020 Special Assessment against such lot or parcel as provided in [the Third 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 2020 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 2020 Debt Service Reserve Account in excess of the Series 2020 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2020 Debt Service Reserve Account to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund, as a credit against the Series 2020 Prepayment otherwise required to be made by the owner of such lot or parcel.

Earnings on investments in the Series 2020 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 2020 Debt Service Reserve Account were valued by the Trustee there was a deficiency in the Series 2020 Debt Service Reserve Account, or if after such date withdrawals have been made from the Series 2020 Debt Service Reserve Account and have created such a deficiency, then earnings on investments in the Series 2020 Debt Service Reserve Account shall be deposited to the credit of the Series 2020 Debt Service Reserve Account until the amounts on deposit therein equal the Series 2020 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 2020 Debt Service Reserve Account is not reduced below the then Series 2020 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 2020 Project, to the Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund; and (y) on and after the Completion Date of all of the components of the Series 2020 Project, to the Series 2020 Revenue Account of the Revenue Fund. Upon the occurrence and continuance of an Event of Default, earnings on investments in the Series 2020 Debt Service Reserve Account shall remain therein.

### **Series 2020 Revenue Account**

Pursuant to the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Series 2020 Revenue Account." Series 2020 Special Assessments (except for Series 2020 Prepayments which shall be identified as such by the District to the Trustee to be deposited in the Series 2020 Prepayment Account) shall be deposited by the Trustee into the Series 2020 Revenue Account which shall be applied as set forth in the Indenture.

The Third Supplemental Indenture provides that the Trustee shall transfer from amounts on deposit in the Series 2020 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 2020 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2020 Bonds due on such May 1 or November 1, less any amounts on deposit in the Series 2020 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, to the Series 2020 Principal Account of the Debt Service Fund, an amount equal to the principal amount of Series 2020 Bonds Outstanding and maturing on such May 1, if any, less any amounts on deposit in the Series 2020 Principal Account not previously credited;

THIRD, no later than the Business Day next preceding each May 1, to the Series 2020 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2020 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2020 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 2020 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 2020 Debt Service Reserve Requirement;

FIFTH, notwithstanding the foregoing, at any time the Series 2020 Bonds are subject to redemption on a date which is not an Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2020 Interest Account the amount necessary to pay interest on the Series 2020 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 2020 Revenue Account unless pursuant to the Arbitrage Certificate it is necessary to make a deposit into the Rebate Fund, in which case the District shall direct the Trustee in writing to make such deposit thereto.

Prior to the Completion Date of the Series 2020 Project, on each November 2, the Trustee shall transfer the balance on deposit in the Series 2020 Revenue Account to the Series 2020 Acquisition and Construction Account; on or after the Completion Date of the Series 2020 Project, on each November 2, the Trustee shall transfer to the District, at the District's written direction, the balance on deposit in the Series 2020 Revenue Account on such November 2 to be used for any lawful purpose of the District; provided, however, that on the date of such proposed transfer the amount on deposit in the Series 2020 Debt Service Reserve Account shall be equal to the Series 2020 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.

### **Series 2020 Bond Redemption Fund**

Pursuant to the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Fund designated as the "Series 2020 Bond Redemption Fund" and within such Fund, a "Series 2020 General Account" and a "Series 2020 Prepayment Account." Except as otherwise provided in the Third Supplemental Indenture, moneys to be deposited into the Series 2020 Bond Redemption Fund, as provided in the Master Indenture shall be deposited to the Series 2020 General Account of the Series 2020 Bond Redemption Fund. Series 2020 Prepayments shall be identified as such by the District to the Trustee to then be deposited directly into the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund, as provided in the Indenture.

Moneys in the Series 2020 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 2020 Bonds, if any, as the District 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 2020 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 extraordinary mandatory redemption pursuant to the Third Supplemental Indenture an amount of Series 2020 Bonds equal to the amount of money transferred to the Series 2020 General Account pursuant to the Third Supplemental Indenture, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in the Third Supplemental Indenture; and

THIRD, the remainder to be utilized by the Trustee, at the written direction of a Responsible Officer, to call for redemption such Series 2020 Bonds that are subject to optional redemption pursuant to the Third Supplemental Indenture such amount of Series 2020 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.

Moneys in the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund (including all earnings on investments therein) shall be accumulated therein to be used to call for extraordinary mandatory redemption pursuant to the Third Supplemental Indenture an amount of Series 2020 Bonds equal to the amount of money transferred to the Series 2020 Prepayment Account pursuant to the Third Supplemental Indenture, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in the Third Supplemental Indenture.

### **Series 2020 Acquisition and Construction Account**

The Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the "Series 2020 Acquisition and Construction Account." Proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Acquisition and Construction Account in the amounts set forth in the Third Supplemental Indenture, together with any excess moneys transferred to the Series 2020 Acquisition and Construction Account. Such moneys in the subaccounts of the Series 2020 Acquisition and Construction Account shall be applied as set forth in the Indenture to pay costs to acquire and construct the Series 2020 Project upon compliance with the requirements of the requisition provisions set forth in the Indenture.

After the Completion Date of the Series 2020 Project and after retaining in the Series 2020 Acquisition and Construction Account the amount, if any, of all remaining unpaid Costs of any portion of the Series 2020 Project set forth in the Consulting Engineer's Certificate establishing such Completion Date, any funds remaining in the Series 2020 Acquisition and Construction Account shall be transferred to and deposited into the Series 2020 General Account of the Series 2020 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2020 Bonds, and the Series 2020

Acquisition and Construction Account shall be closed. Earnings on investments in the Series 2020 Acquisition and Construction Account shall remain therein.

In accordance with the provisions of the Indenture, upon the occurrence of an Event of Default with respect to the Series 2020 Bonds, the Series 2020 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 District acknowledges in the Third Supplemental Indenture that, upon the occurrence of an Event of Default with respect to the Series 2020 Bonds, (i) the Pledged Revenues include, without limitation, all unencumbered amounts on deposit in the Series 2020 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 District (whether to pay Costs of the Series 2020 Project or otherwise) without the consent of the Majority Owners of the Series 2020 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 2020 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.

### **Other Funds and Accounts**

The Trustee shall establish a separate subaccount within the Series 2020 Acquisition and Construction Account Acquisition and Construction Fund designated as the "Series 2020 Costs of Issuance Subaccount." Amounts in the Series 2020 Costs of Issuance Subaccount shall be applied by the Trustee to pay the costs relating to the issuance of the Series 2020 Bonds. Six months after the date of issuance of the Series 2020 Bonds, any moneys remaining in the Series 2020 Costs of Issuance Subaccount which have not been requisitioned by the District to pay costs relating to the issuance of the Series 2020 Bonds shall be deposited into the Series 2020 Acquisition and Construction Account and applied as set forth in the Indenture, and the Series 2020 Costs of Issuance Subaccount shall be closed.

Pursuant to the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2020 Principal Account." Moneys shall be deposited into such Account as provided in the Indenture and applied for the purposes provided therein.

Pursuant to the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2020 Interest Account." Proceeds of the Series 2020 Bonds shall be deposited into such Account in the amount set forth in the Third Supplemental Indenture. Moneys deposited into such Account pursuant to the Indenture shall be applied for the purposes provided therein.

Pursuant to the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2020 Sinking Fund Account." Moneys shall be deposited into such Account as provided in the Indenture and applied for the purposes provided therein.

## **Collateral Assignment**

Contemporaneously with the issuance of the Series 2020 Bonds, the Developer will enter into a Collateral Assignment and Assumption of Development and Contract Rights (the "Assignment Agreement") with the District. The following description of the Assignment Agreement is qualified in its entirety by reference to the Assignment Agreement. Pursuant to the Assignment Agreement, the Developer collaterally assigns to the District certain of the Developer's development rights and contract rights relating to the development of the lands within the District (the "Development and Contract Rights") as security for the Developer's payment and performance and discharge of its obligation to pay the Series 2020 Special Assessments levied against the Lands (as defined in the Assignment Agreement) when due. The assignment will become effective and absolute upon failure of the Developer to pay the Series 2020 Special Assessments levied against the Lands owned by the Developer. The Development and Contract Rights specifically excludes any such portion of the Development and Contract Rights which relate to any property which has been conveyed to a landowner resulting from the sale of any portion of the Lands in the ordinary course of business, the County, the City, the District, any applicable homeowner's association or other governing entity or association for the benefit of the Series 2020 Project. Pursuant to the Indenture, the District assigns its rights under the Assignment Agreement to the Trustee for the benefit of the Owners, from time to time, of the Series 2020 Bonds.

## **Completion Agreement**

In connection with the issuance of the Series 2020 Bonds, the District and the Developer will enter into an agreement (the "Completion Agreement") pursuant to which the Developer will agree to provide funds to complete the Del Webb CIP (as defined herein) to the extent that proceeds of the Series 2020 Bonds and any other debt of the District are insufficient therefor. Remedies for a default under the Completion Agreement include damages and/or specific performance.

## **True-Up Agreements**

In connection with the issuance of the Series 2020 Bonds, the District and the Developer will enter into agreements pursuant to which the Developer agrees to timely pay all Series 2020 Special Assessments on lands owned by such landowner and subject to the Series 2020 Special Assessments and to pay, when requested by the District, any amount of Series 2020 Special Assessments allocated to unplatted acres on lands owned by such landowner in excess of the allocation in place at the time of issuance of the Series 2020 Bonds pursuant to the Supplemental Report or any update thereto.

## **Events of Default**

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

(a) if payment of any installment of interest on any Series 2020 Bond is not made when it becomes due and payable; or



(b) if payment of the principal or Redemption Price of any Series 2020 Bond is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or

(c) if the District, for any reason, fails to, or is rendered incapable of fulfilling its obligations under the Indenture or under the Act; 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 90 days; or

(e) if the District defaults in the due and punctual performance of any other covenant in the Indenture or in any Series 2020 Bond and such default continues for 60 days after written notice thereof that requires the same to be remedied shall have been given to the District by the Trustee, which notice may be given by the Trustee in its discretion and which notice shall be given by the Trustee at the written request of the Majority Owners of the Series 2020 Bonds; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such 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 60 day period and shall diligently and continuously prosecute the same to completion; or

(f) the Trustee withdraws more than 25% of the available funds from the Series 2020 Debt Service Reserve Account of the Debt Service Reserve Fund established to pay Debt Service Requirements for the Series 2020 Bonds and such amount is not replenished within 12 months of the date of withdrawal (including from collections of delinquent Series 2020 Special Assessments); or

(g) more than 25% of the operation and maintenance assessments levied and collected directly by the District on District Lands subject to the Series 2020 Special Assessments securing the Series 2020 Bonds are not paid within 90 days of the date such are due and payable ("Delinquent Direct Billed Operation and Maintenance Assessments").

The District covenants and agrees in the Indenture that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of delinquent Series 2020 Special Assessments, the provisions for the foreclosure of liens of delinquent Series 2020 Special Assessments, and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the written direction of, and on behalf of, the Majority Owners, from time to time, of the Series 2020 Bonds. Notwithstanding anything to the contrary in the Indenture, and unless otherwise directed by the Majority Owners and allowed pursuant to Federal or State law, the District acknowledges and agrees that (i) upon failure of any property owner to pay an installment of Series 2020 Special

Assessments collected directly by the District when due, that the entire Series 2020 Special Assessments related to the Series 2020 Bonds on the tax parcel as to which such delinquent Series 2020 Special Assessment pertains, with interest and penalties thereon, shall immediately become due and payable and the District shall cause to be commenced the necessary legal proceedings for the foreclosure of liens of delinquent Series 2020 Special Assessments related to the Series 2020 Bonds with respect to such tax parcel, 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. Notwithstanding anything to the contrary in the Indenture, the District shall be entitled to first recover from any foreclosure before such proceeds are applied to the payment of principal or interest on the Series 2020 Bonds, all fees and costs expended in connection with such foreclosure, regardless of whether such fees and costs are included as part of the Series 2020 Special Assessments.

### **Provisions Relating to Bankruptcy or Insolvency of Landowner**

The provisions of this section shall apply 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 of the Series 2020 Special Assessments (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"), except where such tax parcel shall be homestead property. For as long as any Series 2020 Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Series 2020 Bonds or the Series 2020 Special Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the Series 2020 Bonds or for as long as any Series 2020 Bonds remain Outstanding.

The District acknowledges and agrees in the Indenture that, although the Series 2020 Bonds may be issued by the District, the Owners of the Series 2020 Bonds are categorically a party with a financial stake in the transaction and, consequently, a party with a vested interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer: (a) the District agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2020 Special Assessments, the Series 2020 Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee; provided, however, that the Trustee shall be deemed to have consented, on behalf of the Majority Owners of Outstanding Series 2020 Bonds, to the proposed action if the District does not receive a written response from the Trustee within 45 days following written request to a Responsible Officer of the Trustee for such consent; (b) the Trustee shall have the right, but is not obligated to (unless directed in writing by the Majority Owners of Outstanding Series 2020 Bonds and receipt by Trustee of indemnity satisfactory to the Trustee), (i) vote in any such Proceeding any and all claims of the District, except for any claims the District may have related to the District's operation and maintenance assessments or other claims unrelated to the Series 2020 Special Assessments or the Series 2020 Bonds and (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the District, except for any claims the District may have related to the District's operation and maintenance assessments or other claims unrelated to the

Series 2020 Special Assessments or the Series 2020 Bonds, including without limitation, motions seeking relief from the automatic stay, dismissal of the Proceeding, valuation of the property belonging to the Insolvent Taxpayer, termination of exclusivity, and objections to disclosure statements, plans of liquidation or reorganization, and motions for use of cash collateral, seeking approval of sales or post-petition financing; and, if the Trustee chooses to exercise any such rights (or is directed in writing by the Majority Owners of Outstanding Series 2020 Bonds and receipt by Trustee of indemnity satisfactory to the Trustee), the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including, without limitation, the right to file and/or prosecute any claims, to propose and prosecute a plan, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the United States Bankruptcy Code; and (c) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of the lands owned by any Insolvent Taxpayer submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District claim with respect to the Series 2020 Special Assessments or receipt of adequate protection (as that term is defined in the United States Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the Series 2020 Special Assessments, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

### **Enforcement and Collection of Series 2020 Special Assessments**

The primary sources of payment for the Series 2020 Bonds are the Series 2020 Special Assessments imposed on each landowner within the District which are specially benefited by the Series 2020 Project. To the extent that landowners fail to pay such Series 2020 Special Assessments, delay payments, or are unable to pay such Series 2020 Special Assessments, the successful pursuit of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2020 Bonds. The Act provides for various methods of collection of delinquent taxes by reference to other provisions of the Florida Statutes. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein for a summary of special assessment payment and collection procedures appearing in the Florida Statutes.

Pursuant to the Indenture, the Series 2020 Special Assessments shall be directly collected and enforced by the District pursuant to the provisions of the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto; provided, however, Series 2020 Special Assessments levied on platted lots and pledged hereunder to secure the Series 2020 Bonds will be collected pursuant to 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 "Uniform Method") [commencing Fiscal Year 2021-2022]. The District covenants in the Indenture to enter into a Property Appraiser and Tax Collector Agreement with the County in order to comply with the provisions of the Indenture.

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 2020 Bonds, requests that the District not use the Uniform Method, but instead collect and enforce Series 2020 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 District shall collect and enforce said Series 2020 Special Assessments in the manner and pursuant to the method so requested by the Trustee.

Any Series 2020 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 30 days prior to each Interest Payment Date.

If the owner of any lot or parcel of land assessed for the Series 2020 Project shall be delinquent in the payment of any Series 2020 Special Assessment, then such Series 2020 Special Assessment shall be enforced pursuant to the provisions of Chapter 197, Florida Statutes, or any successor statute thereto, including but not limited to the sale of tax certificates and tax deeds as regards such delinquent Series 2020 Special Assessment. In the event the provisions of Chapter 197, Florida Statutes, and any provisions of the Act with respect to such sale are inapplicable by operation of law, then upon the delinquency of any Series 2020 Special Assessment the District may, to the extent permitted by law, utilize any other method of enforcement as provided in the Master Indenture, including, without limitation, declaring the entire unpaid balance of such Series 2020 Special Assessment to be in default and, at its own expense, cause such delinquent property to be foreclosed, pursuant to the provisions of Section 170.10, Florida Statutes, in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, Florida Statutes, and Sections 190.026 and 170.10, Florida Statutes, or otherwise as provided by law.

If any property shall be offered for sale for the nonpayment of any Series 2020 Special Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2020 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 2020 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 2020 Bonds; provided that the Trustee shall have the right, acting at the written direction of the Majority Owners of the Series 2020 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 Series 2020 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 2020 Bonds within 60 days after the receipt of the request therefor signed by the Trustee or the Majority Owners of the Series 2020 Bonds.

THERE CAN BE NO ASSURANCE THAT ANY SALE, PARTICULARLY A BULK SALE, OF LAND SUBJECT TO DELINQUENT ASSESSMENTS WILL PRODUCE PROCEEDS SUFFICIENT TO PAY THE FULL AMOUNT OF SUCH DELINQUENT ASSESSMENTS PLUS OTHER DELINQUENT TAXES AND ASSESSMENTS APPLICABLE THERETO.

### **Additional Covenants Regarding Assessments**

The District covenants in the Indenture to comply with the terms of the proceedings heretofore adopted with respect to the Series 2020 Special Assessments, including the Assessment Resolutions and the Assessment Methodology (each as defined in the Third Supplemental Indenture), and to levy the Series 2020 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 2020 Bonds, when due.

### **Prepayment**

At any time any owner of property subject to the Series 2020 Special Assessments may, at its option, or under certain circumstances described in the Assessment Resolutions in connection with Series 2020 Prepayments derived from application of the "true-up" mechanism therein, require the District to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2020 Special Assessments by paying to the District all or a portion of the Series 2020 Special Assessment which shall constitute Series 2020 Prepayments as directed in writing by the District pursuant to the provisions of the Third Supplemental Indenture, plus accrued interest to the next succeeding Quarterly Redemption Date (or the second succeeding Quarterly Redemption Date if such prepayment is made within 45 calendar days before a Quarterly Redemption Date), attributable to the property subject to Series 2020 Special Assessment owned by such owner; provided, however, to the extent that such payments are to be used to redeem Series 2020 Bonds in the event the amount in the Series 2020 Debt Service Reserve Account will exceed the Series 2020 Debt Service Reserve Requirement as a result of a Series 2020 Prepayment and the resulting redemption of Series 2020 Bonds, the excess amount above the Series 2020 Debt Service Reserve Requirement shall be transferred from the Series 2020 Debt Service Reserve Account to the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund, as a credit against the Series 2020 Prepayment otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the District together with a certificate of a Responsible Officer of the District stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2020 Debt Service Reserve Account to equal or exceed the Series 2020 Debt Service Reserve Requirement and accompanied by cash flows which demonstrate that, after giving effect to the proposed redemption of Series 2020 Bonds, there will be sufficient Pledged Revenues to pay the principal and interest, when due, on all Series 2020 Bonds that will remain Outstanding. The written instructions shall be delivered to the Trustee on or prior to the 46th day prior to a Quarterly Redemption Date.

Upon receipt of Series 2020 Prepayments as described above, which includes accrued interest to the next succeeding Quarterly Redemption Date (or the second succeeding Quarterly Redemption Date if such prepayment is made within 45 calendar days before a

Quarterly Redemption Date), subject to satisfaction of the conditions set forth therein, the District shall immediately pay the amount so received to the Trustee and clearly identify in writing such amounts as a Series 2020 Prepayment and the District 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 2020 Special Assessment has been paid in whole or in part and that such Series 2020 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be. Upon receipt of any such moneys from the District the Trustee shall immediately deposit the same into the Series 2020 Prepayment Account of the Series 2020 Bond Redemption Fund to be applied in accordance with the Third Supplemental Indenture, to the redemption of Series 2020 Bonds in accordance with the Third Supplemental Indenture.

### **Re-Assessment**

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

## **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

### **General**

The primary source of payment for the Series 2020 Bonds is the revenues received by the District from the collection of Series 2020 Special Assessments imposed on certain lands in the District specially benefitted by the Series 2020 Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX B – Methodology Report" attached hereto.

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

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

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

### **Direct Billing & Foreclosure Procedures**

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

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

## **Uniform Method Procedure**

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

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

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

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

The Tax Collector is required to collect the Taxes and Assessments on the tax bill prior to April 1 and, after that date, to institute statutory procedures upon delinquency to collect such Taxes and Assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process. Neither the District nor the Underwriter can give any assurance to the holders of the Series 2020 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2020 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2020 Special Assessments, (3) that a market may exist in the future for tax



certificates in the event of sale of such certificates for taxable units within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2020 Special Assessments and all other liens that are coequal therewith.

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

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

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

Any holder, other than the County, of a tax certificate that has not been redeemed has seven years from the date of issuance of the tax certificate during which to act against the land that is the subject of the tax certificate. After an initial period ending two years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all other outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due (as well as any costs of resale, if applicable). If the

County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two years after April 1 of the year of issuance of the certificate or as soon thereafter as is reasonable. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

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

Except for certain governmental liens and certain restrictive covenants and restrictions, no right, interest, restriction or other covenant survives the issuance of a tax deed. Thus, for example, outstanding mortgages on property subject to a tax deed would be extinguished.

If there are no bidders at the public sale, the clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the governing board of the County that the property is available. At any time within 90 days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three years from the date the property was offered for sale, unsold lands escheat to the County in which they are located, free and

clear, and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of Series 2020 Special Assessments. For example, the demand for tax certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2020 Special Assessments, which are the primary source of payment of the Series 2020 Bonds. Additionally, legal proceedings under federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates. See "BONDOWNERS' RISKS" herein.

## **THE DISTRICT**

### **General**

The District is a local unit of special purpose government duly organized and existing under the provisions of the Act and established by the Ordinance. The boundaries of the District originally included approximately 1,250 acres located entirely within the City. The boundaries of the District were expanded by the Boundary Amendment, which added approximately 24 acres of land to the District, increasing the District Lands to approximately 1,274 acres of land located entirely within the City.

### **Legal Powers and Authority**

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. 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 revenue debt obligations 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 under certain conditions to levy and assess ad valorem taxes or non-ad valorem assessments, including the Series 2020 Special Assessments, on all taxable real property within their boundaries to pay the principal of and interest on debt obligations issued and to provide for any sinking or other funds established in connection with any such debt obligation issues. Pursuant to the Act, such assessments may be levied, collected and enforced in the same manner and time as county property taxes.

Among other provisions, the Act gives the District's Board of Supervisors the authority to (a) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for: (i) water management and

control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and wastewater management reclamation and re-use systems or any combination thereof, and to construct and operate connecting intercepting or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) district roads equal to or exceeding the applicable specifications of the county in which such district roads are located; roads and improvements to existing roads that are owned by or conveyed to the local general-purpose government, the State, or the federal government; street lights; alleys; landscaping; hardscaping; undergrounding of electric utility lines; buses, trolleys, transit shelters, ridesharing facilities and services, parking improvements, and related signage; (iv) conservation areas, mitigation areas, and wildlife habitat, including the maintenance of any plant or animal species, and any related interest in real or personal property; (v) any other project, facility or service required by a development approval, interlocal agreement, zoning condition, or permit issued by a governmental authority with jurisdiction in the District; and with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses; and security, including, but not limited to, guardhouses, fences and gates, and electronic intrusion-detection systems; (b) borrow money and issue bonds of the District; (c) levy, collect and enforce special assessments; (d) impose and foreclose special assessment liens as provided in the Act; and (e) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District authorized by the Act.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances and the Act does not empower the District to grant building permits. These functions are collectively performed by the City 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 2020 Bonds.

## **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 must be residents of the State and citizens of the United States. Pursuant to the Act, six years after establishment and after 250 qualified electors reside within the District, the seats of Board members whose terms expire are filled by votes of the qualified electors of the District, except as described below. A qualified elector is a registered voter who is a resident of the District and the State and a citizen of the United States. At the election where Board members are first elected by qualified electors, two Board members must be qualified electors and be elected by qualified electors, both to four-year terms. A third Board member is elected through an election of the landowners of the District. Thereafter, as terms expire, all Board members must be qualified electors and are elected to serve four-year terms with staggered expiration dates in the manner set forth in the Act. The current members of the Board and their respective term expiration dates are set forth below.

<b>Name</b>	<b>Title</b>	<b>Expiration of Term</b>
Richard T. Ray	Chairman	November, 2022
John Holmes	Vice Chairman	November, 2020
John S. Hewins	Assistant Secretary	November, 2022
Stephen Grossman	Assistant Secretary	November, 2020
Chris Price	Assistant Secretary	November, 2020

The Act empowers the Board to adopt administrative rules and regulations with respect to any projects of the District, and to enforce penalties for the violation of such rules and regulations. The Act permits the Board to levy taxes under certain conditions, and to levy special assessments, and to charge, collect and enforce fees and user charges for use of District facilities.

### **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 provisions 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.

Governmental Management Services, LLC, has been retained as the firm to provide district management services for the District (in such capacity, the "District Manager"). The District Manager's office is located at 475 West Town Place, Suite 114, St. Augustine, Florida 32092 and their phone number is (904) 940-5850.

The District Manager's typical responsibilities can briefly be summarized as directly overseeing and coordinating the District's planning, financing, purchasing, staffing, and reporting and acting as governmental liaison for the District. The District Manager's responsibilities also include requisitioning moneys to pay construction contracts and the related accounting and reporting that is required by the Indenture.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Bryant Miller Olive P.A., Orlando, Florida, as Bond Counsel; Hopping Green & Sams P.A., Tallahassee, Florida, as District Counsel; England, Thims & Miller, Inc., Jacksonville, Florida, as District Engineer; and Governmental Management Services, LLC, St. Augustine, Florida, as Assessment Consultant to prepare the Methodology Report attached hereto as APPENDIX B.

### **THE CAPITAL IMPROVEMENT PROGRAM**

England-Thims and Miller, Inc. serving as the District Engineer, has prepared the Del Webb e-Town Neighborhood Supplemental Engineer's Report dated July 14, 2020 (the "Engineer's Report") describing the capital improvement program for the Development (the "Del Webb CIP") which is estimated to cost approximately \$7.7 million. The Del Webb CIP includes earth work, stormwater management, water and sewer utilities, professional

services and contingency. Enumeration of the costs of the Del Webb CIP by development phase are provided in the table below.

<b>Infrastructure</b>	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3A</b>	<b>Phase 3B</b>	<b>Estimated Costs</b>
Neighborhood Stormwater Management	\$ 638,987	\$ 0	\$ 0	\$ 0	\$ 638,987
Storm Drainage Utilities	768,466	459,240	814,402	402,318	2,444,426
Potable Water Utilities	410,820	295,807	224,672	259,131	1,190,430
Gravity Sanitary Sewer Utilities	625,844	417,045	313,171	364,233	1,720,293
Lift Station and Force Main	360,197	0	0	295,000	655,197
Reclaimed Water	353,771	249,560	210,391	245,471	1,059,193
<b>TOTAL</b>	<b>\$3,158,085</b>	<b>\$1,421,652</b>	<b>\$1,562,636</b>	<b>\$1,566,153</b>	<b>\$7,708,526</b>

The capital improvements described in the Del Webb CIP will be constructed in multiple phases over time. Proceeds of the Series 2020 Bonds will be utilized to acquire a portion of the Del Webb CIP in the aggregate approximate amount of \$6.8 million as each phase of the Del Webb CIP is completed. As described in more detail under the heading "THE DEVELOPMENT - Development Status", the initial phase of development is complete, and the second phase is under construction. Upon issuance of the Series 2020 Bonds, approximately \$3.2 million of the proceeds deposited into the Acquisition and Construction Account will be utilized to acquire the initial phase of the Del Webb CIP with the remaining proceeds to be utilized to acquire additional portions of the Del Webb CIP once completed.

That portion of the Del Webb CIP funded with the proceeds of the Series 2020 Bonds is referred to herein as the "Series 2020 Project." Detailed information concerning the Series 2020 Project is contained within the Engineer's Report. The District does not intend to issue any additional series of Bonds to fund additional portions of the Del Webb CIP. The Developer anticipates using equity to fund the remaining portions of the Del Webb CIP not funded with proceeds of the Series 2020 Bonds as well as the other development costs not included within the Del Webb CIP (the "Developer-Funded Expenditures"). The Developer-Funded Expenditures for the Development consist primarily of recreational facilities, security features, internal roadways, earthwork and landscaping and are estimated to cost \$19.4 million. As of June 30, 2020, the Developer estimates it has expended approximately \$10.2 million in development-related expenditures to date, including \$3.2 million towards the District's Del Webb CIP and \$7.1 million towards Developer-Funded Expenditures.

The Developer will enter into a Completion Agreement whereby the Developer will agree to complete those portions of the Del Webb CIP not funded with proceeds of the Series 2020 Bonds. The District cannot make any representation that the Developer will have sufficient funds to complete the Del Webb CIP.

## **ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS**

Governmental Management Services, LLC, (the "Assessment Consultant") has prepared the Del Webb e-Town Neighborhood Supplemental Assessment Methodology Report (the "Supplemental Report,") attached hereto as APPENDIX B. The Supplemental Report provides for a methodology to allocate the total benefit derived from the Del Webb

CIP to each of the land uses planned within the Development on a fully financed basis. The special assessments will initially be levied on the benefitted parcel on an equal acreage basis and then on a per unit basis as platting occurs. Until all the land within the Development has been platted and sold, the assessments on the portion of the land that has not been platted and sold are not fixed and determinable.

As described further herein under the heading "THE DEVELOPMENT – Fees and Assessments," the lands within the Development are also subject to special assessments levied in connection with either the District's Special Assessment Revenue Bonds, Series 2019 (the "Series 2019 Master Infrastructure Bonds") or the District's Special Assessment Revenue Bonds, Series 2020 (the "Series 2020 Master Infrastructure Bonds" and together with the Series 2019 Master Infrastructure Bonds, the "Master Infrastructure Bonds") that were issued to fund the District's master infrastructure including improvements associated with E-Town Parkway such as utilities, landscape and irrigation, hardscape, signage, electric, and lighting (b) certain collector road improvements and (c) recreational facilities associated with the District but not specific to the Development. The Master Infrastructure Bonds are partially secured by special assessments levied on the same lands encumbered by the Series 2020 Bonds secured by the Series 2020 Special Assessments. More specifically, the special assessments levied in connection with the Series 2019 Master Infrastructure Bonds are levied on Parcels E-3a planned for 345 residential units and the special assessments levied in connection with the Series 2020 Master Infrastructure Bonds are levied on Parcels E-3b/c planned for 174 residential units.

The table below illustrates the estimated principal and annual Series 2020 Special Assessments for the various product-types planned within the Development.

<b>Product Type</b>	<b># Units</b>	<b>Est. Series 2020 Bonds Principal Per Unit</b>	<b>Est. Series 2020 Bonds Gross Annual Debt Service Per Unit</b>
Single-Family 40'	188	\$11,579	\$ 724
Single-Family 50'	199	14,474	905
Single-Family 65'	132	17,369	1,086
	<b>519</b>		

## **THE DEVELOPMENT**

*The following information appearing under the caption "THE DEVELOPMENT" has been furnished by the Developer for inclusion in this Limited Offering Memorandum as a means for the prospective Beneficial Owners of the Series 2020 Bonds to understand the anticipated development plan and risks associated with the Development and the provision of infrastructure to the real property within the District. Although believed to be reliable, such information has not been independently verified by the District or its counsel, the Underwriter or its counsel, or Bond Counsel, and no person other than the Developer, subject to certain qualifications and limitations, makes any representation or warranty as to the accuracy or completeness of such information. At the time of the issuance of the Series 2020 Bonds, the Developer will represent in writing that the information herein under the caption "THE DEVELOPMENT" does not contain any untrue statement of a material fact and does*

*not omit to state any material fact necessary in order to make the statements made herein, in light of the circumstances under which they are made, not misleading.*

## **Overview**

The lands on which the Series 2020 Special Assessments are levied are being developed as an approximately 519-unit Pulte Del Webb-branded active adult neighborhood known as Del Webb e-Town (the "Development"). The Development is situated in a larger master-planned community known as "e-Town" which encompasses approximately 1,715 acres.

e-Town is located east of the Interstate 295 East Beltway and on both sides of State Road 9B. Direct access to e-Town is via E-Town Parkway which extends from north to south from the recently constructed interchange at State Road 9B, through the community, and terminates at the existing R.G. Skinner Parkway at Atlantic Coast High School. State Road 9B currently connects County Road 2209 in St. Johns County to Interstate 295 in Duval County providing for quicker routes from St. Johns County to major highways such as Interstate 95, Philips Highway and Interstate 295.

e-Town is located approximately twenty-two (22) miles south of downtown Jacksonville and fifteen (15) miles west of Ponte Vedra Beach. The Jacksonville International Airport is approximately thirty (30) miles northwest of the community via Interstate 295 and the St. Augustine and St. Johns County Airport, a general aviation airport, is approximately twenty-five (25) miles southeast of the community.

e-Town is centrally located to recreational opportunities, shopping and restaurants including the St. Johns Town Center, a 2.0 million square foot lifestyle center located seven (7) miles northwest of the community at the intersection of Interstate 295 and Butler Boulevard. The Avenues Mall, a multi-level shopping center offering more than 1.1 million square feet of enclosed retail shopping located at the merger of U.S. Highway 1 and Southside Boulevard in south Jacksonville, is approximately seven (7) miles from e-Town. Finally, a new approximately 700,000 square foot retail center known as Durbin Park is currently under construction and located approximately eleven (11) miles southwest of the community on the west side of Interstate 95.

Designed as a community centered around convenience, technology and sustainability, e-Town consists of approximately 1,715 acres and is planned to include 1,950 residential units in clustered neighborhoods and commercial, retail and multi-family uses situated around the interchange at the southern portion of the community. The District is wholly contained within the boundaries of e-Town and consists of the residential component of e-Town. The District encompasses approximately 1,274 acres consisting of ten (10) residential tracts planned for approximately 1,950 residential units.

In addition to the Development, there are four (4) active neighborhoods within the District and one (1) active apartment complex situated outside of the District boundaries but within e-Town. The active neighborhoods include (i) Weekley Homes and ICI Homes® neighborhood, Parcel E-2, planned for 225 single-family units which is being marketed as a residential community known as "Marconi" (ii) Toll Brothers neighborhood, Parcel E-4 and Parcel E-6, planned for 267 residential units and being marketed as a residential



community known as "Edison" (iii) Providence Homes' Kettering at E-town Community, Parcel E-7a, planned for 134 residential units and (iv) ICI Homes® Nobel at eTown neighborhood, Parcel E-5, planned for 172 residential units. As of June 30, 2020, approximately [ ] homes have been developed throughout each of the active communities with another [ ] residential lots under development. Further, [ ] homes have been sold and/or are under contract to retail buyers. Further, resident move-ins into the exclusive multi-family development planned for 332 apartment units and being marketed as "The Menlo at e-Town" is anticipated to commence in the [third] quarter of 2020.

In addition to the actively selling neighborhoods, several other parcels of land within the District have been sold to developers/builders. These parcels include Parcel E-7b which is planned for 72 residential units and was sold to Providence Homes and Parcel E-8 which is planned for 202 residential units and was sold to Toll Brothers.

Del Webb e-Town consists of two development tracts, Parcels E-3a and E-3b/c, within the District and encompasses approximately 294 gross acres located just north of the community's main entrance and adjacent to the Marconi neighborhood. The Development has been designed as a Del Webb-branded 55+ gated neighborhood that is planned to include 519 residential units, a clubhouse and associated recreational facilities. The developer of the Development is Pulte Home Company, LLC (the "Developer"). The Development is intended to be developed in three (3) phases with the first phase of the Development planned for 194 single-family homes. Horizontal infrastructure improvements for the first phase is complete, with development activities for the second phase planned for 151 residential units currently underway. As detailed further herein, homes sales activities commenced in September 2019 and as of June 30, 2020, approximately seventy-six (76) homes sale contracts have been written of which thirty-eight (38) have closed, all within Phase 1 of the Development.

## **Land Acquisition**

The Developer acquired the approximately 168 developable acres of undeveloped land constituting the Development from Eastland Timber, LLC, a Florida limited liability company ("Eastland Timber") in multiple takedowns for a total a purchase price of \$18,665,506. Closing on the final takedown occurred on February 3, 2020.

In conjunction with entering into a purchase and sale contract with Eastland Timber for the purchase of the lands comprising the Development, the Developer entered into a development agreement with E-Town Development, Inc., a Florida corporation (the "Master Developer") that provided for the Master Developer to construct the master infrastructure supporting e-Town including the extension of E-Town Parkway/R.G. Skinner Boulevard from the State Road 9B interchange to the entrance of the Development and all related utilities including water, sewer, reuse and electric lines. Pursuant to such development agreement, Pulte Homes paid a construction payment to the Master Developer in support of such improvements. The Master Developer has engineered, permitted, designed and constructed E-Town Parkway running north/south through e-Town including that portion contemplated in the development agreement.

The District currently does not intend to issue any additional series of Bonds to fund additional portions of the Del Webb CIP. As such, the Developer anticipates using equity to

fund the remaining portions of the Del Webb CIP not funded with proceeds of the Series 2020 Bonds as well as the other development costs not included within the Del Webb CIP (the "Developer-Funded Improvements"). Such Developer-Funded Improvements include, without limitation, recreational facilities, security features, internal roadways and landscaping and are estimated to cost \$19.4 million. As discussed further herein, development activities commenced in the third quarter of 2018. As of June 30, 2020, the Developer estimates it has expended approximately \$18.6 million to acquire the lands constituting the Development and \$10.2 million in development-related expenditures to-date, including \$3.1 million towards the Del Webb CIP and \$7.1 million towards to the Developer-Funded Improvements.

### **Zoning/Permitting**

A portion of the lands within the Development, specifically E-3a planned for 345 active-adult residential units, is zoned as residential low density consistent with the City's underlying zoning and comprehensive plan. With the exception of 119 lots within Parcel E-3a approved for 40' wide lots, the minimum lot requirement for this parcel within the District is 50' wide lots. Parcels E-3b/c is part of a 626-acre tract that received zoning approval from the City as a planned unit development (the "e-Town PUD"). The e-Town PUD allows for the development of up to 1,700 dwelling units in clustered developments providing for efficient use of the lands and preservation of the conservation areas. The Master Developer has assigned its rights and obligations to Phase E-3b/c of the Development to the Developer and is currently planned for 174 units.

As described in further detail in the Supplemental Engineer's Report, the Developer has obtained permits by St. Johns River Water Management District ("SJWMD") and U.S. Army Corps of Engineers ("USACE") for stormwater management and wetland mitigation for the entire Development. Further, the Developer has obtained all necessary permits to serve Phase 1 and Phase 2 of the Development planned for 345 residential units. Permitting for Phase 3 planned for the remaining 174 residential units is currently underway and is anticipated to be obtained by fourth quarter of 2020.

Upon issuance of the Series 2020 Bonds, the District Engineer will certify that any permits and approvals necessary for the infrastructure specific to the Del Webb CIP that have not previously been obtained are expected to be obtained in the ordinary course of business.

### **Environmental Matters**

In conjunction with its the purchase of the lands within the Development, the Developer commissioned a Phase I Environmental Site Assessment (the "Phase I ESA") from Environmental Services, Inc for Parcel E-3a and subsequently for Parcel E-3b/c. The Phase I ESAs revealed no evidence of environmentally recognized conditions for both Parcel E-3a and Parcel 3b/c.

### **Product Type/Phasing**

The Development is planned to be developed in three (3) phases, with the third phase broken into sub-phases, for the development of approximately 519 residential units.

The information in the table below depicts the number of units by product type for the three (3) planned development phases, which information is subject to change.

<b>Product Type</b>	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>		<b>Total</b>
			<b>Subphase 3a</b>	<b>Subphase 3b</b>	
Single-Family 40'	79	0	109	0	188
Single-Family 50'	87	112	0	0	199
Single-Family 65'	28	39	0	65	132
<b>Total</b>	<b>194</b>	<b>151</b>	<b>109</b>	<b>65</b>	<b>519</b>

### **Development Status**

Horizontal infrastructure for Phase 1 of Development consisting of 194 residential units was completed in the third quarter of 2019 in conjunction with the grand opening of the Development. Approximately seventy-six (76) homes have been sold and/or are under contract to end-users within this phase. Development of Phase 2 of the Development planned for 151 commenced in October 2019 and is estimated to be complete in the fourth quarter of 2020. Development activities for Subphase 3a and Subphase 3b of the Development are expected to be complete by the third quarter of 2021, subject to market conditions. As of June 30, 2020, the Developer estimates it has expended approximately \$3.1 million towards the District's Del Webb CIP. Below is a table reflecting the current development status of each phase and subphase therein within the Development.

<b>Phase</b>	<b># Units</b>	<b>Construction Start</b>	<b>Construction Complete</b>	<b># Lots Horizontally Developed</b>	<b>% Complete</b>
Phase 1	194	Third Quarter of 2018	Third Quarter of 2019	194	100%
Phase 2	151	Fourth Quarter of 2019	Fourth Quarter of 2020	Under development	51%
Subphase 3a	109	Fourth Quarter of 2020	Second Quarter of 2021	0	0%
Subphase 3b	65	Fourth Quarter of 2020	Third Quarter of 2021	0	0%

### **Home Construction/Sales Activity**

The Developer has completed construction of a sales welcome center and six (6) single-family model homes. Homes sales commenced in Phase 1 of the Development in September 2019. As of June 30, 2020, approximately seventy-six (76) home sale contracts had been written with retail buyers of which thirty-eight (38) homes had closed.

### **Projected Absorption**

In its capacity as both the developer and homebuilder, the Developer intends on developing finished lots for subsequent home construction thereon and eventual sale to retail buyers. Homes sales activity in the Development commenced in September 2019 and as previously noted, approximately seventy-six (76) home sales contracts have been written with retail buyers as of June 30, 2020. The following table sets forth the Developer's anticipated pace of residential home closings to retail buyers.

<b>Product Type</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>Total</b>
Single Family 40'	27	36	36	36	36	17	188
Single Family 50'	27	36	36	36	36	29	199
Single-Family 65'	18	24	24	24	24	18	132
	<b>72</b>	<b>96</b>	<b>96</b>	<b>96</b>	<b>96</b>	<b>63</b>	<b>519</b>

The projections in the table above are based upon estimates and assumptions that are inherently uncertain, though considered reasonable, and are subject to significant business, economic and competitive uncertainties and contingencies, all of which are difficult to predict. As a result, there can be no assurance that such projections will occur or be realized in the time frames anticipated. See "BONDOWNERS' RISKS" herein.

### **Product Offerings/Pricing**

The Development is being marketed to active adults seeking a highly amenitized lifestyle community within e-Town. The Development features fourteen (14) floorplans ranging in size from 1,431 to 3,361 square feet and starting in the mid \$200s. The table below illustrates the current product type and pricing information for the homes that are anticipated to be offered by the Developer within the Development, which information is subject to change.

<b><u>Product Type</u></b>	<b><u>Estimated Base Sq. Ft.</u></b>	<b><u>Estimated Base Prices</u></b>
Single-Family 40'	1,343 - 1,851	\$268,990 - \$286,990
Single-Family 50'	1,605 - 2,748	\$305,990 - \$399,590
Single-Family 65'	2,176 - 3,361	\$376,990 - \$453,990

### **The Assessment Area**

The Development is currently planned to be developed in three (3) phases to ultimately provide infrastructure supporting the development of 519 residential units. As previously discussed under the heading "CAPITAL IMPROVEMENT PROGRAM", the Series 2020 Bonds are sized to acquire a portion of the Del Webb CIP in the estimated amount of \$6.8 million as each phase of the Del Webb CIP is completed.

As more fully described under the heading "ASSESSMENT METHODOLOGY", the Assessment Reports initially allocate the Series 2020 Special Assessments over the gross acreage in the Development. As such acreage is developed and platted, the Series 2020 Special Assessments are allocated to those parcels that are platted. Based on the sizing of the Series 2020 Bonds, the Series 2020 Special Assessments will be allocated to all 519 residential units located in the Development. Based upon the recorded plat for the 194 single-family units located within Phase 1, approximately 36% or \$2.7 million of the principal amount of the Series 2020 Special Assessments are allocated to platted lots with the 64% remaining allocated to land currently under development or undeveloped acreage within the Development. Development activities in Phase 2 are underway and the Developer anticipates platting for the 151 lots planned in Phase 2 to occur in the third quarter of 2020. Development of Phase 3 is expected to commence in the fourth quarter of 2020 and be complete in the third quarter of 2021, subject to market conditions. At such

time, the Series 2020 Special Assessments will fully be allocated to all platted lots within the Development.

As previously discussed herein, the District previously issued its Special Assessment Revenue Bonds, Series 2019 (the "Series 2019 Master Infrastructure Bonds") and its Special Assessment Revenue Bonds, Series 2020 (the "Series 2020 Master Infrastructure Bonds" and together with the Series 2019 Master Infrastructure Bonds, the "Master Infrastructure Bonds") to construct a portion of the master infrastructure within the District including (a) improvements associated with E-Town Parkway such as utilities, landscape and irrigation, hardscape, signage, electric, and lighting (b) certain collector roadway improvements and (c) recreational facilities associated with the District but not specific to the Development. The Master Infrastructure Bonds are partially secured by special assessments levied on the same lands encumbered by the Series 2020 Bonds secured by the Series 2020 Special Assessments. More specifically, the special assessments levied in connection with the Series 2019 Master Infrastructure Bonds are levied in part on Parcels E-3a planned for 345 residential units and the special assessments levied in connection with the Series 2020 Master Infrastructure Bonds are levied in part on Parcels E-3b/c planned for 174 residential units. A detail of the overlapping assessments levied in the Development in connection with the Master Infrastructure Bonds and the Series 2020 Bonds is provided under the heading "THE DEVELOPMENT – Fees and Assessments."

## **Utilities**

JEA will provide water services, wastewater treatment services and reclaimed water services to the Development conditioned on the Master Developer meeting its obligations under the JEA Utility Service Agreement by and between the Master Developer and JEA dated July 15, 2015. The Master Developer will permit and construct certain water mains and reuse water mains to serve e-Town. Certain of these improvements include the construction of water and reuse mains running along E-Town Parkway. JEA will also provide sewer services conditioned on the Master Developer constructing an in-line booster pump station and certain sewer mains including sewer mains located within the E-Town Parkway right of way and extending to the intersection of U.S. Highway 1 and Judith Road. All such improvements have been completed. Further, electric (including for street lighting) is also provided by JEA.

## **Schools**

As discussed herein, the Development is being marketed as an age-restricted 55+ Del Webb-branded community. However, to the extent there were school age children residing in the Development, based upon current school zoning, children residing in the Development would generally attend Twin Lakes Elementary School, Twin Lakes Academy Middle School, and Atlantic Coast High School all 'A' or 'B' rated schools for 2019 according to the Florida Department of Education.

## **Marketing**

The Master Developer is currently undertaking a comprehensive marketing effort for e-Town in its entirety that is being funded primarily with a marketing fee from each developer/homebuilder, inclusive of the Developer, that is required to be paid upon the

closing of the sale of a new home in e-Town. The marketing fee is calculated as 1% of the gross sales price of each home sold by each developer/homebuilder. The Master Developer is currently utilizing a marketing campaign that includes third party account management and services, creative materials, branded content, social and interactive media, direct marketing support staff, and a website and public relations.

The e-Town community offers a welcome center acting as a first-stop for future residents. The welcome center, known as the "Hub" is staffed with representatives that share information on e-Town's neighborhoods, amenities, and the overall lifestyle.

Further, the Developer has employed its own marketing efforts to market their neighborhood within e-Town. The Developer has been utilizing a marketing campaign that includes branded content, social media, a website, events, frontage and signage, and public relations. In addition, the Developer has constructed a sales welcome center along with (6) model homes.

### **Recreational Amenities**

The Development is planned to have a central amenity facility which is expected to include a 9,100 square foot clubhouse, resort-style pool and spa, state-of-the-art fitness center, multi-purpose rooms, pickle ball, tennis courts and a trail system. Vertical construction on such recreational facilities is scheduled to begin in the fourth quarter of 2020, with expected completion by the fourth quarter of 2021. Further, the Development's recreational facilities are intended to be privately funded and constructed by the Developer in the estimated amount of \$8.1 million and upon completion, such facilities will be conveyed to the homeowner's associations established for the Development and reserved exclusively for the use of the residents therein.

Additional recreational facilities are currently being constructed in other portions of e-Town including a clubhouse featuring a state-of-the-art fitness center, resort-style pool and spa, fishing piers, walking paths and dog parks. It is anticipated that residents of the Development will be required to pay users fees for the use of such facilities to the extent they wish to utilize them.

### **Fees and Assessments**

Each homeowner residing in the Development will pay annual taxes, assessments and fees on an ongoing basis as a result of their ownership of property within the District, including ad valorem property taxes, Series 2020 Special Assessments, HOA fees, and administrative, operation and maintenance assessments levied by the District as described in more detail below.

#### **Property Taxes**

The 2019 millage rate for the area of the County where the Development is located is approximately 17.8653. Accordingly, by way of example, the annual property taxes for a \$365,000 taxable value home would be approximately \$6,521.

### Homeowner's Association Fee

All homeowners within the Development will be subject to annual homeowner's association ("HOA") fees for operation and maintenance of the HOA-owned facilities located within the Development as well as architectural review and deed restriction enforcement. The HOA fees are currently \$220 per month for each product-type and will vary annually based on the adopted budget by the HOA for a particular year.

### District Special Assessments

All homeowners residing in the Development will be subject to the Series 2020 Special Assessments levied in connection with the Series 2020 Bonds as well as the District's Series 2019 Master Infrastructure Bonds or the District's Series 2020 Master Infrastructure Bonds depending on the phase of the Development in which they reside. In addition to the Series 2020 Special Assessments, all homeowners will be subject to annual operation and maintenance assessments ("O&M Assessments") levied by the District which are derived from the District's annual budget and are subject to change each year. The table below illustrates the estimated annual Series 2020 Special Assessments and estimated O&M Assessments for FY2019/2020 that will be levied by the District for each respective product type within the Development.

<u>Unit Type</u>	<u># Units</u>	<u>Annual Series 2019 Master Infrastructure Special Assessment Per Unit (Gross)</u>	<u>Annual Series 2020 Master Infrastructure Special Assessment Per Unit (Gross)</u>	<u>Est. Annual Series 2020 Special Assessment Per Unit (Gross)</u>	<u>Est. Annual O&amp;M Assessment Per Unit FY2019/2020 (Gross)</u>
<b>Parcel E-3a</b>					
Single-Family 40'	79	\$405	\$0	\$724	\$351
Single-Family 50'	199	405	0	905	351
Single-Family 65'	67	405	0	1,086	351
<b>Parcel E-3b/c</b>					
Single-Family 40'	109	0	405	724	351
Single-Family 50'	0	0	405	905	351
Single-Family 65'	63	0	405	1,086	351

### **Competition**

The Developer has developed and is actively developing other Pulte Del Webb neighborhoods in the greater metropolitan Jacksonville area. Such communities include Sweetwater Del Webb, Del Webb Nocatee and Bridge Bay at Bannan Lakes. In addition, Mattamy Homes is developing an active adult neighborhood being marketed as "WaterSong" within the RiverTown master planned community. The initial phase of the WaterSong neighborhood consisting of 133 lots is complete and home sales activity therein has commenced.

This section does not purport to summarize all of the existing or planned communities in the area of the Development, but rather to provide a description of those that the Developer feels may pose primary competition to the Development.

## **THE DEVELOPER**

*The information appearing under the caption "THE DEVELOPER" has been furnished by the Developer (hereinafter defined) and, although believed to be reliable, such information has not been independently verified by the District or its counsel, or the Underwriter or its counsel, and no person other than the Developer and the Developer makes any representation or warranty as to the accuracy or completeness of such information supplied by them.*

The lands comprising the Development are owned by Pulte Home Company, LLC (the "Developer"), a Michigan limited liability company. As discussed in more detail under the heading "THE DEVELOPMENT – Land Acquisition," the Developer acquired all of the acreage in the Development on a takedown basis from Eastland Timber with the last takedown occurring on February 3, 2020. It is the intent for the Developer to develop the lands within the Development as a Del Webb-branded community and construct all of the planned 519 homes.

As of December 31, 2016, Pulte Home Company, LLC is the successor by conversion of Pulte Home Corporation and is wholly owned by PulteGroup, Inc. ("Pulte"), a Michigan corporation. Pulte, based in Atlanta, Georgia, is one of America's largest homebuilding companies with operations in approximately fifty (50) markets throughout the country. As a publicly-traded company on the New York Stock Exchange, Pulte is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended (the "SEC Act"), and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The registration statement and these other SEC filings are available at the SEC's website at <https://www.sec.gov> and at the SEC's Public Reference Room at the SEC's Headquarters, located at 100 F Street, NE, Washington, D.C. 20549. All documents subsequently filed by Pulte pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

*Pulte has no liability, nor is Pulte guaranteeing any of the Developers' obligations incurred in connection with the issuance of the Series 2020 Bonds or the payment of the Series 2020 Assessments.*

## **BONDOWNERS' RISKS**

There are certain risks inherent in an investment in bonds secured by special assessments issued by a public authority or governmental body in the State. Certain of these risks are described in the section above entitled "ENFORCEMENT OF ASSESSMENT COLLECTIONS"; however, certain additional risks are associated with the Series 2020 Bonds offered hereby. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2020 Bonds and prospective purchasers are advised to read this Limited Offering Memorandum including all appendices hereto in its entirety to identify investment considerations relating to the Series 2020 Bonds.



## **Limited Pledge**

The principal security for the payment of the Debt Service Requirements on the Series 2020 Bonds is the timely collection of the Series 2020 Special Assessments. The Series 2020 Special Assessments do not constitute a personal indebtedness of the owners of the land subject thereto but are secured by a lien on such land. There is no assurance that the Developer or any subsequent landowner will be able to pay the Series 2020 Special Assessments or that they will pay such Series 2020 Special Assessments even though financially able to do so. Neither the Developer nor any subsequent landowner is a guarantor of payment of any Series 2020 Special Assessment and the recourse for the failure of the Developer or any subsequent landowner to pay the Series 2020 Special Assessments is limited to the collection proceedings against the land. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. The District has not granted, and may not grant under State law, a mortgage or security interest in the Series 2020 Project. Furthermore, the District has not pledged the revenues, if any, from the operation of the Series 2020 Project as security for, or a source of payment of, the Series 2020 Bonds. The Series 2020 Bonds are payable solely from, and secured solely by, the Series 2020 Special Assessments. The failure of the Developer or any subsequent landowner to pay the required Series 2020 Special Assessment on its property will not result in an increase in the amount of Series 2020 Special Assessments other landowners are or would be required to pay.

## **Concentration of Land Ownership and Bankruptcy Risks**

Until further development takes place in the Development and assessable properties are sold to end users, payment of the Series 2020 Special Assessments is substantially dependent upon their timely payment by the Developer and the other landowners that have purchased tracts within the Development. In the event of the institution of bankruptcy or similar proceedings with respect to the Developer or any other subsequent significant owner of property subject to the Series 2020 Special Assessments, delays and impairment could occur in the payment of the Debt Service Requirements on the Series 2020 Bonds as such bankruptcy could negatively impact the ability of (a) the Developer or any other landowner being able to pay the Series 2020 Special Assessments, (b) the County to sell tax certificates in relation to such property with respect to the Series 2020 Special Assessments being collected pursuant to the Uniform Method, and (c) the District's ability to enforce collection with respect to the Series 2020 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2020 Bonds, the Trustee and the District 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 during a bankruptcy of the Developer or any other landowner, the remedies specified by federal, state and local law and in the Indenture and the Series 2020 Bonds, including, without limitation, enforcement of the obligation to pay Series 2020 Special Assessments and the ability of the District to foreclose the lien of the Series 2020 Special Assessments, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2020 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either

partially or fully, to enforce remedies available respecting the Series 2020 Bonds could have a material adverse impact on the interest of the Owners thereof.

### **Delay and Discretion Regarding Remedies**

Beyond legal delays that could result from bankruptcy, the ability of the County to sell tax certificates in regard to delinquent Series 2020 Special Assessments collected pursuant to the Uniform Method 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. Similarly, the ability of the District to enforce collection of delinquent Series 2020 Special Assessments collected directly by the District will be dependent upon various factors, including the delay inherent in any judicial proceeding to enforce the lien of the Series 2020 Special Assessments and the value of the land which is the subject of such proceedings and which may be subject to sale. If the District should commence a foreclosure action against a landowner for nonpayment of Series 2020 Special Assessments which are not being collected pursuant to the Uniform Method and that are delinquent, such landowners may raise affirmative defenses to such foreclosure action, which although such affirmative defenses would likely be proven to be without merit, could result in delays in completing the foreclosure action.

### **Limitation on Funds Available to Exercise Remedies**

In the event of a default by a landowner in payment of Series 2020 Special Assessments that are not collected pursuant to the Uniform Method, the District is required under the Indenture to fund the costs of foreclosure of such delinquent Series 2020 Special Assessments. It is possible that the District will not have sufficient funds and will be compelled to request the Owners of the Series 2020 Bonds to allow funds on deposit under the Indenture to be used to pay such costs. Under the Internal Revenue Code of 1986, as amended (the "Code"), there are limitations on the amount of Series 2020 Bond proceeds that can be used for such purpose. As a result, there may be insufficient funds for the exercise of remedies.

### **Determination of Land Value upon Default**

The assessment of the benefits to be received by the benefited land within the District as a result of implementation and development of the Series 2020 Project is not indicative of the realizable or market value of the land, which value may actually be higher or lower than the assessment of benefits. In other words, the value of the land could potentially be ultimately less than the debt secured by the Series 2020 Special Assessments associated with it. To the extent that the realizable or market value of the land benefited by the Series 2020 Project is lower than the assessment of benefits, the ability of the Tax Collector to sell tax certificates relating to such land, or the District to realize sufficient value from a foreclosure action, may be adversely affected. Such adverse effect could render the District unable to collect delinquent Series 2020 Special Assessments, if any, and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of the Debt Service Requirements on the Series 2020 Bonds.

## **Landowner Challenge of Assessed Valuation**

Florida law provides a procedure whereby a taxpayer may contest a "tax assessment." It is unclear whether this procedure applies to non-ad valorem assessments such as the Series 2020 Special Assessments and there are judicial decisions that support both views. Under the procedure, a taxpayer may bring suit to contest a "tax assessment" if the taxpayer pays the amount of "tax" that the taxpayer admits to owing. Upon the making of such payment, all procedures for the collection of the unpaid taxes are suspended until the suit is resolved. If it is determined that the procedure applies to non-ad valorem assessments such as the Series 2020 Special Assessments, it is possible that such a challenge could result in collection procedures for delinquent Series 2020 Special Assessments being held in abeyance until the challenge is resolved. This would result in a delay in the collection of the Series 2020 Special Assessments which could have a material adverse effect upon the ability of the District to make full or punctual payment of the Debt Service Requirements on the Series 2020 Bonds. If the Series 2020 Special Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold while the challenge is pending with respect to the Series 2020 Special Assessments even if the landowner is not contesting the amount of such assessments.

## **Failure to Comply with Assessment Proceedings**

The District is required to comply with statutory procedures in levying the Series 2020 Special Assessments. Failure of the District to follow these procedures could result in the Series 2020 Special Assessments not being levied or potential future challenges to such levy.

## **Other Taxes and Assessments**

The willingness and/or ability of a landowner within the Development to pay the Series 2020 Special Assessments could be affected by the existence of other taxes and assessments imposed upon the property. Public entities whose boundaries overlap those of the District, such as the City, the Duval County School District and other special districts could, without the consent of the owners of the land within the Development, impose additional taxes or assessments on the property within the Development. County, municipal, school and special district taxes and assessments, including the Series 2020 Special Assessments, and any additional voter-approved ad valorem taxes, are payable at the same time when collected pursuant to the Uniform Method. If a taxpayer does not make complete payment, such taxpayer cannot designate specific line items on the tax bill as deemed paid in full. In such case, the Tax Collector does not accept partial payment. Therefore, any failure by a landowner to pay any one line item, whether or not it is the Series 2020 Special Assessments, would result in such landowner's Series 2020 Special Assessments to not be collected, which could have a significant adverse impact on the District's ability to make full or punctual payment of the Debt Service Requirements on the Series 2020 Bonds.

As referenced herein, the Series 2020 Special Assessments are levied on lands within the Development that are also subject to O&M Assessments. In addition, lands

within the Development will also be subject to assessments by a homeowner's association. See "THE DEVELOPMENT – Fees and Assessments" herein.

### **Limited Secondary Market**

The Series 2020 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2020 Bonds in the event an Owner thereof determines to solicit purchasers of the Series 2020 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2020 Bonds may be sold. Such price may be lower than that paid by the current Owner of the Series 2020 Bonds, depending on the progress of the Development, existing market conditions and other factors.

### **Inadequacy of Series 2020 Debt Service Reserve Account**

Some of the risk factors described herein, if materialized, could result in a delay in the collection of the Series 2020 Special Assessments or a failure to collect the Series 2020 Special Assessments, but may not affect the timely payment of the Debt Service Requirements on the Series 2020 Bonds because of the Series 2020 Debt Service Reserve Account established by the District for the Series 2020 Bonds. However, the ability of the District to fund deficiencies caused by delinquent or delayed Series 2020 Special Assessments is dependent upon the amount, duration and frequency of such deficiencies or delays. If the District has difficulty in collecting the Series 2020 Special Assessments, the Series 2020 Debt Service Reserve Account could be rapidly depleted and the ability of the District to pay the Debt Service Requirements on the Series 2020 Bonds could be materially adversely affected. Owners should note that although the Indenture contains the Series 2020 Debt Service Reserve Requirement for the Series 2020 Debt Service Reserve Account, and a corresponding obligation on the part of the District to replenish the Series 2020 Debt Service Reserve Account to the Series 2020 Debt Service Reserve Requirement, the District does not have a designated revenue source for replenishing the Series 2020 Debt Service Reserve Account. Moreover, the District may not be permitted to re-assess real property then burdened by the Series 2020 Special Assessments in order to provide for the replenishment of the Series 2020 Debt Service Reserve Account.

Moneys on deposit in the Series 2020 Debt Service 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 Series 2020 Debt Service Reserve Account to make up deficiencies or delays in collection of Series 2020 Special Assessments.

### **Regulatory and Environmental Risks**

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 planned improvements, both public and private, and construction of the infrastructure in accordance with applicable zoning, land use and environmental regulations. Although all such approvals required to date have been received and any further approvals are anticipated to

be received as needed, failure to obtain any such approvals in a timely manner could delay or adversely affect the completion of the Development.

The value of the land within the District, the ability to complete the Series 2020 Project or develop the Development, and the likelihood of timely payment of the Debt Service Requirements on the Series 2020 Bonds could be affected by environmental factors with respect to the lands in the District, such as contamination by hazardous materials. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future whether originating within the District or from surrounding property, and what effect such may have on the development of the lands within the District. 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.

### **Economic Conditions**

The proposed Development may be affected by changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Developer or the District. Although the Development is anticipated to be developed as described herein, there can be no assurance that such development will occur or be realized in the manner or schedule currently anticipated.

### **Infectious Viruses and/or Diseases**

A novel coronavirus outbreak first identified in 2019 is causing coronavirus disease 2019 ("COVID-19"), which was characterized by the World Health Organization on March 11, 2020, as a pandemic. Responses to COVID-19 have varied at the local, state and national levels. On March 16, 2020, President Donald J. Trump and the Centers for Disease Control and Prevention issued guidance advising individuals to adopt far-reaching social distancing measures, including avoiding gatherings of more than ten people. On March 29, 2020, the President extended such guidance to be in effect until April 30, 2020. On [August] 1, 2020, Florida Governor Ron DeSantis signed Executive Order Number 20-91 providing that all Florida senior citizens and those with underlying health conditions shall stay at home and take all measures to limit the risk of exposure to COVID-19 and additionally providing all persons in Florida shall limit their movements and personal interactions outside of their home to only those necessary to obtain or provide essential services or conduct essential activities. Several other states experiencing community outbreak of COVID-19 have also issued similar "Safer at Home" or "Shelter in Place" type orders. Since the pandemic declaration, COVID-19 has negatively affected travel, commerce, and financial markets globally, and is widely expected to continue to negatively affect economic growth and financial markets worldwide, including within Florida. How long this negative impact will last cannot be determined at this time; however, these negative impacts could reduce property values, slow or cease development and sales within the Development and/or otherwise have a negative financial impact on the Developer, the Landowner or subsequent landowners. While the foregoing describes certain risks related to the current outbreak of COVID-19, the same risks may be associated with any contagious epidemic or pandemic or disease.

## **Completion of Series 2020 Project**

In the event the District does not have sufficient moneys on hand to complete the Del Webb CIP, there can be no assurance that the District will be able to raise, through the issuance of bonds or otherwise, the moneys necessary to complete the Series 2020 Project. Pursuant to the Indenture, the District will covenant not to issue any other Bonds or other forms of indebtedness secured by the Series 2020 Special Assessments levied against the assessable lands within the District to finance any capital improvement other than the Series 2020 Project financed with the proceeds of the Series 2020 Bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – No Parity Bonds; Limitation on Parity Liens" for more information.

The Developer will agree to fund or cause to be funded the completion of the Del Webb CIP and will enter into a Completion Agreement with the District as evidence thereof. There can be no assurance that the Developer will have sufficient resources to do so. Such obligation of the Developer is an unsecured obligation. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – Completion Agreement," "THE DEVELOPMENT" and "THE DEVELOPER" herein.

## **District May Not be Able to Obtain Permits**

In connection with a foreclosure of lien of assessments prior to completion of a development, the Circuit Court in and for Lake County, Florida concluded that a community development district had no right, title or interest in any permits and approvals owned by the owner of the parcels so foreclosed. In the event that the District forecloses on the property subject to the lien of the Series 2020 Special Assessments to enforce payment thereof, the District may not have the right, title or interest in the permits and approvals owned by the Developer and failure to obtain any such permits or approvals in a timely manner could delay or adversely affect the completion of the Development.

## **Damage to District from Natural Disasters**

The value of the lands subject to the Series 2020 Special Assessments could be adversely affected by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the District, such catastrophic events could potentially render the lands within the District unable to support the construction of the Series 2020 Project. The occurrence of any such events could materially adversely affect the District's ability to collect Series 2020 Special Assessments and pay the Debt Service Requirements on the Series 2020 Bonds. The Series 2020 Bonds are not insured and the District's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

## **Interest Rate Risk; No Rate Adjustment for Taxability**

The interest rate borne by the Series 2020 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 2020 Bonds. These higher interest rates are intended to compensate investors in the Series 2020 Bonds for the risk inherent in the purchase of the

Series 2020 Bonds. However, such higher interest rates, in and of themselves, increase the amount of Series 2020 Special Assessments that the District must levy in order to provide for payment of the Debt Service Requirements on the Series 2020 Bonds and, in turn, may increase the burden of landowners within the Development, thereby possibly increasing the likelihood of non-payment or delinquency in payment of such Series 2020 Special Assessments.

The Indenture does not contain an adjustment of the interest rate on the Series 2020 Bonds in the event of a determination of taxability of the interest thereon. Such a change could occur as a result of the District's failure to comply with tax covenants contained in the Indenture or the Arbitrage Certificate executed by the District upon issuance of the Series 2020 Bonds or due to a change in the United States income tax laws. Should interest on the Series 2020 Bonds become includable in gross income for federal income tax purposes, Owners of the Series 2020 Bonds will be required to pay income taxes on the interest received on such Series 2020 Bonds and related penalties. Because the interest rate on such Series 2020 Bonds will not be adequate to compensate Owners of the Series 2020 Bonds for the income taxes due on such interest, the value of the Series 2020 Bonds may decline. Prospective purchasers of the Series 2020 Bonds should evaluate whether they can own the Series 2020 Bonds in the event that the interest on the Series 2020 Bonds becomes taxable and/or the District is ever determined to not be a political subdivision for purposes of the Code and/or Securities Act.

### **IRS Examination and Audit Risk**

The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. In 2016, the IRS concluded its lengthy examination of certain issues of bonds (for purposes of this paragraph, the "Audited Bonds") issued by Village Center Community Development District ("Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local governmental body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes. Village Center CDD received a second TAM dated June 17, 2015, which granted relief to Village Center CDD from retroactive application of the IRS's conclusion regarding its failure to qualify as a political subdivision. Prior to the conclusion of the audits, the Audited Bonds were all refunded with taxable bonds. The audit of the Audited Bonds that were issued for utility improvements was closed without change to the tax-exempt status of those Audited Bonds on April 25, 2016, and the audit of the remainder of the Audited Bonds (which funded recreational amenity acquisitions from entities related to the principal landowner in Village Center CDD) was closed on July 14, 2016, without the IRS making a final determination that the interest on the Audited Bonds in question was required to be included in gross income. However, the IRS letter to Village Center CDD with respect to this second set of Audited Bonds noted that the IRS found that Village Center CDD was not a "proper issuer of tax-exempt bonds" and that those Audited Bonds were private-activity bonds that did not fall in any of the categories that qualify for tax-

exemption. Although the TAMs and the letters to Village Center CDD from the IRS referred to above are addressed to, and binding only on, the IRS and Village Center CDD in connection with the Audited Bonds, they reflect the audit position of the IRS, and there can be no assurance that the IRS would not commence additional audits of bonds issued by other community development districts raising issues similar to the issues raised in the case of the Audited Bonds based on the analysis set forth in the first TAM or on the related concerns addressed in the July 14, 2016 letter to Village Center CDD.

On February 23, 2016, the IRS issued a notice of proposed rulemaking containing proposed regulations (the "Proposed Regulations") that provided 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 special 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 (a) impose an undue financial burden on U.S. taxpayers, (b) add undue complexity to the federal tax laws, or (c) 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 Village Center CDD and the TAMs may continue to be applicable in the absence of further guidance from the IRS.

It has been reported that the IRS has closed audits of other community development districts in the State with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within five years of the issuance of tax-exempt bonds or their bonds may be determined to be taxable retroactive to the date of issuance. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. Currently, all members of the Board were elected by the Master Developer and none were elected by qualified electors. Although it is impossible to predict whether the IRS will select the Series 2020 Bonds for audit, the District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable State or federal law.

Owners of the Series 2020 Bonds are advised that, if the IRS does audit the Series 2020 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the Owners of the Series 2020 Bonds may have limited rights to participate in those proceedings. The commencement of such an audit could adversely affect the market value and liquidity of the Series 2020 Bonds until the audit is concluded, regardless of the ultimate outcome. In addition, in the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2020 Bonds, it is unlikely the District will have available revenues to enable it to contest such determination or enter into a voluntary financial settlement with the IRS.



Further, an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2020 Bonds would adversely affect the availability of any secondary market for the Series 2020 Bonds. Should interest on the Series 2020 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2020 Bonds be required to pay income taxes on the interest received on such Series 2020 Bonds and related penalties, but because the interest rate on such Series 2020 Bonds will not be adequate to compensate Owners of the Series 2020 Bonds for the income taxes due on such interest, the value of the Series 2020 Bonds may decline. See also "TAX MATTERS" herein.

### **Legislative Proposals and State Tax Reform**

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2020 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2020 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2020 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2020 Bonds. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been made and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Series 2020 Bonds. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for or marketability of the Series 2020 Bonds.

### **Loss of Exemption from Securities Registration**

Since the Series 2020 Bonds have not been, and will not be, registered under the Securities Act, or any state securities laws, pursuant to the exemption for political subdivisions and regardless of any potential IRS determination that the District is not a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could independently determine that the District is not a political subdivision for purposes of federal and state securities laws. Accordingly, the District and purchasers of the Series 2020 Bonds may not be able to rely on the exemption from registration relating to securities issued by political subdivisions. In that event, the Owners of the Series 2020 Bonds would need to ensure that subsequent transfers of the Series 2020 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act.

### **Performance of District Professionals**

The District has represented to the Underwriter that it has selected its District Manager, District Counsel, District Engineer, Assessment Consultant, Trustee and other professionals with the appropriate due diligence and care. While the foregoing professionals have each represented that they have the respective requisite experience to

accurately and timely perform the duties assigned to them in such roles, the District does not guarantee the performance of such professionals.

### **No Credit Enhancement**

No application for credit enhancement or a rating on the Series 2020 Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the Series 2020 Bonds had application been made.

### **Mortgage Default and FDIC**

In the event a bank forecloses on property in the Development because of a default on a mortgage with respect thereto and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2020 Special Assessments. In addition, the District would be required to obtain the consent of the FDIC prior to commencing a foreclosure action on such property for failure to pay Series 2020 Special Assessments.

## **ESTIMATED SOURCES AND USES OF BOND PROCEEDS**

### **Source of Funds**

Par Amount of Series 2020 Bonds

**Total Sources**

\_\_\_\_\_  
=====

### **Uses of Funds**

Deposit to Series 2020 Acquisition and Construction Account

Deposit to Series 2020 Debt Service Reserve Account

Costs of Issuance<sup>(1)</sup>

**Total Uses**

\_\_\_\_\_  
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<sup>(1)</sup> Costs of issuance include, without limitation, underwriter's discount, legal fees and other costs associated with the issuance of the Series 2020 Bonds.

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## DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2020 Bonds:

[illegible]

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## **TAX MATTERS**

### **General**

The Code establishes certain requirements which must be met subsequent to the issuance of the Series 2020 Bonds in order that interest on the Series 2020 Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2020 Bonds to be included in federal gross income retroactive to the date of issuance of the Series 2020 Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2020 Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The District has covenanted in the Indenture with respect to the Series 2020 Bonds to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Series 2020 Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2020 Bonds is excluded from gross income for purposes of federal income taxation. Interest on the Series 2020 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Series 2020 Bonds. Prospective purchasers of Series 2020 Bonds should be aware that the ownership of Series 2020 Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2020 Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by 15% of certain items, including interest on Series 2020 Bonds; (iii) the inclusion of interest on Series 2020 Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on Series 2020 Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on Series 2020 Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the District, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2020 Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

**PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2020 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND**

CORPORATE BONDOWNERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDOWNERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

### **Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Series 2020 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2020 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate Owners of Series 2020 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2020 Bonds and proceeds from the sale of Series 2020 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such Owner of Series 2020 Bonds. This withholding generally applies if the Owner of Series 2020 Bonds (i) fails to furnish the payor such Owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such Owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such Owner is not subject to backup withholding. Prospective purchasers of the Series 2020 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

### **Other Tax Matters**

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2020 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2020 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2020 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2020 Bonds.

Prospective purchasers of the Series 2020 Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2020 Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

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 2020 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.

Unlike the board of the Village Center CDD, the Board of Supervisors of the District is elected by the landowners residing in the District. The Act, which contains the uniform statutory charter for all community development districts and by which the District is governed, delegates to the District certain traditional sovereign powers including, but not limited to, eminent domain, ad valorem taxation and regulatory authority over rates, fees and charges for district facilities. 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 D – Form of Opinion of Bond Counsel."

The release of the Villages TAM may cause an increased risk of examination of the Series 2020 Bonds. Owners of the Series 2020 Bonds are advised that if the IRS does audit the Series 2020 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the Owners of the Series 2020 Bonds may have limited rights to participate in such procedure. The Indenture does not provide for any adjustment to the interest rates borne by the Series 2020 Bonds in the event of a change in the tax-exempt status of the Series 2020 Bonds. The commencement of an audit or an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2020 Bonds could adversely impact both liquidity and pricing of the Series 2020 Bonds in the secondary market.

### **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the District make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975. The District is not and has not ever been in default as to principal and interest on its bonds or other debt obligations.

### **VALIDATION**

The Series 2020 Bonds are a portion of the Bonds that were validated by a Final Judgment of the Circuit Court of the Fourth Judicial Circuit of Florida, in and for Duval County, entered on October 31, 2018. The period during which an appeal can be taken has expired.

### **LITIGATION**

#### **District**

There is no pending or, to the knowledge of the District, any threatened litigation against the District of any nature whatsoever which in any way questions or affects the validity of the Series 2020 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the execution of the Indenture. Neither the creation, organization or existence of the District, nor the title of the present members of the Board has been challenged.

From time to time, the District expects to experience routine litigation and claims incidental to the conduct of its affairs. In the opinion of District Counsel, there are no actions presently pending or threatened, the adverse outcome of which would have a

material adverse effect on the availability of the Pledged Revenues or the ability of the District to pay the Series 2020 Bonds from the Pledged Revenues.

### **Developer**

In connection with the issuance of the Series 2020 Bonds, the Developer will represent to the District that there is no litigation of any nature now pending or, to the knowledge of the Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Developer to complete the Development as described herein or materially and adversely affect the ability of the Developer to perform its obligations described in this Limited Offering Memorandum.

### **CONTINUING DISCLOSURE**

In order to comply with the continuing disclosure requirements of Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "Rule"), the District, the Developer and Governmental Management Services, LLC, as dissemination agent (the "Dissemination Agent") will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement"), the form of which is attached hereto as APPENDIX E. Pursuant to the Disclosure Agreement, the District and the Developer have each covenanted for the benefit of the Owners of the Series 2020 Bonds to provide to the Dissemination Agent certain financial information and operating data relating to the District, the Development and the Series 2020 Bonds (the "Reports"), and to provide notices of the occurrence of certain enumerated material events. Such covenants by the District and the Developer shall only apply so long as the Series 2020 Bonds remain Outstanding under the Indenture or so long as the District or the Developer remains an "obligated person" pursuant to the Rule.

The Reports will be filed by the Dissemination Agent with the Municipal Security Rulemaking Board's Electronic Municipal Markets Access ("EMMA") repository described in the form of the Disclosure Agreement attached hereto as APPENDIX E. The notices of material events will also be filed by the Dissemination Agent with EMMA. The specific nature of the information to be contained in the Reports and the notices of material events are described in APPENDIX E. The Disclosure Agreement will be executed at the time of issuance of the Series 2020 Bonds. With respect to the Series 2020 Bonds, no parties other than the District and the Developer are obligated to provide, nor are expected to provide, any continuing disclosure information with respect to the Rule. The foregoing covenants have been made in order to assist the Underwriter in complying with the Rule.

The District has previously entered into a continuing disclosure undertaking pursuant to the Rule with respect to the Master Infrastructure Bonds. To date, the District has not materially failed to comply with its obligations thereunder. The Developer has previously entered into prior continuing disclosure undertakings with respect to bonds issued by other community development districts in 2017, 2018 and 2019, all for which the Developer is an "obligated person" under the Rule. During the five-year period immediately preceding the issuance of the Series 2020 Bonds, the Developer has, on several instances, failed to timely file certain quarterly financial information and/or operating data required by its undertakings with respect to the Del Webb Bexley Community Development District, the Hillcrest Community Development District, the Lakewood Ranch Stewardship District and the Wesbridge Community Development District. Such filings were made by the



Developer up to 75 days late (approximately), and in all but one instance, a failure to file notice was not filed. Other than as described above, the Developer believes it has materially complied with all of its continuing disclosure undertakings in accordance with the Rule.

## **UNDERWRITING**

The Underwriter will agree, pursuant to a contract to be entered into with the District, subject to certain conditions, to purchase the Series 2020 Bonds from the District at a purchase price of \$[PP] (representing the par amount of the Series 2020 Bonds of \$[Bond Amount].00, [less/plus] [net] original issue [discount/premium] of \$[OID/BP] [and] less an Underwriter's discount of \$[UD]. See "ESTIMATED SOURCES AND USES OF BOND PROCEEDS" herein. The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all of the Series 2020 Bonds if any are purchased.

The Underwriter intends to offer the Series 2020 Bonds at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Underwriter may offer and sell the Series 2020 Bonds to certain dealers (including dealers depositing the Series 2020 Bonds into investment trusts) at prices lower than the initial offering prices and such initial offering prices may be changed from time to time by the Underwriter.

## **LEGAL MATTERS**

The Series 2020 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to prior sale, withdrawal or modification of the offer and the receipt of the opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, as to the validity of the Series 2020 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Hopping Green & Sams P.A., Tallahassee, Florida, for the Developer by its counsel, Burr & Forman LLP, Jacksonville, Florida, for the Trustee by its in-house counsel, and for the Underwriter by its counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida.

## **AGREEMENT BY THE STATE**

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2020 Bonds, that it will not limit or alter the rights of the issuer of such bonds 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.

## **FINANCIAL INFORMATION**

The District was established in 2018 and since that time, it has met the requirements necessary under Florida law to prepare audited financial statements for its Fiscal Year which ended on September 30, 2019 (the "2019 Audited Financials"). However, under State law, the 2019 Audited Financials are not required to be completed until nine (9) months following the end of the Fiscal Year. The District is currently in the process of completing the 2019 Audited Financials and will post the same to the EMMA website when completed. See "CONTINUING DISCLOSURE" herein.

## **EXPERTS AND CONSULTANTS**

The references herein to England, Thims & Miller, Inc., as District Engineer have been approved by said firm. The Engineer's Report prepared by such firm has been included as APPENDIX A attached hereto in reliance upon such firm as an expert in engineering. References to and excerpts herein from such Engineer's Report do not purport to be adequate summaries of the CIP or the Series 2020 Project or complete in all respects. Such Engineer's Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

The references herein to Governmental Management Services, LLC, as Assessment Consultant have been approved by said firm. The Methodology Report prepared by such firm has been included as APPENDIX B attached hereto in reliance upon such firm as an expert in developing assessment methodologies. References to and excerpts herein from such Methodology Report do not purport to be adequate summaries of such Methodology Report or complete in all respects. Such Methodology Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

## **CONTINGENT AND OTHER FEES**

The District has retained Bond Counsel, District Counsel, the Assessment Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee, with respect to the authorization, sale, execution and delivery of the Series 2020 Bonds. Except for the payment of fees to District Counsel and the Assessment Consultant, the payment of the fees of the other professionals retained by the District is each contingent upon the issuance of the Series 2020 Bonds.

## **NO RATING OR CREDIT ENHANCEMENT**

No application for credit enhancement or a rating on the Series 2020 Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the Series 2020 Bonds had application been made.

## MISCELLANEOUS

Any statements made in this Limited Offering Memorandum involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Limited Offering Memorandum nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Series 2020 Bonds.

The information contained in this Limited Offering Memorandum has been compiled from official and other sources deemed to be reliable, and is believed to be correct as of the date of the Limited Offering Memorandum, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The Underwriter listed on the cover page hereof has reviewed the information in this Limited Offering Memorandum in accordance with and as part of its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information and expression of opinion herein are subject to change without notice and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the District, the Developer or the Development from the date hereof. However, certain parties to the transaction will, on the closing date of the Series 2020 Bonds, deliver certificates to the effect that nothing has come to their attention that would lead them to believe that applicable portions of the Limited Offering Memorandum contain an untrue statement of a material fact or omit to state a material fact that should be included herein for the purpose for which the Limited Offering Memorandum is intended to be used, or that is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading and to the effect that from the date of the Limited Offering Memorandum to the date of closing of the Series 2020 Bonds that there has been no material adverse change in the information provided.

[Remainder of Page Intentionally Left Blank]

This Limited Offering Memorandum is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose. The appendices hereof are integral parts of this Limited Offering Memorandum and must be read in their entirety together with all foregoing statements.

**CYPRESS BLUFF COMMUNITY  
DEVELOPMENT DISTRICT**

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

Name: Richard T. Ray

Its: Chairman

**APPENDIX A**  
**ENGINEER'S REPORT**

**APPENDIX B**

**METHODOLOGY REPORT**

**APPENDIX C**

**COPY OF MASTER INDENTURE AND FORM OF  
THIRD SUPPLEMENTAL INDENTURE**

## **APPENDIX D**

### **FORM OF OPINION OF BOND COUNSEL**



## **APPENDIX E**

### **FORM OF CONTINUING DISCLOSURE AGREEMENT**

4.

## CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the "**Disclosure Agreement**") dated as of [Closing Date], is executed and delivered by **CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT** (the "**District**"), **PULTE HOME COMPANY, LLC**, a Florida limited liability company (the "**Developer**"), and **GOVERNMENTAL MANAGEMENT SERVICES, LLC** (the "**Dissemination Agent**") in connection with the issuance by the District of its \$[Bond Amount] Special Assessment Bonds, Series 2020 (Del Webb Project) (the "**Bonds**"). The Bonds are being issued pursuant to a Master Trust Indenture, dated as of February 1, 2019 (the "**Master Indenture**"), between the District and The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**") as supplemented by a Third Supplemental Trust Indenture, dated as of [August] 1, 2020 (the "**Supplemental Indenture**" and, together with the Master Indenture, the "**Indenture**"), between the District and the Trustee. The District, the Developer and the Dissemination Agent covenant and agree as follows:

**1. Purpose of the Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the District, the Developer and the Dissemination Agent for the benefit of the Owners of the Bonds, from time to time, and to assist the Participating Underwriter (hereinafter defined) 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, the Developer and the Dissemination Agent have no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction or a governmental regulatory agency that the Rule requires the District, the Developer or the Dissemination Agent (as the case may be) to provide additional information, the District, the Developer and the Dissemination Agent, 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 herein, the following capitalized terms shall have the following meanings:

"**Annual Filing Date**" shall mean the date set forth in Section 4(a) hereof by which the Annual Report is to be filed with the Repository.

"**Annual Financial Information**" shall mean annual financial information as such term is used in paragraph (b)(5)(i) 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.

**"Assessments"** shall mean the non-ad valorem special assessments pledged to the payment of the Bonds pursuant to the Indenture.

**"Audited Financial Statements"** shall mean the financial statements (if any) of the District 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 4(a) of this Disclosure Agreement.

**"Audited Financial Statements Filing Date"** shall mean the date under State law by which a unit of local government must produce its Audited Financial Statements, which as of the date hereof is nine (9) months after the end of the Fiscal Year of such unit of local government, including the District.

**"Beneficial Owner"** shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bond for federal income tax purposes.

**"Business Day"** shall mean 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.

**"Development"** shall have the meaning ascribed to such term in the Limited Offering Memorandum.

**"Disclosure Representative"** shall mean (a) as to the District, the District Manager or its designee, or such other person as the District shall designate in writing to the Trustee and the Dissemination Agent from time to time as the person responsible for providing information to the Dissemination Agent; (b) as to the Developer, the individual(s) executing this Disclosure Agreement on behalf of the Developer or such person(s) as the Developer shall designate in writing to the Trustee and the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent; and (c) as to any Landowner other than the Developer, such person(s) as the Landowner shall designate in writing to the Trustee and the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent.

**"Dissemination Agent"** shall mean the District or an entity appointed by the District to act in the capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the District pursuant to Section 10 hereof. Governmental Management Services, LLC, has been designated as the initial Dissemination Agent hereunder.

**"District Manager"** shall mean the person or entity serving as District Manager from time to time. As of the date of this Disclosure Agreement, Governmental Management Services, LLC, is the District Manager.

**"EMMA"** shall mean the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule.

**"Event of Bankruptcy"** shall be considered to have occurred 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 governmental 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.

**"Financial Obligation"** shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either (a) or (b). The term Financial Obligation does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

**"Fiscal Year"** shall mean the fiscal year of the District, which is the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

**"Landowner"** shall mean each owner of land within the District which, along with its affiliates, successors, and assigns (excluding residential homebuyers), is responsible for payment of at least twenty percent (20%) of the Assessments; provided as of the date of the execution and delivery of this Disclosure Agreement, the Developer is the only Landowner.

**"Limited Offering Memorandum"** shall mean the Limited Offering Memorandum dated [BPA Date], 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).

**"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 twenty percent (20%) or more of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the District and, for purposes of this Disclosure Agreement only, each Landowner.

**"Owners"** shall have the meaning ascribed thereto in the Indenture with respect to the Bonds and shall include Beneficial Owners of the Bonds.

**"Participating Underwriter"** shall mean MBS Capital Markets, LLC, in its capacity as the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

**"Quarterly Filing Date"** shall mean the dates set forth in Section 6(a) hereof by which Quarterly Reports are required to be filed with the Repository.

**"Quarterly Report"** shall mean any Quarterly Report provided by the Developer or any Landowner, its successors or assigns pursuant to, 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 currently 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 the MSRB Website.

**"State"** shall mean the State of Florida.

### **3. Content of Annual Reports.**

(a) The Annual Report shall contain or incorporate by reference Annual Financial Information with respect to the District, which includes an update of the financial and operating data of the District to the extent presented in the Limited Offering Memorandum, including:

- (i) The amount of Assessments levied for the most recent Fiscal Year;
- (ii) The amount of Assessments collected from property owners during the most recent Fiscal Year and the principal amount of Assessments assigned to platted units;
- (iii) The amount of delinquencies greater than 150 calendar days and, in the event that delinquencies amount to more than ten percent (10%) of the amount of Assessments due in any year, a list of delinquent property owners;
- (iv) The amount of tax certificates sold for lands within the District, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year;
- (v) The balances in all Funds and Accounts for the Bonds. Upon request, the District shall provide any Owners and the Dissemination Agent with this information more frequently than annually and, in such cases, within thirty (30) calendar days of the date of any written request from the Owners or the Dissemination Agent;
- (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, unless such Audited Financial Statements have not yet been prepared; and

(ix) Any amendment or waiver of the provisions hereof as described in Section 11 hereof.

(b) 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 specific reference to documents available to the public on the MSRB Website or filed with the SEC, including offering documents of debt issues of the District or related public entities, which have been submitted to the Repository. The District shall clearly identify any document incorporated by reference.

(c) The District and the Disclosure Representative of the District represent and warrant that they will supply, in a timely fashion, any information available to the District or the Disclosure Representative of the District and 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 acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, the Disclosure Representative of the District 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 Disclosure Representative of the District or others as thereafter disseminated by the Dissemination Agent.

(d) 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 District shall provide the Annual Report to the Dissemination Agent no later than March 30<sup>th</sup> after the close of the Fiscal Year (the "**Annual Filing Date**"), commencing with the Fiscal Year ended September 30, 20[\_\_\_], in an electronic format as prescribed by the 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 may be submitted separately from the balance of the Annual Report and later than the date required above, but in no event later than the Audited Financial Statements Filing Date, if they are not available by the Annual Filing Date. If the Audited Financial Statements are not available at the time of the filing of the Annual Report, unaudited financial statements are required to be delivered as part of the Annual Report in a format similar to the Audited Financial Statements. If the District's Fiscal Year changes, the District shall give notice of such change in the same manner as for a Listed Event under Section 7(a).

(b) If on the fifteenth (15<sup>th</sup>) calendar day prior to each Annual Filing Date and/or Audited Financial Statements Filing Date, the Dissemination Agent has not received a copy

of the Annual Report or Audited Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative of the District by telephone and in writing (which may be by e-mail) to remind the District of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, 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 or Audited Financial Statements, as applicable, in accordance with Section 4(a) above, or (ii) instruct the Dissemination Agent in writing that the District will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the time required under this Disclosure Agreement, state the date by which the Annual Report or Audited Financial Statements, as applicable, 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, address and filing requirements of any Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the District certifying that the Annual Report or Audited Financial Statements, as applicable, has been provided pursuant to this Disclosure Agreement and stating the date(s) it was provided and listing any Repository to which it was provided.

##### **5. Content of Quarterly Reports.**

(a) Each Quarterly Report shall contain the following information with respect to the lands owned by the Developer in the Development if such information is not otherwise provided pursuant to subsection (b) of this Section 5:

(i) A description and status of the infrastructure improvements in the District that have been completed and that are currently under construction, including infrastructure financed by the Bonds;

(ii) The number of assessable residential units planned on property subject to the Assessments;

(iii) The number of lots closed with builders;

(iv) The number of residential units closed with end users;

(v) The number of residential units under contract with end users;

(vi) The estimated date of complete build-out of residential units;

(vii) Whether the Developer has made any bulk sale of the land subject to the Assessments other than as contemplated by the Limited Offering Memorandum;



(viii) The status of development approvals for the Development that would affect property subject to the Assessments;

(ix) Materially adverse changes or determinations to permits or approvals for the Development which necessitate changes to the Developer's land-use or other plans for the Development that would affect property subject to the Assessments;

(x) Updated plan of finance for the Development (i.e., status of any credit enhancement, issuance of additional bonds to complete project, draw on credit line of Developer or an affiliate, additional mortgage debt, etc.) that would affect property subject to the Assessments;

(xi) Any event that has a material adverse impact on the implementation of the Development as described in the Limited Offering Memorandum or on the Developer's ability to undertake the Development as described in the Limited Offering Memorandum that would affect property subject to the Assessments; and

(xii) Any amendment or waiver of the provisions hereof as described in Section 11 hereof.

(b) Any of the items listed in subsection (a) above may be incorporated by reference from other documents which are available to the public on the MSRB Website or filed with the SEC. The Developer shall clearly identify each such other document so incorporated by reference.

(c) The Developer represents and warrants that it 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 Developer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Developer, the Disclosure Representative of the Developer 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 Developer, the Disclosure Representative of the Developer or others as thereafter disseminated by the Dissemination Agent.

(d) If the Developer sells, assigns or otherwise transfers ownership of real property in the Development to a third party, which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "**Transfer**"), the Developer hereby agrees to require such third party to assume the disclosure obligations of the Developer 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 Developer 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 7 hereof, the term "**Developer**" shall be deemed to include each of the Developer and any third party that becomes an Obligated Person hereunder as a result of a Transfer. In the event that the Developer remains an Obligated Person hereunder following any Transfer, nothing herein shall be construed to relieve the Developer from their obligations hereunder.

## **6. Provision of Quarterly Reports.**

(a) The Developer, so long as it is an Obligated Person for purposes of this Disclosure Agreement, shall provide a Quarterly Report to the Dissemination Agent no later than January 31 (for each calendar quarter ending December 31), April 30 (for each calendar quarter ending March 31), July 31 (for each calendar quarter ending June 30), and October 31 (for each calendar quarter ending September 30) after the end of each calendar quarter, commencing January 31, 2021, for the calendar quarter ending December 31, 2020; provided, however, that so long as any Developer is a reporting company, such dates shall be extended to the date of filing of its respective 10-K or 10-Q, if later, as the case may be (each, a **"Quarterly Filing Date"**). At such time as the Developer is no longer an Obligated Person, the Developer will no longer be obligated to prepare any Quarterly Report pursuant to this Disclosure Agreement. The Dissemination Agent shall immediately file the Quarterly Report upon receipt from the Developer with each Repository.

(b) If on the seventh (7<sup>th</sup>) calendar day prior to each Quarterly Filing Date the Dissemination Agent has not received a copy of the Quarterly Report due on such Quarterly Filing Date, the Dissemination Agent shall contact the Disclosure Representative of the Developer by telephone and in writing (which may be by e-mail) to remind the Developer of its undertaking to provide the Quarterly Report pursuant to Section 6(a) above. Upon such reminder, the Disclosure Representative of the Developer 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 Developer will not be able to file the Quarterly Report within the time required under this Disclosure Agreement and state the date by which such Quarterly Report will be provided. If the Dissemination Agent has not received a Quarterly Report that contains the information in Section 5 of this Disclosure Agreement by the Quarterly Filing Date, a Listed Event described in Section 7(a)(xv) shall have occurred and the District and the Developer hereby direct the Dissemination Agent to immediately send a notice to each Repository in electronic format as required by such Repository, no later than the following Business Day in substantially the form attached as Exhibit A hereto, with a copy to the District.

(c) The Dissemination Agent shall:

(i) determine prior to each Quarterly Filing Date the name, address and filing requirements of each Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Developer 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 District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds and the Developer shall give, or cause to be given, notice of the occurrence of items (x), (xii), (xiii), (xv), (xvi), (xvii) and (xviii) of the following events to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after the

occurrence of the event, with the exception of the event described in item (xv) below, which notice shall be given in a timely manner:

- (i) principal and interest payment delinquencies;
- (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, 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 the holders of the Bonds, 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) ratings changes†;
- (xii) an Event of Bankruptcy or similar event of an Obligated Person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) notice of any failure on the part of the District to meet the requirements of Sections 3 and 4 hereof or of the Developer to meet the requirements of Sections 5 and 6 hereof;

---

\* There is no credit enhancement for the Bonds.

† The Bonds are not rated as of the date hereof.

(xvi) termination of the District's or the Developer's obligations under this Disclosure Agreement prior to the final maturity of the Bonds, pursuant to Section 9 hereof;

(xvii) incurrence of a Financial Obligation of the District or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District or Obligated Person, any of which affect security holders, if material;

(xviii) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District or Obligated Person, any of which reflect financial difficulties;

(xix) occurrence of an Event of Default under the Indenture (other than as described in clause (i) above);

(xx) any amendment to the Indenture or this Disclosure Agreement modifying the rights of the Owners of the Bonds; and

(xxi) any amendment to the accounting principles to be followed by the District in preparing its financial statements, as required by Section 11 hereof.

(b) The notice required to be given in Section 7(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

**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 operating data;

(c) the issues or specific securities to which such documents are related (including CUSIP numbers, 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 District;

(e) the name and date of the document being submitted; and

(f) contact information for the submitter.

**9. Termination of Disclosure Agreement.** The District's obligations 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 District for payment of the Bonds, or if the Rule is repealed or no longer in effect. The Developer's obligations under this Disclosure Agreement shall terminate at such time as the Developer

is no longer an Obligated Person. If any such termination occurs prior to the final maturity of the Bonds, the District and/or the Developer shall give notice of such termination in the same manner as for a Listed Event under Section 7.

**10. Dissemination Agent.** The District will either serve as the Dissemination Agent or appoint one under this Disclosure Agreement. Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the District or the Dissemination Agent, the District agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of Dissemination Agent under this Disclosure Agreement for the benefit of the Owners of the Bonds. If at any time there is not any other designated Dissemination Agent, the District shall be deemed to be the Dissemination Agent. Notwithstanding any replacement or appointment of a successor, the District shall remain liable until payment in full for any and all sums owed and payable to the Dissemination Agent hereunder. The initial Dissemination Agent shall be Governmental Management Services, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Governmental Management Services, LLC. Governmental Management Services, LLC, may terminate its role as Dissemination Agent at any time upon delivery of written notice to the District and the Developer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District or the Developer pursuant to this Disclosure Agreement.

**11. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the District, the Developer and the Dissemination Agent (if the Dissemination Agent is not the District) may amend this Disclosure Agreement, and 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 Sections 3(a), 4, 5(a), 6 or 7, 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 District and/or the Developer, or the type of business conducted;

(b) The Disclosure Agreement, as amended or taking into account such waiver, would, in the opinion of counsel 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 interests of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the District, the Developer 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 SEC from time to time without any other conditions.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the District and/or the Developer shall describe such amendment in its next report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the District and the Developer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements of the District, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 7(a), and (ii) the Annual Report or Audited Financial Statements, as applicable, 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.

**12. Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the District or the Developer 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, Quarterly Report, or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Agreement. If the District or the Developer chooses to include any information in any Annual Report, Quarterly Report, or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the District or the Developer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Quarterly Report, or notice of occurrence of a Listed Event.

**13. Default.** In the event of a failure of the District, the Developer, the Disclosure Representative of the District, the Disclosure Representative of the Developer, or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Beneficial Owners of 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 mandate or specific performance by court order, to cause the District, the Developer, the Disclosure Representative of the District, the Disclosure Representative of the Developer, or the 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 District, the Developer, the Disclosure Representative of the District, the Disclosure Representative of the Developer, or the Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

**14. Duties of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Dissemination Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format. Anything herein to the contrary notwithstanding, in the event that the applicable Disclosure Representative and the Dissemination Agent are the same party, such party's limited duties in their capacity as Dissemination Agent, as described hereinabove, shall not in any way relieve or limit such

party's duties in their capacity as Disclosure Representative under this Disclosure Agreement.

**15. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the District, the Developer, the Dissemination Agent, the Trustee, the Participating Underwriter and Beneficial Owners of the Bonds (the Participating Underwriter and Beneficial Owners of the Bonds being hereby deemed express third party beneficiaries of this Disclosure Agreement), and shall create no rights in any other person or entity.

**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 and federal law.

**18. Trustee Cooperation.** The District represents that the Dissemination Agent is a bona fide agent of the District and directs the Trustee to deliver to the Dissemination Agent at the expense of the District, any information or reports it requests that the District has a right to request from the Trustee (inclusive of balances, payments, etc.) that are in the possession of and readily available to the Trustee.

**19. Binding Effect.** This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the Developer or any assignee or successor thereto that becomes an Obligated Person pursuant to the terms of this Disclosure Agreement, only successors or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

**20. Undertakings.** The Developer represents that it has instituted internal processes to provide information to the Dissemination Agent on a timely basis and obtained assurances from the Dissemination Agent that they will in turn request the required reporting information timely and file such information timely with the appropriate Repository.

[Remainder of Page Intentionally Left Blank]

**SIGNATURE PAGE TO CONTINUING DISCLOSURE AGREEMENT  
(Cypress Bluff Community Development District)**

**IN WITNESS WHEREOF**, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

[SEAL]

**CYPRESS BLUFF COMMUNITY  
DEVELOPMENT DISTRICT**

Consented and Agreed to by:

**GOVERNMENTAL MANAGEMENT  
SERVICES, LLC**, and its successors and  
assigns, as Disclosure Representative

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

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

Joined by **U.S. BANK NATIONAL  
ASSOCIATION**, as Trustee for purposes of  
Sections 13, 15 and 18 only

**GOVERNMENTAL MANAGEMENT  
SERVICES, LLC**, as initial Dissemination  
Agent

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

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

**PULTE HOME COMPANY, LLC**,  
a Florida limited liability company,  
as Developer

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



**EXHIBIT A TO CONTINUING DISCLOSURE AGREEMENT  
(Cypress Bluff Community Development District)**

**NOTICE TO REPOSITORIES  
OF FAILURE TO FILE ANNUAL REPORT/QUARTERLY REPORT/  
AUDITED FINANCIAL STATEMENTS**

Name of District: Cypress Bluff Community Development District

Obligated Person(s) Cypress Bluff Community Development District  
Pulte Home Company, LLC

Name of Bond Issue: \$[Bond Amount] Special Assessment Bonds, Series 2020  
(Del Webb Project)

Date of Issuance: [Closing Date]

CUSIPS: [\_\_\_\_\_]

**NOTICE IS HEREBY GIVEN** that the [District] [Pulte Home Company, LLC] has not provided [an Annual Report] [Audited Financial Statements] [a Quarterly Report] with respect to the above-named Bonds as required by [Section 4] [Section 6] of the Continuing Disclosure Agreement dated [Closing Date], among the District, the Developer and the Dissemination Agent named therein. The [District] [Pulte Home Company, LLC] has advised the undersigned that it anticipates that the [Annual Report] [Audited Financial Statements] [Quarterly Report] will be filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_, \_\_\_\_\_, Dissemination Agent

cc: [District] [Pulte Home Company, LLC]  
Participating Underwriter

*B.*

**CYPRESS BLUFF  
COMMUNITY DEVELOPMENT DISTRICT  
SUPPLEMENTAL ENGINEER'S REPORT**

for the

**DEL WEBB E-TOWN NEIGHBORHOOD  
SPECIAL ASSESSMENT BONDS, SERIES 2020 (DEL WEBB PROJECT)**

Prepared for

**Board of Supervisors**

**Cypress Bluff Community Development District**

Prepared by

England, Thims & Miller, Inc.  
14775 St. Augustine Road  
Jacksonville, Florida 32258  
904-642-8990

18-049-01

January 2019  
Revised July 22, 2020

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## **DISTRICT BACKGROUND:**

The Cypress Bluff Community Development District (CDD) is a ±1,273.9-acre residential development located in Duval County, Florida. The authorized land uses within the Cypress Bluff CDD may include conservation and residential development as well as open space and recreational amenities. The full development within the Cypress Bluff CDD boundary will include approximately the number of units listed in Table I.

**TABLE I**

<b>TYPE</b>	<b>Estimated Units</b>	<b>Estimated Areas</b>
Residential Development	1,949 units	465.1 acres
Road Rights-of-Way	n/a	153.7 acres
Parks and Recreation	n/a	39.7 acres
Wetland/Open Space, Miscellaneous	n/a	615.4 acres
<b>TOTALS</b>		<b>1,273.9 acres</b>

*(Note: Certain area types may change provided that such changes are consistent with the land use)*

The Cypress Bluff Community Development District developed an Improvement Plan dated July 30, 2018 (Capital Improvement Plan or “CIP”)(amended and restated September 24, 2019) to allow it to finance and construct certain facilities within and without the CDD boundaries. The Improvement Plan is estimated to cost approximately \$96.7 million consisting of \$28.1 million for master infrastructure improvements (Master CIP) and \$68.6 million for neighborhood infrastructure improvements (Neighborhood CIP). In order to serve the residents of the Cypress Bluff CDD, the CDD plans to design, permit, finance, and/or construct, operate and maintain all or part of certain utility, transportation, landscaping, and recreational facilities within and without the CDD. The CIP has been planned, designed, and permitted to function as one interrelated system of improvements benefiting the lands to be developed within the district.

This Supplemental Engineer’s Report (the “Report”) has been prepared to assist with the financing and construction of the neighborhood infrastructure components of the CIP for Del Webb e-Town, Parcels E-3a and E-3b/c, which is estimated to cost \$7.7 million (the “Del-Webb CIP”). Del Webb e-Town has been designed as a Del Webb branded 55+ gated neighborhood that is planned to include 519 residential units, a clubhouse and associated recreational facilities. The developer of the Development is Pulte Home Company, LLC.

## **THE DEVELOPMENT – DEL WEBB E-TOWN:**

**Overview:** The Del Webb e-Town neighborhood consists of two development tracts, Parcels E-3a and E-3b/c and encompasses approximately +/- 293.54 acre acres located just north of the community’s main entrance (the “Development”). The Del Webb e-Town neighborhood is planned to be developed in three (3) phases, with the third phase broken into sub-phases, for the development of approximately 519 residential units. The information in the table below depicts the number of units by product type for the three (3) planned development phases.

<b>Product Type</b>	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>		<b>Total</b>
			<b>Subphase 3a</b>	<b>Subphase 3b</b>	
Single-Family 40'	79	0	109	0	188
Single-Family 50'	87	112	0	0	199
Single-Family 65'	28	39	0	65	132
<b>Total</b>	<b>194</b>	<b>151</b>	<b>109</b>	<b>65</b>	<b>519</b>

**Land Use:** A portion of the lands within the Development, specifically Parcel E-3a planned for 345 active-adult residential units, is zoned as residential low density consistent with the City's underlying zoning and comprehensive plan. With the exception of 119 lots within Parcel E-3a approved for 40' wide lots, the minimum lot requirement for this parcel within the District is 50' wide lots. Parcels E-3b/c is part of a 626-acre tract that received zoning approval from the City as a planned unit development (the "e-Town PUD"). The e-Town PUD allows for the development of up to 1,700 dwelling units.

Land uses within the Del Webb e-Town neighborhood are planned to include the following approximate areas:

<b>TYPE</b>	<b>Estimated Units</b>	<b>Estimated Areas (Ac)</b>
Residential Development (SF)	519	94.09
Road Rights-of-Way		28.21
Parks and Recreation		7.55
Wetland/Open Space, Miscellaneous		163.69
<b>TOTALS</b>		<b>293.54</b>

**Permitting:** The Del Webb e-Town neighborhood will be under the jurisdiction and review of the City of Jacksonville, Duval County, St Johns River Water Management District (SJRWMD), US Army Corps of Engineers (USACE), and the Florida Department of Environmental Protection (FDEP).

At the time of this Report, the following permits have been obtained for the Del Webb e-Town neighborhood as follows:

<b>Permit</b>	<b>Permit Number</b>	<b>Date Approved</b>
SJRWMD for Del Webb e-Town Phases 1A & 1B	126414-22	9-19-18
COJ Approval Del Webb e-Town Phases 1A & 1B	CDN 8911.9	12-31-18
JEA Drinking Water Phases 1A & 1B	2018-0721-W17674	10-17-18
JEA Wastewater Phases 1A & 1B	2018-0721-S17675	10-17-18
COJ Site Work Permit Phases 1A & 1B	L-18-140854.000	11-19-18
SJRWMD Del Webb e-Town Phase 2	126414-35	12-05-19
COJ Approval Del Webb e-Town Phase 2	CDN 8911.15	1-16-20
JEA Drinking Water Phase 2	2019-3791-W18282	12-31-19
JEA Wastewater Phase 2	2019-3791-S18283	12-31-19
COJ Site Work Permit Phase 2	L-19-235817.000	10-16-19
COJ Site Work Permit Phase 3A	L-20-271654.000	2-28-20
USACE Permit	SAJ-2012-00511 Mod 01	1-16-18

Below is a table reflecting the current development status of each phase and subphase therein within the Del Webb e-Town neighborhood.

<b>Phase</b>	<b># Units</b>	<b>Construction Start</b>	<b>Construction Complete</b>	<b># Lots Horizontally Developed</b>	<b>% Complete</b>
Phase 1	194	Third Quarter of 2018	Third Quarter of 2019	194	100%
Phase 2	151	Fourth Quarter of 2019	Fourth Quarter of 2020	Under development	51%
Subphase 3a	109	Fourth Quarter of 2020	Second Quarter of 2021	0	0%
Subphase 3b	65	Fourth Quarter of 2020	Third Quarter of 2021	0	0%

## **THE DEVELOPMENT – NEIGHBORHOOD INFRASTRUCTURE:**

The summary of the Del Webb e-Town neighborhood infrastructure costs are listed in the table below. A description and basis of costs for each improvement category is included in the body of this report.

<b>Category</b>	<b>Completed Publicly Funded Phase 1</b>	<b>In Process Publicly Funded Phase 2</b>	<b>Future Publicly Funded Phase 3-A</b>	<b>Future Publicly Funded Phase 3-B</b>	<b>Total Del Webb CIP</b>
1. Neighborhood Stormwater Management Facilities Construction	\$638,987.00	\$0.00	\$0.00	\$0.00	\$638,987.00
2. Storm Drainage Utilities	\$768,466.00	\$459,240.00	\$814,402.00	\$402,318.00	\$2,444,426.00
3. Potable Water Utilities	\$410,820.00	\$295,807.00	\$224,672.00	\$259,131.00	\$1,190,430.00
4. Gravity Sanitary Sewer Utilities	\$625,844.00	\$417,045.00	\$313,171.00	\$364,233.00	\$1,720,293.00
5. Lift Station and Force Main	\$360,197.00	\$0.00	\$0.00	\$295,000.00	\$655,197.00
6. Reclaim Water Utilities	\$353,771.00	\$249,560.00	\$210,391.00	\$245,471.00	\$1,059,193.00
<b>TOTAL</b>	<b>\$3,158,085.00</b>	<b>\$1,421,652.00</b>	<b>\$1,562,636.00</b>	<b>\$1,566,153.00</b>	<b>\$7,708,526.00</b>

Cost estimates contained in this report are based upon year 2020 dollars and have been prepared based on the best available information. England, Thims & Miller, Inc. believes the enclosed estimates to be accurate based upon the available information, however, actual costs will vary based on planning, final engineering and approvals from regulatory agencies.

## **STORMWATER MANAGEMENT FACILITIES**

The CDD may fund construction of the stormwater management facilities (SMF) within the Del Webb e-Town neighborhood. Construction costs include, but are not limited to, clearing of the stormwater management facilities, dewatering, excavation, placing suitable material on-site, sodding pond banks, and groundwater cut-off wall installation for the Phase 1 stormwater management facilities. The Cypress Bluff Community Development District (CDD) will own the stormwater management facility tracts and associated retaining walls, but Del Webb eTown Homeowners Association, Inc. will be responsible for maintenance of these improvements.

## **STORM DRAINAGE**

The CDD may fund construction of the storm drainage system within the Del Webb e-Town neighborhood. Construction costs include the storm drainage system within the private roadway rights-of-way, dedicated drainage easements, and connections to the Cypress Bluff master drainage system. The Cypress Bluff Community Development District (CDD) will own the storm drainage system within the Del Webb e-Town neighborhood, but Del Webb eTown Homeowners Association, Inc. will be responsible for operation and maintenance of these improvements.

## **UTILITIES**

The entirety of the Cypress Bluff CDD will be provided with potable water, sanitary sewer, and reclaim water service by the JEA utility system. The CDD may fund construction of the potable water, sanitary sewer and reclaim water mains within the Del Webb e-Town neighborhood to provide service to the residential lots. Construction costs also include two JEA dedicated lift stations and associated force main. The utility improvements will be designed and constructed in accordance with JEA standards and will be owned and maintained by JEA upon dedication.

## **BASIS OF COST ESTIMATES**

The following is the basis for the neighborhood infrastructure cost estimates; actual project bid information was used where available:

- Costs utilized were obtained from recent contracted work for the project or actual costs for completed work.
- Cost estimates included in this report are based upon year 2020 dollars and have been prepared based upon the best available information. England, Thims & Miller, Inc. believes the enclosed estimates to be accurate based upon best available information, however, actual costs will vary based upon final engineering, planning and approvals from regulatory authorities.



*C.*

**DRAFT**

**Cypress Bluff  
Community Development District**

**Supplemental Assessment Methodology Report for the  
Special Assessment Bonds Series 2020  
(Del Webb Project)**

**July 22, 2020**

**Prepared by**

**Governmental Management Services, LLC**

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## **1.0 Introduction**

### **1.1 Purpose**

This report outlines the assessments assigned to certain properties to secure the Cypress Bluff Community Development District's ("District") Special Assessment Bonds, Series 2020 Del Webb Project ("Series 2020 Bonds"). The Methodology described herein quantifies the special benefits to properties in the District that are derived as a result of the installation of infrastructure facilities and equitably allocates those costs incurred by the District to provide these benefits to properties in the District.

The District has adopted a Capital Improvement Program ("Improvement Plan" or "CIP") that will allow for the development of property within the District as described in the District Engineer's Report, dated July 14, 2020 which was prepared by England, Thims and Miller (the "Engineer's Report"). On August 20, 2018, the District approved its Master Special Assessment Methodology Report describing the methodology to allocate debt over the approximately 1,273.9 total acres and 583 developable acres located in The City of Jacksonville ("Jacksonville" or "COJ"), Florida that will receive special benefit from the proposed CIP to be installed in the District. This District Engineer's Report has been updated on February 25, 2020. The Development is planned for 1,949 residential lots which include 517 Active Adult lots.

The District plans to partially fund the CIP through debt financing. This debt will be repaid from the proceeds of an assessment levied by the District. The levy takes the form of non-ad valorem special assessments that are liens against properties within the boundary of the District that receive special benefits from the CIP. The methodology herein allocates this debt to properties based upon the special and peculiar benefits each property receives from the CIP according to the reasonable and fair apportionment of the duty to pay for these levied assessments. This report is designed to conform to the requirements of Chapters 170, 190 and 197, F.S. with respect to special assessments and is consistent with our understanding of the case law on the subject.

This report supplements the Master Special Assessment Methodology Report dated August 20, 2018 as adopted by the Board of Supervisors (collectively, the "Master Report").

## **1.2 Scope of the Report**

This report presents the projections for financing the 2020 Project representing the portion of the CIP financed by the District's Series 2020 Bonds. The Report also describes the apportionment of benefits and special assessments resulting from the provision of improvements to the lands within the 2020 Assessment Area, as defined herein. The assessments outlined in the previous Supplemental Assessment Methodology dated February 6, 2019 have been levied by the Cypress Bluff District's Board of Supervisors and continue to serve as liens against the properties listed in the Report.

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

The Improvements undertaken by the District create special and peculiar benefits to the property, 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 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 improvements enable properties within the District boundaries to be developed. Without the Improvements, there would be no infrastructure to support development of land within the District. Without these Improvements, state law would prohibit development of property within the District.

There is no doubt that the general public, property owners, and property outside the District will benefit from the provision of the Improvements. However, these are incidental to the Improvement Program, which is designed solely to provide special benefits peculiar to property within the District. Properties outside the District do not depend upon the District's Capital Improvement Program as defined herein 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. Even though the exact value of the benefits provided by the Improvements is difficult to estimate at this point, it is nevertheless greater than the costs associated with providing same.

## **1.4 Organization of this Report**

*Section One* describes the purpose of the report along with the scope and benefits of the Capital Improvement Program, including that portion financed by the Series 2020 Bonds.

*Section Two* describes the development program as proposed by the Developer related to the Del Webb – Monterey Pines community.

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

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

*Section Five* introduces the Assessment Methodology.

## **2.0 Development Program for Cypress Bluff**

### **2.1 Overview**

The Cypress Bluff development is designed as a planned residential community, located within Jacksonville, Florida. The proposed land use within the District is consistent with Jacksonville Land Use and Comprehensive Plans.

### **2.2 The Development Program**

The Development will consist of approximately 1,949 residential homes which includes 517 Active Adult homes. The portion of the Development subject to the Series 2020 Bonds, as detailed in **Table 1**, consists of 519 residential lots ("2020 Assessment Area") related to the Del Webb – Monterey Pines community.

### **3.0 The Capital Improvement Program for Cypress Bluff**

#### **3.1 Engineering Report**

The infrastructure costs to be funded by the District are determined by the District Engineer in the 2020 Supplemental Engineer's Report. As defined in the 2020 Engineer's Report, the 2020 Project consists of that portion of the CIP financed with the proceeds of the Districts Series 2020 Bonds. The remaining costs will be funded by future bond issues and developer funding.

Only infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes, was included in these estimates.

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

The CIP includes improvements intended to serve the development consist of improvements associated with the roadway E Town Parkway/Skinner Parkway such as utilities, landscape, hardscape and electric, master recreation improvements, and certain collector roadway improvements as well as neighborhood improvements ("Improvements"). The CIP is estimated to cost approximately \$96.7 million consisting of \$28.1 million for master infrastructure improvements (the "Master CIP") and \$68.6 million for neighborhood infrastructure improvements (the "Neighborhood CIP"). The improvements for the 2020 Project consist of neighborhood infrastructure including stormwater, potable water, wastewater and reclaimed water infrastructure. **Table 3** provides for the cost estimates of the 2020 Project CIP.

## **4.0 Financing Program for Cypress Bluff**

### **4.1 Overview**

As noted above, the District has embarked on a program of capital improvements, which will facilitate the development of lands within the District. Construction of certain Improvements may be funded by the Developer and acquired by the District under an agreement between the District and the Developer or may be funded directly by the District.

The District intend to issue its Series 2020 Bonds in the principal amount of \$7,350,000.00 to fund a portion of the District's neighborhood CIP. That portion of the neighborhood CIP funded with the proceeds of the Series 2020 Bonds is referred to as the 2020 Project. The District may issue additional bonds for development of future phases and improvements.

### **4.2 Series 2020 Bonds**

The Series 2020 Bonds have an issuance date of August 31, 2020. The Series 2020 Bonds will be repaid with thirty principal installments commencing on May 1, 2020 with interest paid semiannually every November 1 and May 1, maturing May 1, 2050. The Series 2020 Assessment Area planned for 519 residential units will fully absorb the 2020 debt assessments.

The Series 2020 Bonds are anticipated to be issued at a par amount of \$7,350,000, with an average coupon interest rate of 4.00% The maximum net annual debt service for the Series 2020 Bonds is \$424,902.

The difference between the par amount of bonds and the construction funds consists of costs of issuance including underwriter's discount and professional fees associated with debt issuance, and debt service reserve funds.

The sources and uses of the Series 2020 Bond sizing are presented in **Table 3** in the Appendix.



## **5.0 Assessment Methodology**

### **5.1 Overview**

The Series 2020 Bonds provide the District with funds to construct the 2020 Project outlined in Section 3.2. These improvements lead to special and general benefits, with special benefits accruing generally to the properties within the boundaries of the District and general benefits accruing to areas outside the District and being only incidental in nature. The debt incurred in financing infrastructure construction will be paid off by assessing properties that derive special and peculiar benefits from the proposed projects. All properties that receive special benefits from the District's CIP will be assessed.

### **5.2 Assigning Debt**

The current development plan for the District projects construction of infrastructure for approximately 1,949 residential homes, which includes 517 Active Adult homes. The Del Webb – Monterey Pines community will consist of 519 single family lots.

The 2020 Project improvements provided by the District as outlined in Section 3.2 of this report will specifically benefit the Del Webb – Monterey Pines Community.

Benefited units for Master Improvements will be based on an equivalent residential unit ("ERU") of .80 for a 40' lot, 1.0 for a 50' lot and 1.20 for a 65' lot.

As the provision of the above listed Improvements by the District will make the lands in the District developable, the land will become more valuable to their owners. The increase in the value of the land provides the logical benefit of Improvements that accrues to the developable parcels within the District.

The debt incurred by the District to fund the Improvements is allocated to the properties receiving special benefits

**Table 5** represents the preliminary principal assessments and true-up levels at the time of issuance of the Series 2020 Bonds for the areas within the District assessed to secure the Series 2020 Bonds.

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

As first discussed in Section 1.3, Special Benefits and General Benefits, Improvements undertaken by the District create special and peculiar benefits to certain properties within the District. The Improvements benefit properties within the District and accrue to all assessable properties on an ERU basis.

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

- a. Neighborhood Stormwater Management facilities Improvements result in special and peculiar benefits such as the added use of the property, added enjoyment of the property, and likely increased marketability of the property.
- b. Storm Drainage facilities result in special and peculiar benefits such as the added use of the property, decreased insurance premiums, added enjoyment of the property, and likely increased marketability of the property.
- c. Water/Sewer and Reuse Utility Improvements including a lift station and force main result in special and peculiar benefits such as the added use of the property, and likely increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value, however, each is more valuable than either the cost of, or the actual assessment levied for, the Improvement or debt allocated to the parcel of land.

#### **5.4 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay**

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and / or construction of the District's Improvements (and the concomitant responsibility for the payment of the resultant and allocated debt) have been apportioned to the property according to reasonable estimates of the special and peculiar benefits provided consistent with the land use.

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

In accordance with the benefit allocation in **Table 1**, a Total Par Debt per Unit for Infrastructure has been calculated for each single-family unit based on an ERU value.

Parcels of the development may be sold which contain various development units. At the time of such parcel sale an assignment of the development units will occur upon which the related debt and assessments will be specified for the parcel.

#### **5.5 True-Up Mechanism**

In order to assure that the District's debt will not build up on the unsold acres within the Series 2020 Assessment Area, and to assure the requirements that the non-ad valorem special assessments will be constitutionally lienable on the property and will continue to be met, the District shall apply the true-up provisions set forth in the Master Assessment Methodology dated August 20, 2018 with respect to only the land in the Series 2020 Assessment Area as assigned in **Table 5**.

Additionally, as lands in each development parcel are platted, true-up or density reduction payments may become due. Under the first test, the ceiling level for purposes of this test shall be the Series 2020 debt assigned to the parcel per

developable acre as shown on **Table 5**. (Maximum Debt Per Acre). After the recording of each plat, the remaining debt per developable acre shall be calculated. If the remaining debt per acre is greater than the Maximum Debt Per Acre, the District shall require a true-up payment sufficient to bring the debt per acre down to the permissible ceiling level. In the second test, if all acres are platted and the full debt assigned is not absorbed as a result of a decrease in the number of units or a change in unit mix, a true-up payment in the amount of remaining unassigned debt shall be due the District. The District may suspend the true-up if the landowner can show there is sufficient development potential in the remaining undeveloped acreage within the Series 2020 parcel to fully absorb the remaining unallocated debt.

## **5.6 Additional Stipulations**

Certain financing, development, and engineering data was provided by members of District staff and/or the Landowner. The allocation methodology described herein was based on information provided by those professionals. Governmental Management Services, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this report. For further information about the Series 2020 Bonds, please refer to the Indentures.

<p style="text-align: center;"> <b>TABLE 1</b>  <b>Cypress Bluff CDD</b>  <b>Unit Counts</b>  <b>Development Program for Del Webb - Monterey Pines</b> </p>
---

	<u>Number of lots</u>	<u>ERU Per Lot</u>	<u>Total Eru's</u>
Residential 40' lot	188	0.80	150.40
Residential 50' lot	199	1.00	199.00
Residential 60' lot	132	1.20	158.40
Total	<u>519</u>		<u>507.80</u>

**Prepared By**  
**Governmental Management Services LLC**

**TABLE 2**  
**Cypress Bluff CDD**  
**Infrastructure Cost Estimates**  
**2020 Project**

The 2020 Project will fund a portion of the Neighborhood Infrastructure Improvements as included in the Capital Improvement Plan.

<u>Neighborhood Infrastructure Improvements :</u>	<u>Cost Estimates</u>
Stormwater Management Facilities	\$638,987
Storm Drainage Utilities	\$2,444,426
Potable Water Utilities	\$1,190,430
Wastewater Utilities	\$1,720,293
Lift Station and Force Main	\$655,197
Reuse Utilities	\$1,059,193
<b>Total</b>	<b><u><u>\$7,708,526</u></u></b>

Above costs include contingency, design and permitting for each functional category.

Information provided by England, Thims & Miller Inc.  
Monterey Pines Nighborhood Report dated July 14, 2020

**Prepared By**  
**Governmental Management Services LLC**

**TABLE 3**  
**Cypress Bluff CDD**  
**Bond Series 2020**  
**Sources & Uses**

<u>Sources</u>	<b>Bond Series 2020</b>
Bond Proceeds - par	\$7,350,000
<b>Total Sources</b>	<b>\$7,350,000</b>
<u>Uses</u>	
Project Fund Deposits	
Project Fund	\$6,766,549
Other Fund Deposits	
Debt Service Reserve Fund @50% of MADS	\$212,451
Capitalized Interest ( two months)	\$49,000
Delivery Date Expenses	
Cost of Issuance	\$175,000
Underwriter's Discount	\$147,000
	\$322,000
<b>Total Uses</b>	<b>\$7,350,000</b>

<b>Principal Amortization Installments</b>	<b>30</b>
<b>Average Coupon Rate</b>	<b>4.00%</b>
<b>Par Amount</b>	<b>\$7,350,000</b>
<b>Maximum Annual Debt Service (net)</b>	<b>\$424,902</b>

Provided by MBS Capital Markets, LLC.

Financing parameters and amounts are estimated.

Prepared By  
Governmental Management Services LLC

**TABLE 4**  
**Cypress Bluff CDD**  
**Par Debt and Debt Service**  
**Series 2020 Assessment Area**

<b>Development Type :</b>	<b><u>Number of Planned Units</u></b>	<b><u>ERU Factor</u></b>	<b><u>Total ERU's</u></b>	<b><u>2020 Par Debt</u></b>	<b><u>2020 Par Debt per Unit</u></b>	<b><u>2020 Annual Net Assessment</u></b>	<b><u>Per Unit 2020 Annual Net Assessment</u></b>	<b><u>2020 Annual Gross Assessment Per Unit (1)</u></b>
<b>Residential Single Family:</b>								
40' lot	188	0.80	150.40	\$ 2,176,920	\$11,579	\$125,847	\$ 669	\$ 724
50' lot	199	1.00	199.00	\$ 2,880,366	\$14,474	\$166,513	\$ 837	\$ 905
65' lot	132	1.20	158.40	\$ 2,292,714	\$17,369	\$132,541	\$ 1,004	\$ 1,086
<b>Total</b>	<b><u>519</u></b>		<b><u>507.80</u></b>	<b><u>\$7,350,000</u></b>		<b><u>\$424,902</u></b>		

(1) include 3.5% collection costs of Duval County and maximum early payment discount of 4%.

**Prepared By**  
**Governmental Management Services, LLC**



**TABLE 5**  
**Cypress Bluff CDD**  
**Legal Description of**  
**Assessment Lands**  
**In Series 2020 Assessment Area**

<u>Property</u>	<u>Debt Assessment</u>
See Attached Legal	\$7,350,000

Parcels E-3a and E-3b&c totaling 293.54 acres

*FIFTH ORDER OF BUSINESS*

## **RESOLUTION 2020-13**

### **A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT AMENDING RESOLUTION 2020-10 TO RE-SET THE DATE AND TIME OF THE PUBLIC HEARING ON THE PROPOSED BUDGET FOR FISCAL YEAR 2020/2021; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Cypress Bluff Community Development District ("District") is a local unit of special-purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, *Florida Statutes*, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure improvements; and

**WHEREAS**, on May 26, 2020, at a duly noticed public meeting, the District's Board of Supervisors ("Board") adopted Resolution 2020-10, approving the proposed budget for Fiscal Year 2020/2021 and setting a public hearing on the proposed budget for July 28, 2020 at 1:30 p.m. at the Duval County Southeast Regional Library, 10599 Deerwood Park Boulevard, Jacksonville, Florida 32256; and

**WHEREAS**, due to the current COVID-19 public health emergency, and pursuant to Executive Orders 20-52, 20-69, and 20-150, issued by Governor DeSantis, as such orders may be amended or supplemented ("Executive Orders"), the Board may use communications media technology for the hearing in lieu of meeting in person; and

**WHEREAS**, the Board desires to change the date and time of the public hearing.

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1. PUBLIC HEARING DATE RESET.** Resolution 2020-10 is hereby amended to reflect that the public hearing as declared in Resolution 2020-10 is reset to:

DATE:

TIME:

LOCATION:

Duval County Southeast Regional Library  
10599 Deerwood Park Boulevard  
Jacksonville, Florida 32256

Pursuant to the Executive Orders, the Board may use communications media technology for the hearing in lieu of meeting in person. The District Manager shall send a copy of this Resolution to Duval County upon adoption.

**SECTION 2. RESOLUTION 2020-10 OTHERWISE REMAINS IN FULL FORCE AND EFFECT.** Except as otherwise provided herein, all of the provisions of Resolution 2020-10 continue in full force and effect.

**SECTION 3. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

**SECTION 4. EFFECTIVE DATE.** This Resolution shall take effect upon its passage and adoption by the Board.

**PASSED AND ADOPTED** this 28th day of July, 2020.

ATTEST:

**CYPRESS BLUFF COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary

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

Its: \_\_\_\_\_

***Cypress Bluff***  
Community Development District

**Revised Budget for Adoption**  
**FY 2021**



# **Cypress Bluff**

## **Community Development District**

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**Cypress Bluff**  
**Community Development District**  
**General Fund**  
Revised Operating Budget for Adoption

<b>Description</b>	<b>Adopted Budget FY2020</b>	<b>Actuals as of 4/30/20</b>	<b>Projected Next 5 Months</b>	<b>Total Projected 9/30/20</b>	<b>Revised Budget FY2021</b>
<b><u>Revenues</u></b>					
Operation & Maintenance Assessments	\$ 782,618	\$ 603,088	\$ 179,530	\$ 782,618	\$ 782,618
Developer Contributions	\$ -	\$ 10,784	\$ -	\$ 10,784	\$ -
<b>Total Revenues</b>	<b>\$ 782,618</b>	<b>\$ 613,872</b>	<b>\$ 179,530</b>	<b>\$ 793,402</b>	<b>\$ 782,618</b>
<b><u>Expenditures</u></b>					
<b><u>Administrative</u></b>					
Supervisor Fees	\$ 12,000	\$ 3,600	\$ 5,000	\$ 8,600	\$ 12,000
FICA Expense	\$ 918	\$ 230	\$ 305	\$ 535	\$ 918
Engineering	\$ 3,000	\$ 2,336	\$ 500	\$ 2,836	\$ 3,000
Arbitrage	\$ 800	\$ -	\$ 600	\$ 600	\$ 800
Dissemination Agent	\$ 4,000	\$ 2,333	\$ 1,665	\$ 3,998	\$ 4,000
Attorney	\$ 30,000	\$ 17,674	\$ 10,000	\$ 27,674	\$ 30,000
Annual Audit	\$ 8,000	\$ 1,000	\$ 3,500	\$ 4,500	\$ 8,000
Assessment Roll	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ 5,000
Trustee Fees	\$ 15,000	\$ 6,000	\$ -	\$ 6,000	\$ 15,000
Management Fees	\$ 45,000	\$ 26,250	\$ 18,750	\$ 45,000	\$ 45,000
Information Technology	\$ 2,000	\$ 1,750	\$ 1,250	\$ 3,000	\$ 3,000
Telephone	\$ 5,000	\$ 89	\$ 150	\$ 239	\$ 3,175
Postage	\$ 500	\$ 580	\$ 500	\$ 1,080	\$ 1,200
Printing & Binding	\$ 6,000	\$ 1,082	\$ 775	\$ 1,857	\$ 6,000
Insurance	\$ 5,000	\$ 5,125	\$ -	\$ 5,125	\$ 5,125
Legal Advertising	\$ 5,000	\$ 1,612	\$ 1,000	\$ 2,612	\$ 5,000
Other Current Charges	\$ 5,250	\$ 102	\$ 500	\$ 602	\$ 5,250
Office Supplies	\$ 600	\$ 67	\$ 75	\$ 142	\$ 600
Dues, Licenses & Subscriptions	\$ 325	\$ 175	\$ -	\$ 175	\$ 325
Website design/compliance	\$ 1,000	\$ 1,750	\$ -	\$ 1,750	\$ 1,000
<b>Total Administrative</b>	<b>\$ 154,393</b>	<b>\$ 76,753</b>	<b>\$ 44,570</b>	<b>\$ 121,323</b>	<b>\$ 154,393</b>
<b><u>Grounds Maintenance</u></b>					
Pond Maintenance (Water Quality)	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000
Landscape Maintenance	\$ 315,000	\$ 105,129	\$ 85,735	\$ 190,864	\$ 315,000
Landscape Contingency	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
Pump Maintenance	\$ 3,550	\$ -	\$ -	\$ -	\$ 3,550
Reclaimed Water	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
Irrigation Repairs	\$ 4,000	\$ -	\$ -	\$ -	\$ 4,000
Landscape Reserves	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000
Other Repairs and Maintenance	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000
<b>Total Grounds Maintenance</b>	<b>\$ 393,550</b>	<b>\$ 105,129</b>	<b>\$ 85,735</b>	<b>\$ 190,864</b>	<b>\$ 393,550</b>

**Cypress Bluff**  
**Community Development District**  
**General Fund**  
Revised Operating Budget for Adoption

<b>Description</b>	<b>Adopted Budget FY2020</b>	<b>Actuals as of 4/30/20</b>	<b>Projected Next 5 Months</b>	<b>Total Projected 9/30/20</b>	<b>Revised Budget FY2021</b>
<u><b>Amenity</b></u>					
Insurance	\$ 12,500	\$ -	\$ -	\$ -	\$ 12,500
Field Service Operations	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000
Lifestyle Operations	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000
Pool Maintenance	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
Pool Chemicals	\$ 12,000	\$ -	\$ -	\$ -	\$ 12,000
Interim Facility Staffing	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
Janitorial Services	\$ 28,000	\$ -	\$ -	\$ -	\$ 28,000
Refuse	\$ 4,200	\$ -	\$ -	\$ -	\$ 4,200
Security and Gate Maintenance	\$ 4,500	\$ -	\$ -	\$ -	\$ 4,500
Facility Maintenance	\$ 8,000	\$ -	\$ -	\$ -	\$ 8,000
Elevator Maintenance	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000
Cable and Utilities	\$ 5,500	\$ -	\$ -	\$ -	\$ 5,500
Licenses and Permits	\$ 1,475	\$ -	\$ -	\$ -	\$ 1,475
Repairs & Maintenance	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Special Events	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000
Holiday Decorations	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
Fitness Center R&M	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Reserve for Amenities	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000
Other Current Charges	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000
<b>Total Amenity</b>	<b>\$ 234,675</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 234,675</b>
<b>Total Expenditures</b>	<b>\$ 782,618</b>	<b>\$ 181,882</b>	<b>\$ 130,305</b>	<b>\$ 312,187</b>	<b>\$ 782,618</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ -</b>	<b>\$ 431,990</b>	<b>\$ 49,225</b>	<b>\$ 481,215</b>	<b>\$ -</b>

Development Type	Number of Units	FY 20-21 O&M Assessments Per Category	FY 20-21 O&M Assessments Per Unit (net)	FY 20-21 O&M Assessments Per Unit (gross)*
Active Adult	345	\$ 112,124	\$ 325.00	\$ 351.35
Residential	1,341	\$ 670,494	\$ 500.00	\$ 540.54
<b>Total Residential</b>	<b>1,686</b>	<b>\$ 782,618</b>		

\* Includes provision for the early payment discount of 4% and Duval County collection costs of 4%.



# **Cypress Bluff**

## **Community Development District**

### **General Fund Budget**

#### **REVENUES:**

##### **Developer Contributions/Assessments**

The District will enter into a Funding Agreement with the Developer to fund the General Fund Expenditures for the Fiscal Year

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#### **EXPENDITURES:**

##### **Administrative:**

##### **Supervisor Fees & FICA Expense**

Supervisors by Florida statutes are eligible for compensation if elected at \$200/meeting. The costs are reflective of anticipated compensation plus FICA matching.

##### **Engineering Fees**

The District's engineer, England-Thims & Miller, Inc will be providing general engineering services to the District, i.e. attendance and preparation for monthly board meetings, review invoices, etc.

##### **Arbitrage**

The District is required to annually have an arbitrage rebate calculation on the District's Series 2019 Special Assessment Revenue Bonds.

##### **Dissemination**

The District has contracted with GMS, LLC to act as the Dissemination Agent for the District to prepare the Annual Disclosure Report required by the Security and Exchange Commission in order to comply with Rule 15(c)(2)-12(b)(5), which relates to additional reporting requirements for un-rated bond issues.

##### **Attorney**

The District's legal counsel, Hopping, Green & Sams will be providing general legal services to the District, i.e. attendance and preparation for monthly meetings, review operating & maintenance contracts, etc.

##### **Annual Audit**

The District is required annually to conduct an audit of its financial records.

##### **Assessment Roll**

The District has contracted with Governmental Management Services, LLC for the certification and collection of the District's annual maintenance and debt service assessments. Assessments on platted lots are collected by agreement with Duval County while unplatted assessments may be collected directly by District and/or by County Tax Collector.

##### **Trustee Fees**

The Trustee at The Bank of New York Mellon administers the District's Series 2019 Special Assessment Revenue Bonds. The amount represents the annual fee for the administration of the District's bond issue.

##### **Management Fees**

The District receives management, accounting and administrative services as part of a management agreement with Governmental Management Services, LLC ("GMS"). These services are further outlined in Exhibit "A" of the Management Agreement with GMS.

# **Cypress Bluff**

## **Community Development District**

### **General Fund Budget**

#### **Information Technology**

The cost related to District's accounting and information systems, District website creation and maintenance, electronic compliance with Florida Statutes and other electronic data requirements maintained by GMS.

#### **Telephone**

Telephone conference costs for District meetings, workshops and committee meetings.

#### **Postage**

Mailing of agenda packages, overnight deliveries, correspondence, etc.

#### **Printing & Binding**

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes, etc.

#### **Insurance**

The District's General Liability & Public Officials Liability Insurance policy is with Florida Insurance Alliance. FIA specializes in providing insurance coverage to governmental agencies.

#### **Legal Advertising**

The District is required to advertise various notices for monthly Board meetings, public hearings etc. in a newspaper of general circulation.

#### **Other Current Charges**

Estimated bank charges and any other miscellaneous expenses that incurred during the year.

#### **Office Supplies**

Miscellaneous office supplies.

#### **Dues, Licenses & Subscriptions**

The District is required to pay an annual fee to the Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

#### **Website Compliance**

Website information required under Florida Law to be posted for all Special Districts.

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#### **Grounds Maintenance:**

##### **Pond Maintenance (Water Quality)**

Estimated costs to maintain ponds in the District.

##### **Landscape Maintenance**

Estimated costs related to maintain the common areas of the District.

##### **Landscape Contingency**

Estimated costs for other landscape maintenance incurred by the district.

##### **Pump Maintenance**

Estimated costs related to maintain the irrigation pumps in the District.

# **Cypress Bluff**

## **Community Development District**

### **General Fund Budget**

#### **Reclaimed Water**

Estimated costs for irrigation by the district for reuse water billed by JEA .

#### **Irrigation Repairs**

Estimated miscellaneous irrigation maintenance and repair costs.

#### **Landscape Reserves**

For additional landscape services and possible storm cleanup.

#### **Other Repairs and Maintenance**

Estimated costs for other repairs and maintenance incurred by the district.

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#### **Amenity:**

##### **Insurance**

Estimated Property Insurance policy from Florida Insurance Alliance.

##### **Field Services Operations**

Estimated costs to provide field operations management to oversee all day-to-day operation of all the Districts assets, common grounds, and service providers

##### **Lifestyle Operations**

Estimated costs to provide general amenity management

##### **Pool Maintenance**

Estimated costs to maintain the Amenity swimming pools

##### **Pool Chemicals**

Cost related to pool chemicals for the maintenance of the Amenity Center Swimming Pools.

##### **Interim Facility Staffing**

Estimated costs to provide community facility staff for the amenity center to greet patrons, providing facility tours, issuance of access cards and policy enforcement.

##### **Janitorial Services**

Estimated costs for janitorial services for the District

##### **Refuse**

Estimated costs for garbage disposal services for the District.

##### **Security and Gate Maintenance**

Estimated maintenance costs of the security cameras and gate.

##### **Facility Maintenance**

Estimated costs to provide maintenance and repairs necessary for upkeep of the Amenity Center and common grounds area.

##### **Elevator Maintenance**

Estimated costs to provide maintenance and repairs necessary for upkeep of the Amenity Center elevator

# **Cypress Bluff**

## **Community Development District**

### **General Fund Budget**

#### **Electric**

Estimated costs for electric billed to the District by FPL.

#### **Water/Sewer/Irrigation**

Estimated costs for sewer, water, and irrigation billed to the District by JEA.

#### **Cable**

Estimated costs for cable and internet in the Amenity Center

#### **License and Permits**

Represents license fees for the amenity center and permit fees paid to the Florida Department of Health in St. Johns County for the swimming pools.

#### **Repair and Replacements**

Any costs related to miscellaneous repairs and maintenance that occur during the fiscal year.

#### **Special Events**

Represents estimated costs for the District to host special events for the community through the Fiscal Year.

#### **Holiday Decorations**

Represents estimated costs for the District to decorate the Amenity center for the holidays.

#### **Fitness Center R&M**

Estimated costs to provide maintenance and repairs necessary for upkeep of the Amenity Fitness Center

#### **Reserve for Amenities**

Establishment of general reserve to fund future replacement.

#### **Other Current Charges**

Represents miscellaneous costs incurred by the District.

**Cypress Bluff**  
**Community Development District**  
**Series 2019 Debt Service Fund**  
Revised Budget for Adoption

Description	Adopted Budget FY2020	Actuals as of 4/30/20	Projected Next 5 Months	Total Projected 9/30/20	Revised Budget FY2021
<b>Revenues</b>					
Special Assessments	\$ 731,680	\$ 575,103	\$ 156,577	\$ 731,680	\$ 731,680
Interest Income	\$ -	\$ 3,444	\$ 1,500	\$ 4,944	\$ 2,000
Carry Forward Surplus	\$ 274,991	\$ 277,334	\$ -	\$ 277,334	\$ 279,812
<b>Total Revenues</b>	<b>\$ 1,006,671</b>	<b>\$ 855,880</b>	<b>\$ 158,077</b>	<b>\$ 1,013,958</b>	<b>\$ 1,013,492</b>
<b>Expenditures</b>					
<i>Series 2019</i>					
Interest Expense 11/1	\$ 269,573	\$ 269,573	\$ -	\$ 269,573	\$ 265,917
Principal Expense 5/1	\$ 195,000	\$ -	\$ 195,000	\$ 195,000	\$ 200,000
Interest Expense 5/1	\$ 269,573	\$ -	\$ 269,573	\$ 269,573	\$ 265,917
<b>Total Expenditures</b>	<b>\$ 734,146</b>	<b>\$ 269,573</b>	<b>\$ 464,573</b>	<b>\$ 734,146</b>	<b>\$ 731,834</b>
<b>Excess Revenues/(Expenditures)</b>	<b>\$ 272,525</b>	<b>\$ 586,307</b>	<b>\$ (306,496)</b>	<b>\$ 279,812</b>	<b>\$ 281,658</b>

11/1/21 Interest Payment \$ 262,166.88

Development Type	Units	Gross Per Unit	Gross Assessments
SF- Active Adult Lots	346	\$405	\$140,130
SF- Residential	777	\$838	\$651,126
Less Disc. + Collections 7%			\$59,576
Net Annual Assessment			\$731,680

**Cypress Bluff**  
**Community Development District**  
**Special Assessment Revenue Bonds, Series 2019**

<b>Period Ending</b>	<b>Principal</b>	<b>Annual Principal</b>	<b>Interest Rate</b>	<b>Interest</b>	<b>Annual Debt</b>
11/1/20				\$ 265,916.88	\$ 730,490.01
5/1/21	\$ 11,040,000	\$ 200,000	3.75%	\$ 265,916.88	
11/1/21				\$ 262,166.88	\$ 728,083.76
5/1/22	\$ 10,840,000	\$ 210,000	3.75%	\$ 262,166.88	
11/1/22				\$ 258,229.38	\$ 730,396.26
5/1/23	\$ 10,630,000	\$ 215,000	3.75%	\$ 258,229.38	
11/1/23				\$ 254,198.13	\$ 727,427.51
5/1/24	\$ 10,415,000	\$ 225,000	3.75%	\$ 254,198.13	
11/1/24				\$ 249,979.38	\$ 729,177.51
5/1/25	\$ 10,190,000	\$ 235,000	4.125%	\$ 249,979.38	
11/1/25				\$ 245,132.50	\$ 730,111.88
5/1/26	\$ 9,955,000	\$ 245,000	4.125%	\$ 245,132.50	
11/1/26				\$ 240,079.38	\$ 730,211.88
5/1/27	\$ 9,710,000	\$ 255,000	4.125%	\$ 240,079.38	
11/1/27				\$ 234,820.00	\$ 729,899.38
5/1/28	\$ 9,455,000	\$ 265,000	4.125%	\$ 234,820.00	
11/1/28				\$ 229,354.38	\$ 729,174.38
5/1/29	\$ 9,190,000	\$ 275,000	4.125%	\$ 229,354.38	
11/1/29				\$ 223,682.50	\$ 728,036.88
5/1/30	\$ 8,915,000	\$ 290,000	4.125%	\$ 223,682.50	
11/1/30				\$ 216,577.50	\$ 730,260.00
5/1/31	\$ 8,625,000	\$ 305,000	4.90%	\$ 216,577.50	
11/1/31				\$ 209,105.00	\$ 730,682.50
5/1/32	\$ 8,320,000	\$ 320,000	4.90%	\$ 209,105.00	
11/1/32				\$ 201,265.00	\$ 730,370.00
5/1/33	\$ 8,000,000	\$ 335,000	4.90%	\$ 201,265.00	
11/1/33				\$ 193,057.50	\$ 729,322.50
5/1/34	\$ 7,665,000	\$ 350,000	4.90%	\$ 193,057.50	
11/1/34				\$ 184,482.50	\$ 727,540.00
5/1/35	\$ 7,315,000	\$ 370,000	4.90%	\$ 184,482.50	
11/1/35				\$ 175,417.50	\$ 729,900.00
5/1/36	\$ 6,945,000	\$ 390,000	4.90%	\$ 175,417.50	
11/1/36				\$ 165,862.50	\$ 731,280.00
5/1/37	\$ 6,555,000	\$ 410,000	4.90%	\$ 165,862.50	

**Cypress Bluff**  
**Community Development District**  
**Special Assessment Revenue Bonds, Series 2019**

<b>Period Ending</b>	<b>Principal</b>	<b>Annual Principal</b>	<b>Interest Rate</b>	<b>Interest</b>	<b>Annual Debt</b>
11/1/37				\$ 155,817.50	\$ 731,680.00
5/1/38	\$ 6,145,000	\$ 430,000	4.90%	\$ 155,817.50	
11/1/38				\$ 145,282.50	\$ 731,100.00
5/1/39	\$ 5,715,000	\$ 450,000	4.90%	\$ 145,282.50	
11/1/39				\$ 134,257.50	\$ 729,540.00
5/1/40	\$ 5,265,000	\$ 475,000	5.10%	\$ 134,257.50	
11/1/40				\$ 122,145.00	\$ 731,402.50
5/1/41	\$ 4,790,000	\$ 500,000	5.10%	\$ 122,145.00	
11/1/41				\$ 109,395.00	\$ 731,540.00
5/1/42	\$ 4,290,000	\$ 525,000	5.10%	\$ 109,395.00	
11/1/42				\$ 96,007.50	\$ 730,402.50
5/1/43	\$ 3,765,000	\$ 550,000	5.10%	\$ 96,007.50	
11/1/43				\$ 81,982.50	\$ 727,990.00
5/1/44	\$ 3,215,000	\$ 580,000	5.10%	\$ 81,982.50	
11/1/44				\$ 67,192.50	\$ 729,175.00
5/1/45	\$ 2,635,000	\$ 610,000	5.10%	\$ 67,192.50	
11/1/45				\$ 51,637.50	\$ 728,830.00
5/1/46	\$ 2,025,000	\$ 640,000	5.10%	\$ 51,637.50	
11/1/46				\$ 35,317.50	\$ 726,955.00
5/1/47	\$ 1,385,000	\$ 675,000	5.10%	\$ 35,317.50	
11/1/47				\$ 18,105.00	\$ 728,422.50
5/1/48	\$ 710,000	\$ 710,000	5.10%	\$ 18,105.00	
11/1/48				\$ -	\$ 728,105.00
<b>Total</b>		<b>\$ 11,565,000</b>		<b>\$ 10,320,768.37</b>	<b>\$ 21,157,663.37</b>

**Cypress Bluff**  
**Community Development District**  
**Series 2020 Debt Service Fund**  
Revised Budget for Adoption

Description	Proposed Budget FY2020	Actuals as of 4/30/20	Projected Next 5 Months	Total Projected 9/30/20	Revised Budget FY2021
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**Revenues**

Special Assessments	\$ 494,601	\$ -	\$ 494,601	\$ 494,601	\$ 494,601
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 600
Carry Forward Surplus	\$ -	\$ -	\$ -	\$ -	\$ 494,601
<b>Total Revenues</b>	<b>\$ 494,601</b>	<b>\$ -</b>	<b>\$ 494,601</b>	<b>\$ 494,601</b>	<b>\$ 989,802</b>

**Expenditures**

*Series 2020*

Interest Expense 11/1	\$ -	\$ -	\$ -	\$ -	\$ 204,601
Principal Expense 11/1	\$ -	\$ -	\$ -	\$ -	\$ 290,000
Interest Expense 5/1	\$ -	\$ -	\$ -	\$ -	\$ 182,244
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 676,845</b>

**Other Sources/(Uses)**

Bond Proceeds	\$ 247,300	\$ -	\$ 247,300	\$ 247,300	\$ -
<b>Total Other</b>	<b>\$ 247,300</b>	<b>\$ -</b>	<b>\$ 247,300</b>	<b>\$ 247,300</b>	<b>\$ -</b>
<b>Excess Revenues/(Expenditures)</b>	<b>\$ 741,901</b>	<b>\$ -</b>	<b>\$ 741,901</b>	<b>\$ 741,901</b>	<b>\$ 312,957</b>

11/1/21 Interest Payment \$ 182,243.75  
11/1/21 Principal Payment \$ 130,000.00

Development Type	Units	Gross Per Unit	Gross Assessments
SF- Active Adult Lots	172	\$405	\$69,724
SF- Residential	555	\$839	\$465,534
Less Disc. + Collections 7%			\$40,657
Net Annual Assessment			\$494,601



**Cypress Bluff**  
**Community Development District**  
**Special Assessment Revenue Bonds, Series 2020**

<b>Period Ending</b>	<b>Principal</b>	<b>Interest Rate</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>	<b>Bond Balance</b>
4/15/20	-		-	-	-	7,705,000
11/1/20	290,000	3.90%	204,601	494,601	494,601	7,415,000
5/1/21	-		182,244	182,244	-	7,415,000
11/1/21	130,000	3.90%	182,244	312,244	494,488	7,285,000
5/1/22	-		179,709	179,709	-	7,285,000
11/1/22	135,000	3.90%	179,709	314,709	494,418	7,150,000
5/1/23	-		177,076	177,076	-	7,150,000
11/1/23	140,000	3.90%	177,076	317,076	494,153	7,010,000
5/1/24	-		174,346	174,346	-	7,010,000
11/1/24	145,000	3.90%	174,346	319,346	493,693	6,865,000
5/1/25	-		171,519	171,519	-	6,865,000
11/1/25	150,000	3.90%	171,519	321,519	493,038	6,715,000
5/1/26	-		168,594	168,594	-	6,715,000
11/1/26	155,000	4.35%	168,594	323,594	492,188	6,560,000
5/1/27	-		165,223	165,223	-	6,560,000
11/1/27	160,000	4.35%	165,223	325,223	490,445	6,400,000
5/1/28	-		161,743	161,743	-	6,400,000
11/1/28	170,000	4.35%	161,743	331,743	493,485	6,230,000
5/1/29	-		158,045	158,045	-	6,230,000
11/1/29	175,000	4.35%	158,045	333,045	491,090	6,055,000
5/1/30	-		154,239	154,239	-	6,055,000
11/1/30	185,000	4.35%	154,239	339,239	493,478	5,870,000
5/1/31	-		150,215	150,215	-	5,870,000
11/1/31	190,000	5.00%	150,215	340,215	490,430	5,680,000
5/1/32	-		145,465	145,465	-	5,680,000
11/1/32	200,000	5.00%	145,465	345,465	490,930	5,480,000
5/1/33	-		140,465	140,465	-	5,480,000
11/1/33	210,000	5.00%	140,465	350,465	490,930	5,270,000
5/1/34	-		135,215	135,215	-	5,270,000
11/1/34	220,000	5.00%	135,215	355,215	490,430	5,050,000
5/1/35	-		129,715	129,715	-	5,050,000
11/1/35	235,000	5.00%	129,715	364,715	494,430	4,815,000
5/1/36	-		123,840	123,840	-	4,815,000
11/1/36	245,000	5.00%	123,840	368,840	492,680	4,570,000
5/1/37	-		117,715	117,715	-	4,570,000
11/1/37	255,000	5.00%	117,715	372,715	490,430	4,315,000
5/1/38	-		111,340	111,340	-	4,315,000
11/1/38	270,000	5.00%	111,340	381,340	492,680	4,045,000
5/1/39	-		104,590	104,590	-	4,045,000
11/1/39	285,000	5.00%	104,590	389,590	494,180	3,760,000
5/1/40	-		97,465	97,465	-	3,760,000
11/1/40	295,000	5.00%	97,465	392,465	489,930	3,465,000
5/1/41	-		90,090	90,090	-	3,465,000
11/1/41	310,000	5.20%	90,090	400,090	490,180	3,155,000

5/1/42	-		82,030	82,030	-	3,155,000
11/1/42	330,000	5.20%	82,030	412,030	494,060	2,825,000
5/1/43	-		73,450	73,450	-	2,825,000
11/1/43	345,000	5.20%	73,450	418,450	491,900	2,480,000
5/1/44	-		64,480	64,480	-	2,480,000
11/1/44	365,000	5.20%	64,480	429,480	493,960	2,115,000
5/1/45	-		54,990	54,990	-	2,115,000
11/1/45	380,000	5.20%	54,990	434,990	489,980	1,735,000
5/1/46	-		45,110	45,110	-	1,735,000
11/1/46	400,000	5.20%	45,110	445,110	490,220	1,335,000
5/1/47	-		34,710	34,710	-	1,335,000
11/1/47	420,000	5.20%	34,710	454,710	489,420	915,000
5/1/48	-		23,790	23,790	-	915,000
11/1/48	445,000	5.20%	23,790	468,790	492,580	470,000
5/1/49	-		12,220	12,220	-	470,000
11/1/49	470,000	5.20%	12,220	482,220	494,440	-
<b>Total</b>	<b>7,705,000</b>		<b>7,063,863</b>		<b>14,768,863</b>	

## *SIXTH ORDER OF BUSINESS*

*B.*

## **Cypress Bluff Community Development District**

**July 28, 2020**

1. Consideration of Requisition Nos. 11 - 14  
Series 2019 Acquisition and Construction Parcel E3A Bonds

**Bradley Weeber  
District Engineer  
England-Thims & Miller, Inc.**

**Cypress Bluff Community Development District  
Series 2019 Acquisition and Construction Parcel E3A Bonds**

**REQUISITION SUMMARY**

**Tuesday, July 28, 2020**

**Series 2019 Acquisition and Construction Parcel E3A Bonds - To Be Approved**

7/28/2020	11	Connelly & Wicker, Inc.	Professional services related to e-Town Amenity - Invoice 19010014-16	\$1,286.25
7/28/2020	12	Hopping Green & Sams	Professional services related to Project Construction - Invoice 112607	\$605.00
7/28/2020	13	Carlton Construction, Inc.	eTown Swim & Fitness (Recharge) Application No. 7	\$619,585.23
7/28/2020	14	Basham & Lucas Design Group, Inc.	Professional services related to Etown Amenity - Invoice 8158	\$3,499.75
<b>2019 Acquisition and Construction Parcel E3A Bonds To Be APPROVED July 28, 2020</b>				<b>\$624,976.23</b>

**FORM OF REQUISITION  
CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2019**

**Series 2019 Acquisition and Construction Parcel E3A**

The undersigned, a Responsible Officer of the Cypress Bluff Community Development District (the "Issuer") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), dated as of February 1, 2019, as supplemented by that certain First Supplemental Trust Indenture dated as of February 1, 2019 (collectively, the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number: **11**
- (B) Name of Payee: **Connelly & Wicker, Inc.  
10060 Skinner Lake Drive, Suite 500  
Jacksonville, FL 32246**
- (C) Amount Payable: **\$1,286.25**
- (D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable): **Professional Services related to E-Town Amenity Invoice 19010014-16**
- (E) Amount, if any, that is to be used for a Deferred Cost:
- (F) Fund or Account from which disbursement to be made:  
**Series 2019 Acquisition and Construction Parcel E3A Account**

The undersigned hereby certifies that:

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

The undersigned hereby further certifies that there has not been filed with or served upon the Issuer notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive

payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

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

Originals or copies of the invoice(s) from the vendor of the property acquired or the services rendered, or other appropriate documentation of costs paid, with respect to which disbursement is hereby requested are on file with the Issuer.

July 28, 2020

**CYPRESS BLUFF COMMUNITY  
DEVELOPMENT DISTRICT**

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

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

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

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





# Connelly & Wicker Inc.

Planning

Engineering

Landscape Architecture

June 26, 2020

Project No: 19-01-0014

Invoice No: 19010014-16

Cypress Bluff CDD  
Attn: David Ray  
david@nocatee.com  
MWhite@parcgroup.net  
245 Nocatee Center  
Ponte Vedra, FL 32081

Project 19-01-0014 E-Town Amenity

Professional services for this month include preparation of closeout documents and certification of pay application.

## Professional Services from May 30, 2020 to June 26, 2020

Phase			Total JTD	Previous	Current
C1 Prelim Site Plan & Analysis	8,000.00	100.00	8,000.00	8,000.00	0.00
C2 PUD Verification	4,000.00	100.00	4,000.00	4,000.00	0.00
C3 Engineering Design & Plan Prep	36,000.00	100.00	36,000.00	36,000.00	0.00
C4 Design Coordination	4,000.00	100.00	4,000.00	4,000.00	0.00
C5 Permitting	15,000.00	100.00	15,000.00	15,000.00	0.00
C6 Borrow Pit Design	12,000.00	58.3333	7,000.00	7,000.00	0.00
CA1 Final Cert & Const.Observ.-Hrly	17,000.00	53.6838	9,126.25	7,840.00	1,286.25
ZCONS G1 Geotech Exploration & Ph 1	6,670.00	100.00	6,670.00	6,670.00	0.00
ZCONS G2 Geotech Exploration & Analysis	9,315.00	100.00	9,315.00	9,315.00	0.00
ZCONS G3 Add.Geotech Exploration	5,060.00	100.00	5,060.00	5,060.00	0.00
ZCONS ENV1 Tortoise Survey & FWC Permitt	4,025.00	0.00	0.00	0.00	0.00
ZCONS ENV2 Gopher Tortoise Relocation	3,737.50	0.00	0.00	0.00	0.00
ZCONS ENV3 Exclusion Fence Coordination	460.00	0.00	0.00	0.00	0.00
ZCONS Subconsultant Expense	0.00	0.00	0.00	0.00	0.00
ZREIM Reimbursable Expense	4,500.00	47.3598	2,131.19	2,131.19	0.00
Total Fee	129,767.50		106,302.44	105,016.19	1,286.25
Total this Invoice					\$1,286.25

	Current	Prior	Total	Received	Due
Billed to Date	1,286.25	105,016.19	106,302.44	105,016.19	1,286.25

Authorized by:

Justin Williams, Project Manager

# Backup Report

Connelly & Wicker Inc.

As of 6/26/2020

Billing	Date	Employee/	Description	Units	Rate	Amount
Project Number: 19-01-0014 E-Town Amenity						
Phase Number: CA1 CA1 Final Certs & Const.Observ-Hrly						
Labor:						
	6/26/2020		Ray, Austin	3.75	135.00	506.25
	Prepared closeout docs for signature, reviewed asbuilts					
	6/3/2020		Williams, Justin	1.25	240.00	300.00
	pay app review					
	6/26/2020		Williams, Justin	2.00	240.00	480.00
	Closeout preparation					
				Total	7.00	1,286.25

**FORM OF REQUISITION  
CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2019**

**Series 2019 Acquisition and Construction Parcel E3A**

The undersigned, a Responsible Officer of the Cypress Bluff Community Development District (the "Issuer") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), dated as of February 1, 2019, as supplemented by that certain First Supplemental Trust Indenture dated as of February 1, 2019 (collectively, the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number: **12**
- (B) Wiring Instructions **Hopping Green & Sams  
119 S. Monroe Street Ste 300  
Tallahassee, FL 32314**
- (C) Amount Payable: **\$605.00**
- (D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable): **Professional Services related to Project Construction – Invoice 112607**
- (E) Amount, if any, that is to be used for a Deferred Cost:
- (F) Fund or Account from which disbursement to be made:  
**Series 2019 Acquisition and Construction Parcel E3A Account**

The undersigned hereby certifies that:

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

The undersigned hereby further certifies that there has not been filed with or served upon the Issuer notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive

payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

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

Originals or copies of the invoice(s) from the vendor of the property acquired or the services rendered, or other appropriate documentation of costs paid, with respect to which disbursement is hereby requested are on file with the Issuer.

July 28, 2020

**CYPRESS BLUFF COMMUNITY  
DEVELOPMENT DISTRICT**

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

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

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

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

# Hopping Green & Sams

Attorneys and Counselors

119 S. Monroe Street, Ste. 300  
P.O. Box 6526  
Tallahassee, FL 32314  
850.222.7500

===== STATEMENT =====

January 31, 2020

Cypress Bluff CDD  
Governmental Management Services  
475 West Town Place, Suite 114  
St. Augustine, FL 32092

Bill Number 112607  
Billed through 12/31/2019

## Project Construction

**CBCDD 00103 KSB**

### FOR PROFESSIONAL SERVICES RENDERED

12/16/19	KSB	Prepare construction contract; confer with White.	1.80 hrs
12/19/19	KSB	Confer with White regarding updates to construction contract.	0.20 hrs
12/20/19	KSB	Confer with White regarding construction contract.	0.20 hrs
Total fees for this matter			\$605.00

### MATTER SUMMARY

Buchanan, Katie S.	2.20 hrs	275 /hr	\$605.00
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TOTAL FEES	\$605.00
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<b>TOTAL CHARGES FOR THIS MATTER</b>	<b>\$605.00</b>
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### BILLING SUMMARY

Buchanan, Katie S.	2.20 hrs	275 /hr	\$605.00
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TOTAL FEES	\$605.00
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<b>TOTAL CHARGES FOR THIS BILL</b>	<b>\$605.00</b>
------------------------------------	-----------------

**Please include the bill number on your check.**

**FORM OF REQUISITION  
CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2019**

**Series 2019 Acquisition and Construction Parcel E3A**

The undersigned, a Responsible Officer of the Cypress Bluff Community Development District (the "Issuer") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), dated as of February 1, 2019, as supplemented by that certain First Supplemental Trust Indenture dated as of February 1, 2019 (collectively, the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number: **13**
- (B) Wiring Instructions **Carlton Construction, Inc.  
The Heritage Bank  
Account # 42341537  
Routing # 061207839**
- (C) Amount Payable: **\$619,585.23**
- (D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable): **eTown Swim & Fitness (Recharge) Contractor Application for Payment No. 7**
- (E) Amount, if any, that is to be used for a Deferred Cost:
- (F) Fund or Account from which disbursement to be made:  
**Series 2019 Acquisition and Construction Parcel E3A Account**

The undersigned hereby certifies that:

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

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

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

Originals or copies of the invoice(s) from the vendor of the property acquired or the services rendered, or other appropriate documentation of costs paid, with respect to which disbursement is hereby requested are on file with the Issuer.

July 28, 2020

**CYPRESS BLUFF COMMUNITY  
DEVELOPMENT DISTRICT**

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

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

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

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

# APPLICATION AND CERTIFICATION FOR PAYMENT

TO OWNER **Cypress Bluff CDD**  
475 West Town Place, Suite 114  
St. Augustine FL 32092

PROJECT: **eTown Swim & Fitness(Recharge)**  
10571 Cypress eTown Parkway  
Jacksonville FL 32256

APPLICATION NO: 7

Distribution to:

FROM CONTRACTOR: **Carlton Construction, Inc.**  
4615 U.S. Highway 17, Suite 3  
Fleming Island FL 32003

VIA ARCHITECT: **Basham & Lucas Design Group, Inc.**  
7645 Gate Parkway  
Suite 201  
Jacksonville FL 32256

PERIOD TO: 06/30/2020

PROJECT NOS: 19-02

CONTRACT DATE: 12/19/2019

<input checked="" type="checkbox"/>	OWNER
<input checked="" type="checkbox"/>	ARCHITECT
<input checked="" type="checkbox"/>	CONTRACTOR
<input type="checkbox"/>	CONSULTANT

CONTRACT FOR: eTown Swim & Fitness (Recharge)

## CONTRACTOR'S APPLICATION FOR PAYMENT

1. ORIGINAL CONTRACT SUM	4,959,822.28
2. Net change by Change Orders	50,810.10
3. CONTRACT SUM TO DATE (Line 1+2)	5,010,632.38
4. TOTAL COMPLETED & STORED TO DATE (Column G on detailed sheet)	2,520,179.29
5. RETAINAGE:	
a. 5.00 % of Completed Work (Column D + E on detailed sheet)	126,009.00
b. 5.00 % of Stored Material (Column F on detailed sheet)	0.00
Total Retainage (Lines 5a + 5b or Total in Column I of detailed sheet)	126,009.00
6. TOTAL EARNED LESS RETAINAGE (Line 4 less Line 5 Total)	2,394,170.29
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	1,774,585.06
8. CURRENT PAYMENT DUE	619,585.23
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	2,616,462.09

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total Changes approved in Previous month by Owner	50,810.10	0.00
Total approved this Month	0.00	0.00
NET CHANGES by Change Order	50,810.10	0.00
TOTAL	50,810.10	

## CONTRACTOR'S CERTIFICATION OF WORK

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: [Signature] Date: 7/5/2020

State of: Florida County of: Clay  
Subscribed and sworn to before me this 5 day of July, 2020

Notary Public: [Signature] Amanda Lou

My Commission Expires: 2/21/2022  
NOTARY PUBLIC  
STATE OF FLORIDA  
Comm# GG188634  
Expires 2/21/2022

## ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observation and the data comprising the above application, the Architect certifies to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED: \$ 619,585.23

(Attach explanation if amount certified differs from amount applied for). Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.

Engineer: [Signature] Date: 7/10/2020

This Certificate is non negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor on this Contract.



# PROGRESS BILLING

## Schedule of Work Completed

Description of Work	Scheduled	Changes	Contract	Previous	Current Comp.	Stored Mat.	Total Comp.	%	Balance	Retained
1000 - Preconstruction Services	9,000.00		9,000.00	9,000.00			9,000.00	100.00		450.00
1002 - Performance Bond	41,818.76	470.16	42,288.92	41,818.76	470.16		42,288.92	100.00		2,114.45
1005 - Project Management	185,000.00		185,000.00	92,500.00	18,500.00		111,000.00	60.00	74,000.00	5,550.00
1010 - Concrete Testing	4,200.00		4,200.00	1,322.00	1,575.50		2,897.50	68.99	1,302.50	144.88
1013 - Procore	3,800.00		3,800.00	3,800.00			3,800.00	100.00		190.00
1030 - Builders Risk Insurance	16,170.00		16,170.00	12,000.00			12,000.00	74.21	4,170.00	600.00
1031 - Liability Insurance	22,319.20	210.62	22,529.82	9,012.00			9,012.00	40.00	13,517.82	450.60
1044 - Mailing/Shipping	108.00		108.00	50.00			50.00	46.30	58.00	2.50
1045 - Blueprinting	640.00		640.00	640.00			640.00	100.00		32.00
1050 - Safety	500.00		500.00	422.60			422.60	84.52	77.40	21.13
1060 - Small Tools	250.00		250.00	250.00			250.00	100.00		12.50
1104 - Electric Connection Fees	1.00		1.00						1.00	
1250 - Temporary Barriers	600.00		600.00	41.40	353.10		394.50	65.75	205.50	19.73
1251 - Jobsite toilets	2,970.00		2,970.00	1,086.85	378.05		1,464.90	49.32	1,505.10	73.25
1300 - Submittals	200.00		200.00	82.00	101.99		183.99	92.00	16.01	9.20
1310 - Permits	7,300.00		7,300.00	4,209.22			4,209.22	57.66	3,090.78	210.46
1330 - Surveying & Layout	9,401.00	6,198.00	15,599.00	9,401.00	2,698.00		12,099.00	77.56	3,500.00	604.95
1505 - Temp Electric	1,000.00		1,000.00	735.71	12.43		748.14	74.81	251.86	37.41
1507 - Temp Water	1,001.00		1,001.00	350.36	193.03		543.39	54.28	457.61	27.17
1520 - Field Office & Sheds	5,850.00		5,850.00	5,184.51	555.93		5,740.44	98.13	109.56	287.02
1560 - Generator Rental	7,200.00		7,200.00	464.00			464.00	6.44	6,736.00	23.20
1565 - Generator Fuel	1,200.00		1,200.00	156.00			156.00	13.00	1,044.00	7.80
1580 - Project Sign	500.00		500.00	500.00			500.00	100.00		25.00
1583 - Ice/Water	400.00		400.00	99.95			99.95	24.99	300.05	5.00
1585 - Temp Locks	90.00		90.00						90.00	
1710 - Daily Cleaning	4,680.00		4,680.00	1,741.00			1,741.00	37.20	2,939.00	87.05
1720 - Dumpster	13,500.00		13,500.00	824.25	1,638.75		2,463.00	18.24	11,037.00	123.15
1725 - Field Office Supplies	360.00		360.00	360.00			360.00	100.00		18.00
1730 - Closeout documents	300.00		300.00						300.00	
1800 - Punch Out	1,000.00		1,000.00	225.98			225.98	22.60	774.02	11.30
1875 - Final Clean	2,760.00		2,760.00						2,760.00	
1885 - Photographs	100.00		100.00						100.00	
2010 - Misc. Sitework	10,000.00		10,000.00						10,000.00	

# PROGRESS BILLING

## Schedule of Work Completed

Description of Work	Scheduled	Changes	Contract	Previous	Current Comp.	Stored Mat.	Total Comp.	%	Balance	Retained
2210 - Earthwork	428,127.00	14,822.16	442,949.16	387,508.11	18,552.33		406,060.44	91.67	36,888.72	20,303.02
2510 - Asphalt Paving	194,989.00		194,989.00	120,499.86	8,819.05		129,318.91	66.32	65,670.09	6,465.95
2517 - Concrete Sidewalk	34,705.50		34,705.50						34,705.50	
2530 - Pool Deck Pavers	54,035.00		54,035.00						54,035.00	
2660 - Water Distribution	68,008.00	2,712.50	70,720.50	64,607.26	2,040.23		66,647.49	94.24	4,073.01	3,332.37
2720 - Drainage System	158,405.00	7,120.66	165,525.66	118,803.54	4,752.14		123,555.68	74.64	41,969.98	6,177.78
2725 - Pool Deck Trench Drains		4,240.00	4,240.00						4,240.00	
2730 - Sanitary Sewer	20,416.00		20,416.00	19,394.68	612.46		20,007.14	98.00	408.86	1,000.36
2829 - Dog Park Fencing	30,994.00		30,994.00						30,994.00	
2832 - Playground Fencing	34,577.00		34,577.00						34,577.00	
2833 - Aluminum Pool Fencing	42,650.00		42,650.00						42,650.00	
2836 - Dumpster Gates	4,266.00		4,266.00						4,266.00	
2838 - Pool Enclosure Gate	1,698.00		1,698.00						1,698.00	
2850 - Steel Bollards	950.00		950.00		950.00		950.00	100.00		47.50
2868 - Artificial Turf	23,420.00		23,420.00		11,710.00		11,710.00	50.00	11,710.00	585.50
2870 - Playground Equipment	93,254.00	1,470.57	94,724.57						94,724.57	
2880 - Site Furnishings	24,161.00		24,161.00		9,867.10		9,867.10	40.84	14,293.90	493.36
2900 - Landscaping	221,000.00	14,597.00	235,597.00						235,597.00	
2910 - Irrigation	68,000.00	10,000.00	78,000.00						78,000.00	
3000 - Concrete	154,908.50	5,767.00	160,675.50	144,490.50	10,475.00		154,965.50	96.45	5,710.00	7,748.28
3010 - Site Concrete	32,991.00		32,991.00						32,991.00	
3345 - Termite Treatment	681.00		681.00	666.50			666.50	97.87	14.50	33.33
3355 - Concrete Banding	22,732.00	-11,972.00	10,760.00						10,760.00	
3475 - Hollowcore Slabs	39,850.00		39,850.00	39,850.00			39,850.00	100.00		1,992.50
4210 - Brick Veneer	33,953.00	787.00	34,740.00						34,740.00	
4221 - CMU Wall	24,904.00		24,904.00	5,905.26	18,998.74		24,904.00	100.00		1,245.20
4222 - CMU - Honed Face	174,420.00	-27,762.00	146,658.00	53,478.00	28,299.60		81,777.60	55.76	64,880.40	4,088.88
4225 - Site CMU Wall	36,210.00	-5,250.00	30,960.00		2,699.26		2,699.26	8.72	28,260.74	134.96
4720 - Arch Cast Stone		15,997.50	15,997.50		4,041.25		4,041.25	25.26	11,956.25	202.06
4725 - Site Cast Stone	26,350.50	545.96	26,896.46	7,332.73			7,332.73	27.26	19,563.73	366.64
5100 - Structural Steel	98,500.00		98,500.00	88,500.00	10,000.00		98,500.00	100.00		4,925.00
5540 - Metal Stairs	56,000.00		56,000.00	56,000.00			56,000.00	100.00		2,800.00
5721 - Exterior Handrails	60,265.00		60,265.00	8,890.00			8,890.00	14.75	51,375.00	444.50

# PROGRESS BILLING

## Schedule of Work Completed

Description of Work	Scheduled	Changes	Contract	Previous	Current Comp.	Stored Mat.	Total Comp.	%	Balance	Retained
5800 - Countertop Supports	14,000.00		14,000.00						14,000.00	
5810 - Bar Foot Rail	2,280.00		2,280.00						2,280.00	
6020 - T&G - Exterior	4,505.00	6,357.12	10,862.12		3,679.87		3,679.87	33.88	7,182.25	183.99
6100 - Framing & Carp. Install	62,000.00	2,700.00	64,700.00		35,000.00		35,000.00	54.10	29,700.00	1,750.00
6101 - Lumber Package	10,821.00		10,821.00		8,715.53		8,715.53	80.54	2,105.47	435.78
6105 - Misc. Blocking	750.00		750.00						750.00	
6190 - Truss Package	3,894.00		3,894.00	3,228.18			3,228.18	82.90	665.82	161.41
6400 - Cabinetry	26,290.00	2,231.00	28,521.00						28,521.00	
6700 - Rough Hardware	750.00	270.72	1,020.72		1,020.72		1,020.72	100.00		51.04
7100 - Waterproofing	12,446.00		12,446.00						12,446.00	
7120 - Deck Traffic Coating	20,949.00		20,949.00						20,949.00	
7200 - Insulation	12,764.00		12,764.00						12,764.00	
7500 - Membrane Roofing	28,055.00		28,055.00		18,500.00		18,500.00	65.94	9,555.00	925.00
7610 - Metal Roofing	16,805.00		16,805.00		1,515.00		1,515.00	9.02	15,290.00	75.75
7620 - Flashing Allowance	1,508.00		1,508.00						1,508.00	
7720 - Gutters	3,289.00		3,289.00						3,289.00	
7915 - Coping Expansion Joints	2,074.00		2,074.00						2,074.00	
7920 - Sealants and Caulks	350.00		350.00						350.00	
8101 - Door Installation	3,370.00		3,370.00						3,370.00	
8220 - Fiberglass Doors	8,908.00		8,908.00	1,600.00			1,600.00	17.96	7,308.00	80.00
8410 - Storefront System	58,688.00		58,688.00						58,688.00	
8420 - Storefront - Interior	3,237.00		3,237.00						3,237.00	
8450 - 50/50 OH Door	39,900.00	7,112.00	47,012.00						47,012.00	
8710 - Door Hardware	7,509.00		7,509.00						7,509.00	
8950 - Turnstile	8,445.00		8,445.00						8,445.00	
9010 - Floor Protection	500.00		500.00						500.00	
9100 - Stucco	38,850.00		38,850.00						38,850.00	
9105 - Site Stucco	14,200.00		14,200.00						14,200.00	
9250 - Drywall & Accoustic	145,203.00		145,203.00		14,865.00		14,865.00	10.24	130,338.00	743.25
9320 - Sign Wall Tile	4,720.00	261.00	4,981.00						4,981.00	
9437 - Roof Deck Tile	25,845.00		25,845.00						25,845.00	
9541 - Flooring Package	18,223.00		18,223.00		9,500.00		9,500.00	52.13	8,723.00	475.00
9542 - Quartz Flooring	8,500.00		8,500.00						8,500.00	

# PROGRESS BILLING

## Schedule of Work Completed

Description of Work	Scheduled	Changes	Contract	Previous	Current Comp.	Stored Mat.	Total Comp.	%	Balance	Retained
9900 - Painting	32,649.00		32,649.00						32,649.00	
9910 - Site Painting	6,493.00		6,493.00						6,493.00	
10165 - Toilet Partitions	13,296.00		13,296.00						13,296.00	
10430 - Exterior Bldg. Signs	11,806.00	1,233.68	13,039.68						13,039.68	
10433 - Informational Signage		15,035.50	15,035.50						15,035.50	
10435 - Main Entry Sign	10,030.00	786.24	10,816.24						10,816.24	
10522 - Fire Extinguishers	1,050.00		1,050.00						1,050.00	
10800 - Bath Accessories	9,694.00		9,694.00						9,694.00	
12010 - Owner FF&E		86,758.47	86,758.47		72,921.04		72,921.04	84.05	13,837.43	3,646.05
13152 - Swimming Pool	504,000.00	-8,721.32	495,278.68	375,480.00	89,170.00		464,650.00	93.82	30,628.68	23,232.50
13300 - Prefab. Shade Structure	9,029.00	-9,179.00	19,850.00	9,925.00			9,925.00	50.00	9,925.00	496.25
13305 - Cantilever Shade Struct.	49,772.00	-23,052.00	26,720.00	13,360.00			13,360.00	50.00	13,360.00	668.00
13650 - Solar Electric Panels	134,222.00		134,222.00	22,375.00	25,356.82		47,731.82	35.56	86,490.18	2,386.59
13700 - Cistern Tanks	4,790.00		4,790.00						4,790.00	
14100 - Elevator	67,000.00		67,000.00	56,950.00			56,950.00	85.00	10,050.00	2,847.50
15100 - Plumbing	61,793.00	6,857.00	68,650.00	7,000.00			7,000.00	10.20	61,650.00	350.00
15110 - Site Plumbing	1,850.00		1,850.00						1,850.00	
15700 - HVAC	47,953.00		47,953.00	22,143.00			22,143.00	46.18	25,810.00	1,107.15
16000 - Electrical	342,000.00	800.00	342,800.00	54,450.00	84,000.00		138,450.00	40.39	204,350.00	6,922.50
16110 - JEA Primary Duct		22,150.00	22,150.00						22,150.00	
16720 - Security System	10,000.00		10,000.00						10,000.00	
17100 - Contractor Contingency	160,000.00	-104,069.44	55,930.56						55,930.56	
17950 - CM Fee	233,127.82	3,324.00	236,451.82	93,046.00	25,880.00		118,926.00	50.30	117,525.82	5,946.30
<b>Totals:</b>	<b>4,959,822.28</b>	<b>50,810.10</b>	<b>5,010,632.38</b>	<b>1,971,761.21</b>	<b>548,418.08</b>		<b>2,520,179.29</b>	<b>50.30</b>	<b>2,490,453.09</b>	<b>126,009.00</b>

**FORM OF REQUISITION  
CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2019**

**Series 2019 Acquisition and Construction Parcel E3A**

The undersigned, a Responsible Officer of the Cypress Bluff Community Development District (the "Issuer") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), dated as of February 1, 2019, as supplemented by that certain First Supplemental Trust Indenture dated as of February 1, 2019 (collectively, the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number: **14**
- (B) Name of Payee: **Basham & Lucas Design Group, Inc.  
7645 Gate Parkway, Suite 101  
Jacksonville, FL 32256**
- (C) Amount Payable: **\$3,499.75**
- (D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable): **Professional Services related to E-Town Amenity – Invoice 8158**
- (E) Amount, if any, that is to be used for a Deferred Cost:
- (F) Fund or Account from which disbursement to be made:  
**Series 2019 Acquisition and Construction Parcel E3A Account**

The undersigned hereby certifies that:

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

The undersigned hereby further certifies that there has not been filed with or served upon the Issuer notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive

payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

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

Originals or copies of the invoice(s) from the vendor of the property acquired or the services rendered, or other appropriate documentation of costs paid, with respect to which disbursement is hereby requested are on file with the Issuer.

**CYPRESS BLUFF COMMUNITY  
DEVELOPMENT DISTRICT**

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

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

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

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



# Invoice

DATE	INVOICE #
7/16/2020	8158

7645 Gate Parkway Suite 101  
Jacksonville, FL 32256  
(904) 731-2323

www.bashamlucas.com

## BILL TO

**Cypress Bluff CDD**  
**Mikey White**  
**4310 Pablo Oaks Court**  
**Jacksonville, FL 32224**

PROJECT	E Town Amenity 19-02			
CONTRACT SERVICES	CONTRACT	TO DATE	Total %	AMOUNT DUE
Part 1: Amenity Area Architectural Concept	14,200.00	14,200.00	100.00%	0.00
Part 2: Amenity Area Design Development	26,200.00	26,200.00	100.00%	0.00
Part 3: Architectural Construction Documents of the Clubhouse and Pool Equipment Building	49,500.00	47,025.00	95.00%	0.00
Part 4: Interior Design Construction Documents	9,800.00	9,800.00	100.00%	0.00
Part 5: Amenity Area Hardscape Construction Documents	17,400.00	17,400.00	100.00%	0.00
Part 6: Amenity Area Site Electrical Engineering	4,800.00	4,800.00	100.00%	0.00
Part 7: Landscape Architectural and Irrigation Design	14,600.00	14,600.00	100.00%	0.00
Part 8: Swimming Pool and Splash Park Engineering Documents (max 7,500 sf pool area)	19,800.00	19,800.00	100.00%	0.00
Part 9: Fine Grading Design of the Pool	4,800.00	4,800.00	100.00%	0.00
Part 10: Exterior Color/Material Selection for Amenity Improvements	6,200.00	620.00	10.00%	0.00
Part 11: Amenity Area Signage	3,600.00	3,600.00	100.00%	0.00
Part 12: Color Digital Renderings (Perspective View of the Amenity Area)	3,200.00	3,200.00	100.00%	0.00
Part 12 (b) Color rendering of the Amenity Site Plan	1,800.00	1,800.00	100.00%	0.00
Part 13: Contractor Pre qualification and Bid Process for CDD	2,200.00		0.00%	0.00
Part 14: Hourly at \$100 per hr (not to exceed \$2,500)	2,500.00		0.00%	0.00
Part 15: Shop Drawing Review for the Amenity Area	15,500.00	7,285.00	58.45%	1,774.75
Part 16: Hourly @ \$100/hr (NTE \$15,000)	15,000.00	6,900.00	57.50%	1,725.00
<i>We appreciate your business, thank you.</i>		<b>TOTAL</b>	<b>\$3,499.75</b>	

*C.*



**NOTICE OF BOARD OF SUPERVISORS MEETING DATES**  
**CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT**  
**FOR FISCAL YEAR 2020-2021**

The Board of Supervisors of the Cypress Bluff Community Development District will hold their regular meetings for Fiscal Year 2020-2021 at the Duval County Southeast Regional Library located at 10599 Deerwood Park Boulevard, Jacksonville, Florida 32256 at 1:30 p.m. on the fourth Tuesday of each month unless otherwise indicated as follows:

October 27, 2020  
November 17, 2020 (\*third Tuesday)  
December 15, 2020 (\*third Tuesday)  
January 26, 2021  
February 23, 2021  
March 23, 2021  
April 27, 2021  
May 25, 2021  
June 22, 2021  
July 27, 2021  
August 24, 2021  
September 28, 2021

## *SEVENTH ORDER OF BUSINESS*

*A.*

# Cypress Bluff

## Community Development District

Unaudited Financial Reporting  
June 30, 2020



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**Cypress Bluff**  
**Community Development District**  
**Combined Balance Sheet**  
June 30, 2020

**Governmental Fund Types**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<b><u>Assets:</u></b>			
Cash	\$705,483	---	---
Due from Developer	\$10,784	---	---
Investments:			
<b><i>Series 2019</i></b>			
Reserve	---	\$365,840	---
Principal	---	\$0	---
Revenue	---	\$136,381	---
Interest	---	\$0	---
Acquisition & Construction- Parcel E3A	---	---	\$225,217
Acquisition & Construction- Parcel E5	---	---	\$2,082,822
Acquisition & Construction- Parcel E7A	---	---	\$1,648,900
Acquisition & Construction- Sold Parcels	---	---	\$25,775
Acquisition & Construction	---	---	\$4,001
<b><i>Series 2020</i></b>			
Reserve	---	\$247,303	---
Revenue	---	\$5,425	---
Acquisition & Construction- Parcel E7C	---	---	\$3,164,665
Acquisition & Construction- Sold Parcels	---	---	\$8
Cost of Issuance	---	---	\$4,832
Due From General Fund	---	\$156,577	---
Due from Debt Service	\$14,543	---	---
Prepaid Expenses	\$31	---	---
<b>Total Assets</b>	<u><u>\$730,841</u></u>	<u><u>\$911,527</u></u>	<u><u>\$7,156,220</u></u>
<b><u>Liabilities:</u></b>			
Accounts Payable	\$3,013	---	---
Due to Debt Service	\$156,577	---	---
Due to General Fund	---	\$14,543	---
Due to Other	---	---	---
FICA Payable	---	---	---
<b><u>Fund Balances:</u></b>			
Nonspendable	---	---	---
Restricted for Debt Service	---	\$896,984	---
Unassigned	\$571,251	---	\$7,156,220
<b>Total Liabilities and Fund Equity</b>	<u><u>\$730,841</u></u>	<u><u>\$911,527</u></u>	<u><u>\$7,156,220</u></u>

**Cypress Bluff**  
**Community Development District**  
Statement of Revenues & Expenditures  
For The Period Ending June 30, 2020

Description	ADOPTED BUDGET	PRORATED BUDGET THRU 6/30/20	ACTUAL THRU 6/30/20	VARIANCE
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**Revenues:**

Operation & Maintenance Assessments	\$782,618	\$782,618	\$782,618	\$0
Bondholder Contributions	\$0	\$0	\$10,784	\$10,784

<b>Total Revenues</b>	<b>\$782,618</b>	<b>\$782,618</b>	<b>\$793,402</b>	<b>\$10,784</b>
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**Expenditures**

**Administrative**

Supervisor Fees	\$12,000	\$9,000	\$6,600	\$2,400
FICA Expense	\$918	\$689	\$367	\$321
Engineering	\$3,000	\$3,000	\$3,314	(\$314)
Arbitrage	\$800	\$600	\$600	\$0
Dissemination Agent	\$4,000	\$3,000	\$3,333	(\$333)
Attorney	\$30,000	\$22,500	\$24,692	(\$2,192)
Annual Audit	\$8,000	\$6,000	\$5,300	\$700
Assessment Roll	\$5,000	\$5,000	\$5,000	\$0
Trustee Fees	\$15,000	\$11,250	\$6,000	\$5,250
Management Fees	\$45,000	\$33,750	\$33,750	\$0
Information Technology	\$2,000	\$1,500	\$2,250	(\$750)
Telephone	\$5,000	\$3,750	\$89	\$3,661
Postage	\$500	\$375	\$949	(\$574)
Printing & Binding	\$6,000	\$4,500	\$1,622	\$2,878
Insurance	\$5,000	\$5,000	\$5,125	(\$125)
Legal Advertising	\$5,000	\$3,750	\$1,953	\$1,797
Other Current Charges	\$5,250	\$3,938	\$109	\$3,829
Office Supplies	\$600	\$450	\$126	\$324
Dues, Licenses & Subscriptions	\$325	\$175	\$175	\$0
Website design/compliance	\$1,000	\$750	\$1,750	(\$1,000)

<b>Total Administrative</b>	<b>\$154,393</b>	<b>\$118,976</b>	<b>\$103,105</b>	<b>\$15,871</b>
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**Grounds Maintenance**

Pond Maintenance (Water Quality)	\$15,000	\$11,250	\$0	\$11,250
Landscape Maintenance	\$315,000	\$236,250	\$142,513	\$93,737
Landscape Contingency	\$20,000	\$15,000	\$0	\$15,000
Pump Maintenance	\$3,550	\$2,663	\$0	\$2,663
Reclaimed Water	\$20,000	\$15,000	\$673	\$14,327
Irrigation Repairs	\$4,000	\$3,000	\$0	\$3,000
Landscape Reserves	\$10,000	\$7,500	\$0	\$7,500
Other Repairs and Maintenance	\$6,000	\$4,500	\$0	\$4,500

<b>Total Grounds Maintenance</b>	<b>\$393,550</b>	<b>\$295,163</b>	<b>\$143,186</b>	<b>\$151,977</b>
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**Cypress Bluff**  
**Community Development District**  
Statement of Revenues & Expenditures  
For The Period Ending June 30, 2020

Description	ADOPTED BUDGET	PRORATED BUDGET THRU 6/30/20	ACTUAL THRU 6/30/20	VARIANCE
<u>Amenity</u>				
Insurance	\$12,500	\$9,375	\$0	\$9,375
Field Service Operations	\$35,000	\$26,250	\$0	\$26,250
Lifestyle Operations	\$40,000	\$30,000	\$0	\$30,000
Pool Maintenance	\$20,000	\$15,000	\$0	\$15,000
Pool Chemicals	\$12,000	\$9,000	\$0	\$9,000
Interim Facility Staffing	\$30,000	\$22,500	\$0	\$22,500
Janitorial Services	\$28,000	\$21,000	\$0	\$21,000
Refuse	\$4,200	\$3,150	\$0	\$3,150
Security and Gate Maintenance	\$4,500	\$3,375	\$0	\$3,375
Facility Maintenance	\$8,000	\$6,000	\$0	\$6,000
Elevator Maintenance	\$6,000	\$4,500	\$0	\$4,500
Cable and Utilities	\$5,500	\$4,125	\$0	\$4,125
Licenses and Permits	\$1,475	\$1,106	\$0	\$1,106
Repairs & Maintenance	\$5,000	\$3,750	\$0	\$3,750
Special Events	\$3,000	\$2,250	\$0	\$2,250
Holiday Decorations	\$1,500	\$1,125	\$0	\$1,125
Fitness Center R&M	\$5,000	\$3,750	\$0	\$3,750
Reserve for Amenities	\$10,000	\$7,500	\$0	\$7,500
Other Current Charges	\$3,000	\$2,250	\$0	\$2,250
<b>Total Amenity</b>	<b>\$234,675</b>	<b>\$176,006</b>	<b>\$0</b>	<b>\$176,006</b>
<b>Total Expenditures</b>	<b>\$782,618</b>	<b>\$590,145</b>	<b>\$246,291</b>	<b>\$343,854</b>
<b>Excess Revenues/Expenses</b>	<b>\$0</b>		<b>\$547,111</b>	
<b>Fund Balance - Beginning</b>	<b>\$0</b>		<b>\$24,140</b>	
<b>Fund Balance - Ending</b>	<b>\$0</b>		<b>\$571,251</b>	



**Cypress Bluff**  
**Community Development District**  
**2019 Debt Service Fund**  
Statement of Revenues & Expenditures  
For The Period Ending June 30, 2020

Description	PRORATED		ACTUAL	VARIANCE
	ADOPTED BUDGET	BUDGET THRU 6/30/20		

**Revenues**

Special Assessments- Direct	\$731,680	\$731,680	\$731,680	\$0
Special Assessments- Tax Collector	\$0	\$0	\$0	\$0
Assessments- Prepayments	\$0	\$0	\$0	\$0
Interest Income	\$0	\$0	\$3,548	\$3,548

<b>Total Revenues</b>	<b>\$731,680</b>	<b>\$731,680</b>	<b>\$735,228</b>	<b>\$3,548</b>
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**Expenditures**

**Series 2019**

Interest-11/1	\$269,573	\$269,573	\$269,573	\$0
Principal-5/1	\$195,000	\$195,000	\$195,000	\$0
Interest-5/1	\$269,573	\$269,573	\$269,573	\$0

<b>Total Expenditures</b>	<b>\$734,146</b>	<b>\$734,146</b>	<b>\$734,146</b>	<b>\$0</b>
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<b>Excess Revenues (Expenditures)</b>	<b>(\$2,466)</b>		<b>\$1,082</b>	
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<b>Fund Balance - Beginning</b>	<b>\$274,991</b>		<b>\$643,174</b>	
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<b>Fund Balance - Ending</b>	<b>\$272,525</b>		<b>\$644,256</b>	
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**Cypress Bluff**  
**Community Development District**  
**2020 Debt Service Fund**  
Statement of Revenues & Expenditures  
For The Period Ending June 30, 2020

Description	PROPOSED BUDGET	PRORATED BUDGET THRU 6/30/20	ACTUAL THRU 6/30/20	VARIANCE
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**Revenues**

Special Assessments- Direct	\$494,601	\$5,425	\$5,425	\$0
Special Assessments- Tax Collector	\$0	\$0	\$0	\$0
Assessments- Prepayments	\$0	\$0	\$0	\$0
Interest Income	\$0	\$0	\$3	\$3

<b>Total Revenues</b>	<b>\$494,601</b>	<b>\$5,425</b>	<b>\$5,428</b>	<b>\$3</b>
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**Expenditures**

**Series 2020**

Interest-11/1	\$0	\$0	\$0	\$0
Principal-5/1	\$0	\$0	\$0	\$0
Interest-5/1	\$0	\$0	\$0	\$0

<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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**Other Sources/(Uses)**

Bond Proceeds	\$247,300	\$247,300	\$247,300	\$0
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<b>Total Other</b>	<b>\$247,300</b>	<b>\$247,300</b>	<b>\$247,300</b>	<b>\$0</b>
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<b>Excess Revenues (Expenditures)</b>	<b>\$741,901</b>	<b>\$252,728</b>		
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<b>Fund Balance - Beginning</b>	<b>\$0</b>	<b>\$0</b>		
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<b>Fund Balance - Ending</b>	<b>\$741,901</b>	<b>\$252,728</b>		
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**Cypress Bluff**  
**Community Development District**  
**Capital Projects Fund**  
Statement of Revenues & Expenditures  
For The Period Ending June 30, 2020

	Series 2019	Series 2020
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**Revenues:**

Interest	\$ 48,417	\$ 44
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<b>Total Revenues</b>	<b>\$ 48,417</b>	<b>\$ 44</b>
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**Expenditures**

Capital Outlay	\$ 4,508,667	\$ 3,972,139
Cost of Issuance	\$ -	\$ 274,600
Underwriters Discount	\$ -	\$ 41,500

<b>Total Expenditures</b>	<b>\$ 4,508,667</b>	<b>\$ 4,288,239</b>
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**Other Sources/(Uses)**

Bond Proceeds	\$ -	\$ 7,457,700
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<b>Total Other</b>	<b>\$0</b>	<b>\$7,457,700</b>
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<b>Excess Revenues (Expenditures)</b>	<b>\$ (4,460,251)</b>	<b>\$ 3,169,505</b>
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<b>Fund Balance - Beginning</b>	<b>\$ 8,446,966</b>	<b>\$ -</b>
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<b>Fund Balance - Ending</b>	<b>\$ 3,986,715</b>	<b>\$ 3,169,505</b>
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**Cypress Bluff**  
**Community Development District**  
**General Fund**  
Month By Month Income Statement

	October	November	December	January	February	March	April	May	June	July	August	September	Total
<b>Revenues:</b>													
Operations & Maintenance Assessments	\$0	\$66,249	\$304,060	\$146,780	\$0	\$85,999	\$0	\$179,530	\$0	\$0	\$0	\$0	\$782,618
Bondholder Contributions	\$10,547	\$237	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,784
<b>Total Revenues</b>	<b>\$10,547</b>	<b>\$66,487</b>	<b>\$304,060</b>	<b>\$146,780</b>	<b>\$0</b>	<b>\$85,999</b>	<b>\$0</b>	<b>\$179,530</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$793,402</b>
<b>Expenditures:</b>													
<b><u>Administrative</u></b>													
Supervisor Fees	\$0	\$1,000	\$0	\$600	\$1,000	\$0	\$2,000	\$1,000	\$1,000	\$0	\$0	\$0	\$6,600
FICA Expense	\$0	\$61	\$0	\$46	\$61	\$0	\$107	\$46	\$46	\$0	\$0	\$0	\$367
Engineering	\$138	\$316	\$291	\$0	\$194	\$1,398	\$704	\$275	\$0	\$0	\$0	\$0	\$3,314
Arbitrage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600	\$0	\$0	\$0	\$600
Dissemination Agent	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$500	\$500	\$0	\$0	\$0	\$3,333
Attorney	\$11,364	\$1,362	\$1,043	\$2,066	\$1,839	\$1,058	\$2,948	\$3,013	\$0	\$0	\$0	\$0	\$24,692
Annual Audit	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$4,300	\$0	\$0	\$0	\$0	\$5,300
Assessment Roll	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
Trustee Fees	\$0	\$0	\$0	\$0	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000
Management Fees	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$0	\$0	\$0	\$33,750
Information Technology	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$0	\$0	\$0	\$2,250
Telephone	\$0	\$34	\$0	\$13	\$0	\$32	\$10	\$0	\$0	\$0	\$0	\$0	\$89
Postage	\$18	\$127	\$0	\$109	\$9	\$174	\$144	\$122	\$247	\$0	\$0	\$0	\$949
Printing & Binding	\$115	\$2	\$273	\$46	\$199	\$394	\$53	\$309	\$231	\$0	\$0	\$0	\$1,622
Insurance	\$5,125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,125
Legal Advertising	\$300	\$90	\$826	\$90	\$90	\$86	\$130	\$171	\$171	\$0	\$0	\$0	\$1,953
Other Current Charges	\$100	\$102	\$100	\$51	\$130	(\$380)	\$0	\$7	\$0	\$0	\$0	\$0	\$109
Office Supplies	\$15	\$0	\$18	\$0	\$15	\$18	\$0	\$30	\$29	\$0	\$0	\$0	\$126
Dues, Licenses & Subscriptions	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175
Website design/compliance	\$1,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,750
<b>Total Administrative</b>	<b>\$28,433</b>	<b>\$7,427</b>	<b>\$6,884</b>	<b>\$7,352</b>	<b>\$13,870</b>	<b>\$7,113</b>	<b>\$11,429</b>	<b>\$13,772</b>	<b>\$6,824</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$103,105</b>
<b><u>Grounds Maintenance</u></b>													
Pond Maintenance (Water Quality)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Landscape Maintenance	\$11,587	\$14,812	\$14,812	\$14,812	\$14,812	\$17,147	\$17,147	\$17,147	\$20,237	\$0	\$0	\$0	\$142,513
Landscape Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pump Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reclaimed Water	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$673	\$0	\$0	\$0	\$673
Irrigation Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Landscape Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Repairs and Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Grounds Maintenance</b>	<b>\$11,587</b>	<b>\$14,812</b>	<b>\$14,812</b>	<b>\$14,812</b>	<b>\$14,812</b>	<b>\$17,147</b>	<b>\$17,147</b>	<b>\$17,147</b>	<b>\$20,910</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$143,186</b>

**Cypress Bluff**  
**Community Development District**  
**General Fund**  
Month By Month Income Statement

Amenity

	October	November	December	January	February	March	April	May	June	July	August	September	Total
Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Field Service Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lifestyle Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Chemicals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interim Facility Staffing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Janitorial Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Refuse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Security and Gate Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facility Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Elevator Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cable and Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Licenses and Permits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Repairs & Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Special Events	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Holiday Decorations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fitness Center R&M	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve for Amenities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Amenity</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Total Expenditures	\$40,020	\$22,239	\$21,696	\$22,164	\$28,682	\$24,260	\$28,576	\$30,919	\$27,734	\$0	\$0	\$0	\$246,291
Excess Revenues (Expenditures)	(\$29,473)	\$44,248	\$282,364	\$124,616	(\$28,682)	\$61,739	(\$28,576)	\$148,610	(\$27,734)	\$0	\$0	\$0	\$547,111

# Cypress Bluff

## Community Development District

### Long Term Debt Report

#### **Series 2019 Special Assessments Revenue Bonds**

Interest Rate:	3.75-5.1%
Maturity Date:	5/1/2048
Reserve Fund Definition:	50% Max Annual Debt
Reserve Fund Requirement:	\$365,840.00
Reserve Fund Balance:	\$365,840.00
Bonds outstanding - 9/30/2018	\$11,565,000
Mandatory Principal- 5/1/2019	(\$330,000)
Mandatory Principal- 5/1/2020	(\$195,000)
Current Bonds Outstanding	\$11,040,000

#### **Series 2020 Special Assessments Revenue Bonds**

Interest Rate:	3.9-5.2%
Maturity Date:	11/1/2049
Reserve Fund Definition:	50% Max Annual Debt
Reserve Fund Requirement:	\$247,300.43
Reserve Fund Balance:	\$247,300.43
Bonds outstanding - 4/15/2020	\$7,705,000
Current Bonds Outstanding	\$7,705,000

**CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT**  
**Fiscal Year 2020 Summary of Series 2019 & O&M Assessment Receipts**

ASSESSED TO	ASSESSED				RECEIVED			
	# UNITS ASSESSED	SERIES 2019 DEBT NET	O&M NET	TOTAL NET ASMTS	SERIES 2019 DEBT PAID	O&M PAID	TOTAL ASMTS PAID	BALANCE DUE
EASTLAND TIMBER LLC	548	-	273,997.72	273,997.72	-	273,997.72	273,997.72	-
DRP CND ICI LLC	222	172,001.71	110,999.08	283,000.79	172,001.71	110,999.08	283,000.79	-
TOLL SOUTHEAST LP COMPANY INC.	265	196,794.75	132,498.89	329,293.64	196,794.75	132,498.89	329,293.64	-
PULTE HOME CORPORATION	345	129,674.00	112,123.56	241,797.56	129,674.00	112,123.56	241,797.56	-
ES-HOLDINGS ICI	172	130,163.46	85,999.28	216,162.74	130,163.46	85,999.28	216,162.74	-
PROVIDENCE CONSTRUCTION COMPANY	134	103,046.07	66,999.44	170,045.51	103,046.07	66,999.44	170,045.51	-
<b>NET ASSESSMENTS DIRECT BILL</b>	<b>1,686</b>	<b>731,679.99</b>	<b>782,617.98</b>	<b>1,514,297.97</b>	<b>731,679.99</b>	<b>782,617.97</b>	<b>1,514,297.96</b>	<b>-</b>
<b>NET ASSESSMENTS TAX ROLL</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL DISTRICT</b>	<b>1,686</b>	<b>731,679.99</b>	<b>782,617.98</b>	<b>1,514,297.97</b>	<b>731,679.99</b>	<b>782,617.97</b>	<b>1,514,297.96</b>	<b>-</b>

<b>DIRECT BILL % COLLECTED</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
--------------------------------	-------------	-------------	-------------

(1) Bulk land owners are on a payment plan. Installments due 50% due 12/1, 25% due 2/1, and 25% due 5/1.

*B.*



# Cypress Bluff

## Community Development District

### Check Run Summary June 30, 2020

Fund	Date	Check No.	Amount
Payroll	6/24/20	50090-50094	\$ 954.10
		Subtotal	<u>\$ 954.10</u>
General Fund	6/4/20	132	\$ 2,947.75
	6/11/20	133-136	\$ 6,586.17
	6/18/20	137	\$ 170.75
	6/25/20	138-141	\$ 37,384.00
		Subtotal	<u>\$ 47,088.67</u>
Total			<u>\$ 48,042.77</u>

CHECK #	EMP #	EMPLOYEE NAME	CHECK AMOUNT	CHECK DATE
50090	3	CHRIS PRICE	184.70	6/24/2020
50091	5	JOHN L HOLMES III	200.00	6/24/2020
50092	2	JOHN S HEWINS JR	184.70	6/24/2020
50093	1	RICHARD T RAY	184.70	6/24/2020
50094	4	STEVE GROSSMAN	200.00	6/24/2020
TOTAL FOR REGISTER			954.10	

CYBL -CYPRESS BLUF' DLAUGHLIN

# Attendance Sheet

District Name: Cypress Bluff CDD

Board Meeting Date: June 23, 2020 Meeting

	Name	In Attendance	Fee
1	Richard Ray <i>Chairperson</i>	✓	YES-\$200
2	John Hewins <i>Assistant Secretary</i>	✓	YES - \$200
3	John Holmes <i>Vice Chairman</i>	✓	YES - \$200
4	Steve Grossman <i>Assistant Secretary</i>	✓	YES - \$200
5	Chris Price <i>Assistant Secretary</i>	✓	YES - \$200

The Supervisors present at the above-referenced meeting should be compensated accordingly.

Approved for Payment:

  
District Manager Signature

6/23/20  
Date

PLEASE RETURN COMPLETED FORM TO OKSANA

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
6/04/20	00007	5/29/20 114985	202004 310-51300-31500	APR GENERAL COUNSEL	*	2,947.75	
				HOPPING GREEN & SAMS			2,947.75 000132
6/11/20	00006	5/04/20 194128	202004 310-51300-31100	APR PROFESSIONAL SERVICES	*	703.50	
				ENGLAND, THIMS & MILLER, INC.			703.50 000133
6/11/20	00006	6/04/20 194578	202005 310-51300-31100	MAY PROFESSIONAL SERVICES	*	275.00	
				ENGLAND, THIMS & MILLER, INC.			275.00 000134
6/11/20	00005	6/01/20 32	202006 310-51300-34000	JUN MANAGEMENT FESS	*	3,750.00	
		6/01/20 32	202006 310-51300-35200	JUN WEDSITE ADMIN	*	83.33	
		6/01/20 32	202006 310-51300-35200	JUN INFORM TECHNOLOGY	*	166.67	
		6/01/20 32	202006 310-51300-31300	JUN DISSEMINATION SERVICE	*	500.00	
		6/01/20 32	202006 310-51300-51000	OFFICE SUPPLIES	*	29.46	
		6/01/20 32	202006 310-51300-42000	POSTAGE	*	246.91	
		6/01/20 32	202006 310-51300-42500	COPIES	*	231.30	
				GOVERNMENTAL MANAGEMENT SERVICES			5,007.67 000135
6/11/20	00010	6/02/20 19738	202006 310-51300-31400	ARBITR SE2019 FYE 1/31/20	*	600.00	
				GRAU AND ASSOCIATES			600.00 000136
6/18/20	00002	6/16/20 20-03463	202006 310-51300-48000	NOTICE OF MEETING 6/23/20	*	170.75	
				JACKSONVILLE DAILY RECORD			170.75 000137
6/25/20	00012	5/01/20 520011	202005 320-57200-46100	MAY LANDSCAPE MAINTENANCE	*	6,027.00	
				SUN STATE NURSERY&LANDSCAPING, INC.			6,027.00 000138
6/25/20	00012	5/01/20 520012	202005 320-57200-46100	MAY LANDSCAPE MAINTENANCE	*	11,120.00	
				SUN STATE NURSERY&LANDSCAPING, INC.			11,120.00 000139
6/25/20	00012	6/01/20 620012	202006 320-57200-46100	JUN LANDSCAPE MAINTENANCE	*	6,027.00	
				SUN STATE NURSERY&LANDSCAPING, INC.			6,027.00 000140

CYBL -CYPRESS BLUF' OKUZMUK

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
6/25/20	00012	6/01/20 620013	202006 320-57200-46100	JUN LANDSCAPE MAINTENANCE	*	14,210.00	
SUN STATE NURSERY&LANDSCAPING, INC.							14,210.00 000141
-----							
TOTAL FOR BANK A						47,088.67	
TOTAL FOR REGISTER						47,088.67	

# Hopping Green & Sams

Attorneys and Counselors

119 S. Monroe Street, Ste. 300  
P.O. Box 6526  
Tallahassee, FL 32314  
850.222.7500

RECEIVED

JUN 02 2020

(7) (A)

1,310.573.315

## STATEMENT

May 29, 2020

Cypress Bluff CDD  
Governmental Management Services  
475 West Town Place, Suite 114  
St. Augustine, FL 32092

Bill Number 114985  
Billed through 04/30/2020

### General Counsel

CBCDD 00001 KSB

### FOR PROFESSIONAL SERVICES RENDERED

04/03/20	KSB	Review public meeting requirement; review meeting notice.	0.70 hrs
04/03/20	KEM	Prepare special meeting notice; confer with newspaper.	0.50 hrs
04/06/20	KEM	Review affidavit of publication of notice debt assessment hearing.	0.20 hrs
04/08/20	KSB	Confer with chairman.	0.30 hrs
04/13/20	KSB	Prepare for and attend board meeting.	1.20 hrs
04/15/20	KSB	Review tentative agenda and confer with district manager.	0.20 hrs
04/18/20	KEM	Prepare resolution ratifying sale of bonds and amended and restated disclosure of public financing.	1.60 hrs
04/21/20	KSB	Prepare amended disclosure of public financing; prepare resolution ratifying sale of bonds; follow up on Sunstate agreement; review meeting minutes.	2.80 hrs
04/27/20	MGC	Review auditor letter.	0.20 hrs
04/27/20	KSB	Review audit letter; review revised slide agreement and provide comment to same; review tentative agenda; confer with district manager.	1.90 hrs
04/27/20	APA	Prepare attorney response to auditor letter fiscal year end 2019.	0.70 hrs
04/28/20	KSB	Prepare for and attend board meeting; confer with district manager.	1.20 hrs
04/29/20	KSB	Confer with Dyal regarding outstanding true up agreement.	0.30 hrs

Total fees for this matter \$2,804.00

### DISBURSEMENTS

Legal Advertisement 143.75

Total disbursements for this matter \$143.75

### MATTER SUMMARY

Papp, Annie M. - Paralegal	0.70 hrs	125 /hr	\$87.50
Ibarra, Katherine E. - Paralegal	2.30 hrs	125 /hr	\$287.50

Buchanan, Katie S.	8.60 hrs	275 /hr	\$2,365.00
Collazo, Mike	0.20 hrs	320 /hr	\$64.00

TOTAL FEES	\$2,804.00
TOTAL DISBURSEMENTS	\$143.75

<b>TOTAL CHARGES FOR THIS MATTER</b>	<b>\$2,947.75</b>
--------------------------------------	-------------------

**BILLING SUMMARY**

Papp, Annie M. - Paralegal	0.70 hrs	125 /hr	\$87.50
Ibarra, Katherine E. - Paralegal	2.30 hrs	125 /hr	\$287.50
Buchanan, Katie S.	8.60 hrs	275 /hr	\$2,365.00
Collazo, Mike	0.20 hrs	320 /hr	\$64.00

TOTAL FEES	\$2,804.00
TOTAL DISBURSEMENTS	\$143.75

<b>TOTAL CHARGES FOR THIS BILL</b>	<b>\$2,947.75</b>
------------------------------------	-------------------

**Please include the bill number with your payment.**



RECEIVED

Jim Perry  
Cypress Bluff Community Development District c/o  
Governmental Management Services  
475 West Town Place, Suite 114  
St. Augustine, FL 32092

JUN 10 2020

May 4, 2020  
Project No: 13102.26002  
Invoice No: 0194128

Project 13102.26002 Cypress Bluff CDD-District Engineer (WA#3)  
Services this month include:

1. Meeting attendance
2. Preparing requisitions
3. Review and Sign Documents
4. Administrative Support

-Brad W.

**Professional Services rendered through April 30, 2020**

**Professional Personnel**

		Hours	Rate	Amount
Senior Engineer				
Weeber, Bradley	4/11/2020	1.50	194.00	291.00
Weeber, Bradley	4/18/2020	1.00	194.00	194.00
Weeber, Bradley	4/25/2020	.50	194.00	97.00
Administrative Support				
Blair, Shelley	4/18/2020	1.00	81.00	81.00
Blair, Shelley	4/25/2020	.50	81.00	40.50
Totals		4.50		703.50
<b>Total Labor</b>				<b>703.50</b>
<b>Invoice Total this Period</b>				<b>\$703.50</b>

6 (A)  
1,810.573, 811

**England-Thimly & Miller, Inc.**

ENGINEERS • PLANNERS • SURVEYORS • GIS • LANDSCAPE ARCHITECTS  
14775 Old St. Augustine Road • Jacksonville, Florida 32258 • Tel 904-642-8900 • Fax 904-646-9485  
CA-00002684 LC-0000318





Jim Perry  
Cypress Bluff Community Development District c/o  
Governmental Management Services  
475 West Town Place, Suite 114  
St. Augustine, FL 32092

June 4, 2020  
Project No: 13102.26002  
Invoice No: 0194578

Project 13102.26002 Cypress Bluff CDD-District Engineer (WA#3)  
Services this month include:

1. Meeting attendance
2. Preparing requisitions
3. Review and Sign Documents
4. Administrative Support

-Brad W.

**Professional Services rendered through May 31, 2020**

**Professional Personnel**

		Hours	Rate	Amount
Senior Engineer				
Weeber, Bradley	5/2/2020	1.00	194.00	194.00
Administrative Support				
Blair, Shelley	5/23/2020	1.00	81.00	81.00
Totals		2.00		275.00
<b>Total Labor</b>				<b>275.00</b>

**Invoice Total this Period \$275.00**

**Outstanding Invoices**

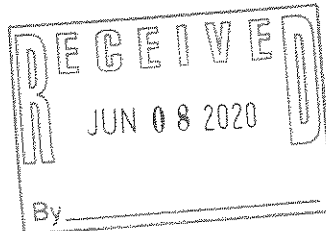
Number	Date	Balance
0194128	5/4/2020	703.50
<b>Total</b>		<b>703.50</b>

**Total Now Due \$978.50**

6 (A)  
1, 210.573.811

**England-Thims & Miller, Inc.**

ENGINEERS • PLANNERS • SURVEYORS • GIS • LANDSCAPE ARCHITECTS  
14775 Old St. Augustine Road • Jacksonville, Florida 32268 • tel 904-642-6990 • fax 904-646-9485  
CA-00002584 LC-0000316

**Governmental Management Services, LLC**1001 Bradford Way  
Kingston, TN 37763**Invoice****Bill To:**Cypress Bluff CDD  
475 West Town Place  
Suite 114  
St. Augustine, FL 32092

Invoice #: 32

Invoice Date: 6/1/20

Due Date: 6/1/20

Case:

P.O. Number:

Description	Hours/Qty	Rate	Amount
Management Fees - June 2020 1.810.513.340		3,750.00	3,750.00
Website Administration - June 2020 382		83.33	83.33
Information Technology - June 2020 352		166.67	166.67
Dissemination Agent Services - June 2020 813		500.00	500.00
Office Supplies 570		29.46	29.46
Postage 480		246.91	246.91
Copies 425		231.30	231.30

5 (A)

**Total** \$5,007.67**Payments/Credits** \$0.00**Balance Due** \$5,007.67

## Grau and Associates

951 W. Yamato Road, Suite 280  
Boca Raton, FL 33431-  
www.graucpa.com

Phone: 561-994-9299

Fax: 561-994-5823

Cypress Bluff Community Development District  
1001 Bradford Way  
Kingston, TN 37763

Invoice No. 19738  
Date 06/02/2020

### SERVICE

### AMOUNT

Arbitrage Series 2019 FYE 01/31/2020

\$ 600.00

Current Amount Due

\$ 600.00

10 (A)

1,310.513.314

RECEIVED  
JUN 04 2020

0 - 30	31 - 60	61 - 90	91 - 120	Over 120	Balance
4,900.00	0.00	0.00	0.00	0.00	4,900.00

Payment due upon receipt.

# Jacksonville Daily Record

*A Division of*  
**DAILY RECORD & OBSERVER, LLC**

P.O. Box 1769  
Jacksonville, FL 32201  
(904) 356-2466

## INVOICE

June 15, 2020

Date

Attn: Courtney Hogge  
GMS, LLC  
475 WEST TOWN PLACE, STE 114  
SAINT AUGUSTINE FL 32092

Payment Due Upon Receipt

Serial # 20-03463D PO/File # \_\_\_\_\_ \$170.75

Amount Due

Notice of Regular Meeting of the Board of Supervisors

Amount Paid

The Cypress Bluff Community Development District

\$170.75

Payment Due

Case Number \_\_\_\_\_

Publication Dates 6/15

County Duval

*Payment is due before the  
Proof of Publication is released.*

*For your convenience, you  
may remit payment at  
[jaxdailyrecord.com/send-payment](http://jaxdailyrecord.com/send-payment).*

2 @  
1,810, 513, 480

Your notice can be found at [www.jaxdailyrecord.com](http://www.jaxdailyrecord.com)

TERMS: Net 30 days. Past due amounts will be charged a finance charge of 1.5% per month.

**Preliminary Proof Of Legal Notice**  
*(This is not a proof of publication.)*

*Please read copy of this advertisement and advise us of any necessary corrections before further publications.*

**NOTICE OF REGULAR  
MEETING OF THE BOARD OF  
SUPERVISORS  
CYPRESS BLUFF  
COMMUNITY  
DEVELOPMENT DISTRICT**

Notice is hereby given that the Cypress Bluff Community Development District ("District") will hold a regular meeting of the Board of Supervisors ("Board") on Tuesday, June 23, 2020 at 1:30 p.m., where the Board may consider any business that may properly come before it. The Meeting is anticipated to be conducted remotely using video or teleconference pursuant to Executive Orders 20-52, 20-69 and 20-123 issued by Governor DeSantis, including any extensions or supplements thereof, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*. Should conditions allow the Meeting to occur in person, it will be held at the offices of Riverside Management Services, Inc., 9655 Florida Mining Boulevard West, Building 300, Suite 305, Jacksonville, Florida 32257.

While it may be necessary to hold the above referenced meeting of the District's Board of Supervisors utilizing *Zoom* media technology due to the current COVID-19 public health emergency, the District fully encourages public participation in a safe and efficient manner. Toward that end, anyone wishing to listen and participate in the meeting and obtain information about how the meeting will occur should refer to the District's website, [www.CypressBluffCDD.com](http://www.CypressBluffCDD.com) or contact the District Manager, c/o Governmental Management Services, LLC, at (904) 940-5850 or [jerry@gmsnf.com](mailto:jerry@gmsnf.com) to obtain access information. Additionally, participants are **strongly encouraged** to submit questions and comments to the District Manager at least 24 hours in advance of the meeting at (904) 940-5850 or [jerry@gmsnf.com](mailto:jerry@gmsnf.com) to facilitate the Board's consideration of such questions and

comments during the meeting. The Meeting is open to the public and will be conducted in accordance with the provisions of Florida law for community development districts. The Meeting may be continued to a date, time, and place to be specified on the record at such Meeting.

An electronic copy of the agenda may be obtained by contacting the office of the District Manager, c/o Governmental Management Services, LLC, 475 West Town Place, Suite 114, St. Augustine, Florida 32092, (904) 940-5850, [jerry@gmsnf.com](mailto:jerry@gmsnf.com) ("District Manager's Office") during normal business hours, and is also expected to be available on the District's website, [www.CypressBluffCDD.com](http://www.CypressBluffCDD.com) at least seven days prior to the meeting.

Any person requiring special accommodations at the meeting because of a disability or physical impairment should contact the District Manager's Office at least forty-eight (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 Manager's Office.

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the Meetings is advised that person will need a record of 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.

If you are unable to participate by telephone or by ZOOM, please contact the District Manager's office at (904) 940-5850 or [jerry@gmsnf.com](mailto:jerry@gmsnf.com) for further accommodations.

Jim Perry  
District Manager

Jun. 15 00(20-03463D)

# Sun State Nursery & Landscaping, Inc.

# INVOICE

9362 Philips Highway  
Jacksonville, FL 32256  
Phone (904) 260-0822 Fax (904) 260-0833

INVOICE # 520011  
DATE: May 1, 2020

Bill To:  
GMS PROPERTY MANAGEMENT, LLC  
475 West Town Place Suite 114  
St. Augustine, FL. 32092

For:  
E - Town Phase 1

RECEIVED

JUN 22 2020

DESCRIPTION	AMOUNT
Landscape Maintenance & Irrigation Services for the month of May.  12A 4,320.572.461	\$ 6,027.00
TOTAL	\$ 6,027.00

Make all checks payable to Sun State Nursery & Landscaping, Inc.  
If you have any questions concerning this invoice, contact Andrea Tinsley (904) 260-0822

THANK YOU FOR YOUR BUSINESS!

# Sun State Nursery & Landscaping, Inc.

# INVOICE

9362 Philips Highway  
Jacksonville, FL 32256  
Phone (904) 260-0822 Fax (904) 260-0833

INVOICE # 520012  
DATE: May 1, 2020

RECEIVED

Bill To:  
GMS PROPERTY MANAGEMENT, LLC  
475 West Town Place Suite 114  
St. Augustine, FL. 32092

For:  
E – Town Phase 2

JUN 22 2020

DESCRIPTION	AMOUNT
Landscape Maintenance & Irrigation Services for the month of May. Prorated: 100% Completed  12 (A) 1,320.572, 461	\$11,120.00
TOTAL	\$11,120.00

Make all checks payable to Sun State Nursery & Landscaping, Inc.  
If you have any questions concerning this invoice, contact Andrea Tinsley (904) 260-0822

THANK YOU FOR YOUR BUSINESS!

# Sun State Nursery & Landscaping, Inc.

# INVOICE

9362 Philips Highway  
Jacksonville, FL 32256  
Phone (904) 260-0822 Fax (904) 260-0833

INVOICE # 620012  
DATE: June 1, 2020

Bill To:  
GMS PROPERTY MANAGEMENT, LLC  
475 West Town Place Suite 114  
St. Augustine, FL. 32092

For:  
E - Town Phase 1

DESCRIPTION	AMOUNT
Landscape Maintenance & Irrigation Services for the month of June.  12 (A) 1,320, 572, 461  RECEIVED JUN 18 2020	\$ 6,027.00
TOTAL	\$ 6,027.00

Make all checks payable to Sun State Nursery & Landscaping, Inc.  
If you have any questions concerning this invoice, contact Andrea Tinsley (904) 260-0822

THANK YOU FOR YOUR BUSINESS!



# Sun State Nursery & Landscaping, Inc.

# INVOICE

9362 Phillips Highway  
Jacksonville, FL 32256  
Phone (904) 260-0822 Fax (904) 260-0833

INVOICE # 620013  
DATE: June 1, 2020

Bill To:  
GMS PROPERTY MANAGEMENT, LLC  
475 West Town Place Suite 114  
St. Augustine, FL. 32092

For:  
E – Town Phase 2

DESCRIPTION	AMOUNT
Landscape Maintenance & Irrigation Services for the month of June.	\$11,120.00
Bahia Roadside Services	\$3090.00
12 (A) 1,320.570.464	
RECEIVED JUN 18 2020	
TOTAL	\$14,210.00

Make all checks payable to Sun State Nursery & Landscaping, Inc.  
If you have any questions concerning this invoice, contact Andrea Tinsley (904) 260-0822

THANK YOU FOR YOUR BUSINESS!