

**THE HEIGHTS  
COMMUNITY DEVELOPMENT DISTRICT  
BOARD OF SUPERVISORS  
CONTINUED MEETING  
JULY 13, 2017**

**THE HEIGHTS  
COMMUNITY DEVELOPMENT DISTRICT AGENDA  
JULY 13, 2017 at 3:00 p.m.**

SoHo Capital, Inc.  
Located at 2330 W. Horatio Street, Tampa, FL 33609

<b>District Board of Supervisors</b>	Chairman Vice Chairman Supervisor Supervisor Supervisor	Adam Harden Chas Bruck Frank Scalfaro David Bruck I. Clay Thompson, III
<b>District Manager</b>	Meritus Meritus	Brian Lamb Brian Howell
<b>District Attorney</b>	Molloy & James	Daniel L. Molloy
<b>District Engineer</b>	Landmark Engineering & Surveying Corp.	Todd Amaden

***All cellular phones and pagers must be turned off while in the meeting room***

**The District Agenda is comprised of four different sections:**

The meeting will begin at **3:00p.m.** with the third section called **Business Items**. The business items section contains items for approval by the District Board of Supervisors that may require discussion, motion and votes on an item-by-item basis. If any member of the audience would like to speak on one of the business items, they will need to register with the District Administrator prior to the presentation of that agenda item. Agendas can be reviewed by contacting the Manager's office at (813) 397-5120 at least seven days in advance of the scheduled meeting. Requests to place items on the agenda must be submitted in writing with an explanation to the District Manager at least fourteen (14) days prior to the date of the meeting. The final section is called **Supervisor Requests and Audience Comments**. This is the section in which the Supervisors may request Staff to prepare certain items in an effort to meet residential needs. The Audience Comment portion of the agenda is where individuals may comment on matters that concern the District. Each individual is limited to **three (3) minutes** for such comment. The Board of Supervisors or Staff is not obligated to provide a response until sufficient time for research or action is warranted. **IF THE COMMENT CONCERNS A MAINTENANCE RELATED ITEM, THE ITEM WILL NEED TO BE ADDRESSED BY THE DISTRICT ADMINSTRATOR OUTSIDE THE CONTEXT OF THIS MEETING.**

Public workshops sessions may be advertised and held in an effort to provide informational services. These sessions allow staff or consultants to discuss a policy or business matter in a more informal manner and allow for lengthy presentations prior to scheduling the item for approval. Typically no motions or votes are made during these sessions.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring Continued accommodations to participate in this meeting is asked to advise the District Office at (813) 397-5120, at least 48 hours before the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service at 1 (800) 955-8770, who can aid you in contacting the District Office.

Any person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that this same person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which the appeal is to be based.

July 13, 2017

Board of Supervisors  
**The Heights Community Development District**

Dear Board Members:

The Continued Meeting of The Heights Community Development District will be held on **Thursday, July 13, 2017 at 3:00 p.m.** at the offices of SoHo Capital, Inc., located at 2330 W. Horatio Street, Tampa, FL 33609. Following is the Agenda for the Meeting:

**Call In Number: 1-866-906-9330**

**Access Code: 4863181**

**1. CALL TO ORDER/ROLL CALL**

**2. PUBLIC COMMENT ON AGENDA ITEMS**

**3. BUSINESS ITEMS**

- A. Consideration of Resolution 2017 – 08; Delegation Resolution..... Tab 01
- B. Consideration of District Engineer Report..... Tab 02
- C. General Matters of the District

**4. SUPERVISOR REQUESTS AND AUDIENCE COMMENTS**

**5. ADJOURNMENT**

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 (813) 397-5120.

Sincerely,

Brian Lamb  
District Manager

Tampa, Florida

July \_\_, 2017

The Board of Supervisors of The Heights Community Development District (the “District”) met in public session at \_\_\_\_\_ Tampa, Florida, at \_\_:00 A/P.M. on July \_\_, 2017. Upon call of the roll the following were found to be present and to constitute a quorum:

Absent:

It was announced by \_\_\_\_\_, that the purposes of the meeting included the adoption of a resolution:

(a) authorizing the issuance and sale by the District of its The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the “Series 2017 Bonds”), in an aggregate principal amount not to exceed \$\_\_\_\_\_, and providing for the determination of certain details of the Series 2017 Bonds, which Series 2017 Bonds are being issued to provide funds for the purpose of (i) the payment of a portion of the costs of the Series 2017 Project (as hereinafter defined), (ii) the payment of certain capitalized interest on the Series 2017 Bonds (iii) the funding of the Series 2017 Debt Service Reserve Account, and (iv) the payment of the costs of issuance of the Series 2017 Bonds;

(b) authorizing the execution and delivery of a Master Trust Indenture and a First Supplemental Trust Indenture,

(c) authorizing the negotiated sale of the Series 2017 Bonds,

(d) authorizing the execution and delivery of a Bond Purchase Contract with respect to the Series 2017 Bonds and the sale of the Series 2017 Bonds to the underwriter named therein within certain parameters,

(e) approving the form and authorizing the distribution and use of a Preliminary Limited Offering Memorandum in connection with the offering for sale by the District of the Series 2017 Bonds,

(f) approving the form and authorizing the distribution and use of a Preliminary Limited Offering Memorandum in connection with the offering for sale by the District of the Series 2017 Bonds,

(g) authorizing the execution and delivery of a Continuing Disclosure Agreement,

- (h) approving a Master Assessment Methodology Report,
- (i) approving a Committed Tax Increment Revenue Report,
- (j) providing for the application of proceeds of the Series 2017 Bonds, and
- (k) making other provisions in connection with the issuance and delivery of the Series 2017 Bonds.

The Series 2017 Project consists of the acquisition and construction of certain master infrastructure improvements pursuant to the Act for the special benefit of the District Lands (as further described in Exhibit A to the hereinafter described First Supplemental Trust Indenture).

Thereupon the following resolution was introduced in written form by \_\_\_\_ and pursuant to motion made by \_\_\_\_\_, and seconded by \_\_\_\_\_, was adopted by the following vote:

AYE:

NAY: None

The resolution was thereupon declared adopted, signed by the Chairman and attested by the Secretary. The resolution reads in full as follows:

## **RESOLUTION 2017-08**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF ITS THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT AND REVENUE BONDS, SERIES 2017 (COMMITTED TAX INCREMENT AND SPECIAL ASSESSMENTS) (THE “SERIES 2017 BONDS”) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$\_\_\_\_\_;**  
**DETERMINING CERTAIN DETAILS OF THE SERIES 2017 BONDS;**  
**AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER TRUST INDENTURE AND A FIRST SUPPLEMENTAL TRUST INDENTURE;**  
**AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2017 BONDS;**  
**AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT WITH RESPECT TO THE SERIES 2017 BONDS AND AWARDED THE SERIES 2017 BONDS TO THE UNDERWRITER NAMED THEREIN WITHIN CERTAIN PARAMETERS;**  
**APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2017 BONDS AND ITS USE BY THE UNDERWRITER IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2017 BONDS, AND APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2017 BONDS;**  
**AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT;**  
**APPROVING A MASTER ASSESSMENT METHODOLOGY REPORT;**  
**APPROVING A COMMITTED TAX INCREMENT REVENUE REPORT;**  
**PROVIDING FOR THE APPLICATION OF SERIES 2017 BOND PROCEEDS;**  
**AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2017 BONDS;**  
**MAKING CERTAIN DECLARATIONS;**  
**PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.**

**WHEREAS,** The Heights 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. 2006-16 duly enacted by the City Council of the City of Tampa, Florida (the “City”), effective on July 13, 2006;

**WHEREAS,** the District was created for the purpose of delivering certain community development services and facilities within its jurisdiction, and the District has decided to undertake the acquisition and construction of certain master infrastructure improvements (the “Series 2017 Project”), all as further described in Exhibit A to the hereinafter described First Supplemental Indenture, pursuant to the Act for the special benefit of the District Lands;

**WHEREAS**, the District duly adopted Resolution No. 2006-19 on July 26, 2006 (the “Initial Resolution”), authorizing, among other things, the issuance in one or more series of not to exceed \$70,000,000 aggregate principal amount of its Special Assessment Bonds in order to finance the costs of the Series 2017 Project; and

**WHEREAS**, this Resolution shall constitute the “Subsequent Resolution” as provided for in Section 9 of the Initial Resolution; and

**WHEREAS**, the District has determined to issue its The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the “Series 2017 Bonds”), for the purpose, among other things, of providing funds for the payment of the costs of the Series 2017 Project; and

**WHEREAS**, the District duly adopted Resolution No. 2017-06 on June 13, 2017, declaring the levy and collection of special assessments (the “Special Assessments”) pursuant to the Act and Chapter 170, Florida Statutes, indicating the location, nature and estimated cost of the improvements which cost is to be defrayed by the Special Assessments, providing the manner in which the Special Assessments will be made, designating the lands upon which the Special Assessments will be levied, authorizing the preparation of a preliminary assessment roll and fixing the time and place of a public hearing; and

**WHEREAS**, the District duly adopted Resolution No. 2017-07 on June 13, 2017, setting a public hearing to be held on July 20, 2017, for the purpose of hearing public comment on imposing the Special Assessments; and

**WHEREAS**, the District duly adopted Resolution No. 2017- \_\_\_, authorizing the undertaking of the Series 2017 Project, equalizing, approving, confirming and levying the Special Assessments on the property within the District benefited by the Series 2017 Project; and

**WHEREAS**, the District, the City and the Community Redevelopment Authority of the City of Tampa (the “CRA”), have entered into an Interlocal Agreement dated as of May 1, 2015, pursuant to which the CRA will contribute certain tax increment revenues as more specifically described therein (the “Committed Tax Increment Revenues”) to the District; and

**WHEREAS**, pursuant the Indenture the Committed Tax Increment Revenues received by the District will be pledged as additional security for the Series 2017 Bonds; and

**WHEREAS**, the Series 2017 Bonds were validated and confirmed by a final judgment of the Thirteenth Judicial Circuit Court in and for Hillsborough County, Florida, rendered on November 30, 2006; and

**WHEREAS**, the District desires to approve a Master Assessment Methodology Report, dated June 13, 2017 (the “Master Assessment Methodology Report”), prepared by the District’s Assessment Consultant setting forth the District’s methodology for allocating debt to property within the District;

**WHEREAS**, the District desires to approve a Committed Tax Increment Revenue Report, dated \_\_\_\_, 2017 (the “TIF Report”), providing projections of the Committed Tax Increment Revenues to be received by the District;

**WHEREAS**, there has been submitted to this meeting with respect to the issuance and sale of the Series 2017 Bonds and submitted to the Board:

- (i) a form of Master Trust Indenture between U.S. Bank National Association, as Trustee (the “Trustee”) and the District attached hereto as Exhibit A (the “Master Indenture”);
- (ii) a form of First Supplemental Trust Indenture between the Trustee and the District attached hereto as Exhibit B (the “First Supplemental Indenture” and together with the Master Indenture, the “Indenture”);
- (iii) a form of Bond Purchase Contract with respect to the Series 2017 Bonds between FMSbonds, Inc. (the “Underwriter”) and the District attached hereto as Exhibit C (the “Bond Purchase Contract”), together with the form of a disclosure statement attached to the Bond Purchase Contract in accordance with Section 218.385, Florida Statutes; and
- (iv) the Preliminary Limited Offering Memorandum relating to the Series 2017 Bonds attached hereto as Exhibit D (the “Series 2017 Preliminary Limited Offering Memorandum”);
- (v) a form of Rule 15c2-12 Certificate of the District relating to the Series 2017 Preliminary Limited Offering Memorandum, attached hereto as Exhibit E (the “Series 2017 Rule 15c2-12 Certificate”);
- (vi) a form of the Continuing Disclosure Agreement to be entered into between the District and Digital Assurance Certification, L.L.C. (“DAC”), attached hereto as Exhibit F;
- (vii) the Master Assessment Methodology Report, attached hereto as Exhibit G; and
- (viii) the TIF Report, attached hereto as Exhibit H.

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

**Section 1. Authorization of Issuance of Series 2017 Bonds.** There are hereby authorized and directed to be issued the Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the “Series 2017 Bonds”), for the purposes, among others, of providing funds for the payment of the costs of the Series 2017 Project. The Series 2017 Bonds shall be issued under and secured by the Indenture referred to below, the forms of which by reference are hereby incorporated into this resolution as if set forth in full herein.



**Section 2. Details of the Series 2017 Bonds.** The District hereby determines that the Series 2017 Bonds shall mature in the amounts and at the times, shall bear interest at the rates, be redeemable at the redemption prices all as determined by the Chairman of the Board of Supervisors of the District (the “Chairman”) or any member of the Board of Supervisors designated by the Chairman (a “Designated Member”), prior to sale of said Series 2017 Bonds, all within the parameters set forth in Section 5 hereof.

**Section 3. Trust Indenture.** The District hereby ratifies, approves and confirms the approval of the Master Indenture and authorizes the execution by the Chairman or any member of the Board of Supervisors designated by the Chairman in writing (a “Designated Member”) and the Secretary or any Assistant Secretary of the Board of Supervisors (the “Secretary”) and the delivery of the Master Indenture in substantially the form thereof attached hereto as Exhibit A, with such changes therein as shall be approved by the Chairman or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer’s approval and the District’s approval of any changes therein from the form of Master Indenture attached hereto.

The District hereby approves and authorizes the execution by the Chairman or any Designated Member and the Secretary and the delivery of the First Supplemental Indenture in substantially the form thereof attached hereto as Exhibit B, with such changes therein as shall be approved by the Chairman or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer’s approval and the District’s approval of any changes therein from the form of First Supplemental Indenture attached hereto.

**Section 4. Negotiated Sale.** The Series 2017 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 2017 Bonds to the Underwriter will best effectuate the purposes of the Act, is in the best interests of the District and is necessitated by, in general, the characteristics of the issues and prevailing market conditions and specifically, the following additional reasons:

(i) because of the complexity of the financing structure of the Series 2017 Bonds, including the pledge of Special Assessments as security for the Series 2017 Bonds and the pledge of Committed Tax Increment Revenues as additional security for the Series 2017 Bonds, it is desirable to sell the Series 2017 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 2017 Bonds, it is in the best interests of the District to sell the Series 2017 Bonds by a negotiated sale;

(iii) the Underwriter has participated in structuring the issuance of the Series 2017 Bonds and can assist the District in attempting to obtain the most attractive financing for the District;

(iv) the Series 2017 Bonds do not bear a credit rating and will be offered initially only to accredited investors within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder; and

(v) the District will not be adversely affected if the Series 2017 Bonds are not sold pursuant to a competitive sale.

**Section 5. Bond Purchase Contract.** The District hereby approves the form of the Bond Purchase Contract submitted by the Underwriter and attached as Exhibit C hereto, and the sale of the Series 2017 Bonds by the District upon the terms and conditions set forth in the Bond Purchase Contract is hereby approved. The Chairman or a Designated Member are each hereby authorized, acting individually, to execute the Bond Purchase Contract and to deliver the Bond Purchase Contract to the Underwriter. The Bond Purchase Contract shall be in substantially the form of the Bond Purchase Contract attached hereto as Exhibit C with such changes, amendments, modifications, omissions and additions as may be approved by the Chairman or the Designated Member; provided, however,

(1) The aggregate principal amount of the Series 2017 Bonds shall not exceed \$\_\_\_\_\_;

(2) The arbitrage yield on the Series 2017 Bonds shall not exceed \_\_\_\_% per annum;

(3) The Series 2017 Bonds shall be subject to optional redemption after not later than May 1, \_\_\_\_, at a redemption price initially not to exceed 101%, declining to par after not later than approximately one (1) year thereafter;

(4) The Series 2017 Bonds shall finally mature not later than May 1, \_\_\_\_;

(5) The price at which the Series 2017 Bonds shall be sold to the Underwriter shall not be less than \_\_\_\_% of the aggregate face amount of the Series 2017 Bonds, exclusive of original issue discount; and

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

**Section 6. Preliminary Limited Offering Memorandum; Final Limited Offering Memorandum.** The District hereby approves the forms of the Series 2017 Preliminary Limited Offering Memorandum submitted to this meeting and attached hereto as Exhibit, and authorizes their distribution and use in connection with the limited offering for sale of the Series 2017 Bonds. The preparation of a final Limited Offering Memorandum relating to the Series 2017 Bonds (the "Series 2017 Limited Offering Memorandum") is hereby approved and the Chairman 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 2017 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 2017 Bonds. The Series 2017 Limited Offering Memorandum shall be substantially in the form of the Series 2017 Preliminary Limited Offering Memorandum attached as Exhibit D hereto, with such changes as shall be approved by the Chairman or Designated Member as necessary to conform the details of the Series 2017 Bonds and such other insertions, modifications and changes as may be approved by the Chairman or Designated Member. The execution and delivery of the Limited Offering Memorandum by the Chairman or Designated Member shall constitute evidence of the approval thereof. The District hereby authorizes the use of the Limited Offering Memorandum and the information contained therein in connection with

the offering and sale of the Series 2017 Bonds. The Chairman is further authorized to deem the Preliminary Limited Offering Memorandum “final” within the meaning of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, in the form as mailed, and in furtherance thereof to execute the Rule 15c2-12 Certificates evidencing the same substantially in the form attached hereto as Exhibit E.

**Section 7. Continuing Disclosure.** The District hereby authorizes and approves the execution and delivery of the Continuing Disclosure Agreement by the Chairman or a Designated Member substantially in the form presented to this meeting and attached hereto as Exhibit F, with such changes therein as shall be approved by the Chairman or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer’s approval and the District’s approval of any changes therein from the form of Continuing Disclosure Agreement attached hereto. The Continuing Disclosure Agreement is being executed by the District in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

[The District also hereby authorizes and approves the execution and delivery of one or more additional continuing disclosure agreements to be entered into between the District, DAC, and each of the following parties: Riverside Heights Development, LLC, the City and the CRA. Any such continuing disclosure agreements shall be in substantially the form of the Continuing Disclosure Agreement attached hereto as Exhibit F, with such changes therein as shall be approved by the Chairman or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer’s approval and the District’s approval of any changes therein from the form of Continuing Disclosure Agreement attached hereto].

**Section 8. Master Assessment Methodology Report; TIF Report.** The District hereby approves the Supplemental Report presented to this meeting and attached hereto as Exhibit G. The District also hereby approves the TIF Report presented to this meeting and attached hereto as Exhibit H.

**Section 9. Application of Bond Proceeds.** The proceeds of the Series 2017 Bonds shall be applied to (i) pay a portion of the costs of the Series 2017 Project, (ii) pay certain capitalized interest on the Series 2017 Bonds (iii) fund the Series 2017 Debt Service Reserve Account, and (iv) pay the costs of issuance of the Series 2017 Bonds.

**Section 10. Further Official Action; Ratification of Prior and Subsequent Acts.** The Chairman, 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 2017 Bonds, any documents required in connection with implementation of a book-entry system of registration, any funding agreements with the Developer, and investment agreements relating to the investment of the proceeds of the Series 2017 Bonds and any agreements in connection with maintaining the exclusion of interest on the Series 2017 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 Chairman 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 Chairman or any Designated Member may, among other things, change the date of any document accompanying this Resolution as an exhibit. Execution by the Chairman or a Designated Member of such document shall be deemed to be conclusive evidence of approval of such change of date. All of the acts and doings of such members of the Board, the officers of the District, and the agents and employees of the District, which are in conformity with the intent and purposes of this resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

**Section 11. Severability.** If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

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

**Section 13. Ratification of Initial Resolution.** Except to the extent hereby modified, the Initial Resolution of the District is hereby ratified, confirmed and approved in all respects.

**Section 14. Effective Date.** This resolution shall take effect immediately upon its adoption.

**PASSED** in Public Session of the Board of Supervisors of The Heights Community Development District, this \_\_\_\_ day of July, 2017.

Attest:

**THE HEIGHTS COMMUNITY  
DEVELOPMENT DISTRICT**

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Secretary,  
Board of Supervisors

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Chairman, Board of Supervisors

STATE OF FLORIDA )  
 ) SS:  
COUNTY OF HILLSBOROUGH )

We, the undersigned, do hereby certify that we are duly qualified and acting members of the Board of Supervisors of The Heights Community Development District (the “District”).

We further certify according to the official records of the District in our possession that the above and foregoing constitutes a true and correct excerpt from the minutes of the meeting of the Board of Supervisors of the District held on \_\_\_\_\_, 2017, including a resolution adopted at said meeting, and the forms of the documents which were authorized and approved at said meeting, insofar as said minutes pertain to the matters above set out. Notice of said meeting of the Board of Supervisors of the District was duly published as required by law, said notice having been published in \_\_\_\_\_ on \_\_\_\_\_, 2017.

We further certify that the ayes and nays taken on the passage of said resolution have been or will immediately be entered on the minutes of the Board of Supervisors of the District and that provision has been made for the preservation and indexing of said resolution, which is open for inspection by the public at all reasonable times at the offices of the District, located in Tampa, Florida.

We further certify, individually and collectively, recognizing that the purchasers and subsequent owners of the Series 2017 Bonds referred to in the foregoing resolution will have accepted such Bonds in reliance upon, *inter alia*, this certificate, that no two or more of us, meeting together in any meeting which was not open to the public or of which the public did not have notice, reached any prior conclusion as to whether the action taken by said resolution or any part thereof should or should not be taken by the District or should be recommended as an action to be taken or not to be taken by the District.

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal  
of the District as of the \_\_\_\_ day of \_\_\_\_\_, 2017.

(District Seal)

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Chairman

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Vice Chairman

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Member

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Member

---

Member

SUBSCRIBED AND SWORN to before me, a Notary Public in the State and County  
aforesaid, this \_\_\_ day of July, 2017.

NOTARY PUBLIC, STATE OF FLORIDA

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(Name of Notary Public, Print, Stamp or Type as Commissioned)

- ☐ 1 Personally known to me, or  
☐ 2 Produced identification:

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(Type of Identification Produced)

- ☐ 3 DID take an oath, or  
☐ 4 DID NOT take an oath.

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**MASTER TRUST INDENTURE**

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**between**

**THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT**

**and**

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

**Dated as of July 1, 2017**

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**relating to**

**THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS  
SPECIAL ASSESSMENT AND REVENUE BONDS**

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**THIS MASTER TRUST INDENTURE**, dated as of July 1, 2017 (the “Master Indenture”), by and between **THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT** (the “Issuer”), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association (together with any bank or trust company becoming successor trustee under the Master Indenture being hereinafter referred to as the “Trustee”);

**WITNESSETH:**

**WHEREAS**, the Issuer is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the “Act”), and Ordinance No. 2006-161 of the City Council of the City of Tampa, Florida (the “City”) on July 13, 2006 and effective on July 13, 2006, for the purpose, among other things, of delivering certain community development services and facilities within and without the boundaries of the premises governed by the Issuer; and

**WHEREAS**, the premises governed by the Issuer (as further described in Exhibit A hereto, the “District Lands”) consist of approximately \_\_\_\_ acres of land located entirely within City of Tampa, which is located within Hillsborough County, Florida; and

**WHEREAS**, the Issuer has determined to undertake the financing, funding, planning, acquisition, construction, reconstruction, equipping and installation of infrastructure improvements permitted by the Act, all is more specifically described in the Supplemental Indenture relating to a Series of Bonds; and

**WHEREAS**, the Issuer proposes to finance the cost of one or more phases of the foregoing improvements by the issuance of Bonds (hereinafter defined) from time to time pursuant to this Master Trust Indenture, as supplemented from time to time by one or more Supplemental Indentures (hereinafter defined).

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

Credit Facility Issuer for any drawing on its Credit Facility issued with respect to any such Bonds, as required under the terms of the corresponding Credit Facility Agreement, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

## **ARTICLE I**

### **DEFINITIONS**

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

“Account” shall mean any account established pursuant to the Indenture.

“Acquisition Agreements” shall mean one or more improvement acquisition agreements among the Issuer and the Developer, pursuant to which the Developer agrees to provide, design, construct and sell to the Issuer, and the Issuer agrees to purchase from the Developer, all or a portion of a Project, any of which may provide for the payment by the Issuer to the Developer of Deferred Obligations.

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

“Annual Budget” shall mean the Issuer’s budget of current operating and maintenance expenses for the Project for a Fiscal Year, adopted pursuant to the provisions of Section 9.20 of this Master Indenture, as the same may be amended from time to time.

“Authenticating Agent”, shall mean the agent so described in Section 2.03 hereof.

“Authorized Denomination” shall mean, with respect to a series of Bonds, initially a denomination of \$100,000 and integral multiples of \$5,000 in excess thereof and thereafter a denomination of \$5,000 and integral multiples thereof.

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

“Board” shall mean the board of supervisors of the Issuer.

“Bonds” shall mean The Heights Community Development District Special Assessment Bonds and The Heights Community Development District Special Assessment and Revenue Bonds, issued in one or more Series and delivered pursuant to the provisions of this Master Indenture and Bonds subsequently issued to refund all or a portion of the Bonds or issued for the completion of a Project.

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

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

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

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

“Business Day” shall mean any day other than a Saturday or Sunday or legal holiday or a day on which the principal office of the Issuer, the Trustee, the Registrar or any Paying Agent is closed.

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

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

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

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

“Committed Tax Increment Revenues” shall mean that portion of the Tax Increment Revenues which the CRA is required to deposit with the Trustee for application under the Indenture in accordance with Section 3.2 of the Interlocal Agreement, which are deposited into the Revenue Fund pursuant to Section 6.03 hereof.

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

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

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

“Consulting Engineer” shall mean the Independent engineer or engineering firm or corporation at the time employed by the Issuer under the provisions of Section 9.21 of this



Master Indenture to perform and carry out duties imposed on the Consulting Engineer by the Indenture. The Independent engineer or engineering firm or corporation at the time serving as the engineer to the District may serve as Consulting Engineer under the Indenture.

“Continuing Disclosure Agreement” shall mean a Continuing Disclosure Agreement, by and between the Issuer, the Developer and Digital Assurance Certification, L.L.C., as dissemination agent in connection with the issuance of a Series of Bonds hereunder, pursuant to the requirements of the Rule.

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

- (a) expenses of determining the feasibility or practicability of acquisition, construction, or reconstruction;
- (b) cost of surveys, estimates, plans, and specifications;
- (c) cost of improvements;
- (d) engineering, architectural, fiscal, legal, accounting and other professional and advisory expenses and charges;
- (e) cost of all labor, materials, machinery, and equipment (including, without limitation, (i) amounts payable to contractors, builders and materialmen and costs incident to the award of contracts and (ii) the cost of labor, facilities and services furnished by the Issuer and its employees, materials and supplies purchased by the Issuer and permits and licenses obtained by the Issuer);
- (f) cost of all lands, properties, rights, easements, and franchises acquired;
- (g) financing charges;
- (h) creation of initial reserve and debt service funds;
- (i) working capital;
- (j) interest charges incurred or estimated to be incurred on money borrowed prior to and during construction and acquisition and for such reasonable period of time after completion of construction or acquisition as the Board may determine;
- (k) the cost of issuance of Bonds, including, without limitation, advertisements and printing;
- (l) the cost of any election held pursuant to the Act and all other expenses of issuance of bonds;

- (m) the discount, if any, on the sale or exchange of Bonds;
- (n) amounts required to repay temporary or bond anticipation loans made to finance any costs permitted under the Act;
- (o) costs of prior improvements performed by the Issuer in anticipation of the Project;
- (p) costs incurred to enforce remedies against contractors, subcontractors, any provider of labor, material, services, or any other Person, for a default or breach under the corresponding contract, or in connection with any other dispute;
- (q) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;
- (r) payments, contributions, dedications, and any other exactions required as a condition to receive any government approval or permit necessary to accomplish any District purpose;
- (s) administrative expenses;
- (t) taxes, assessments and similar governmental charges during construction or reconstruction of the Project;
- (u) expenses of Project construction, management and supervision;
- (v) costs of effecting compliance with any and all governmental permits relating to the Project;
- (w) such other expenses as may be necessary or incidental to the acquisition, construction, or reconstruction of the Project or to the financing thereof; and
- (x) any other “cost” or expense as provided by the Act.

To the extent that any “Cost” of a Project is to be paid with proceeds of a Series of Bonds the payment of which is secured by Pledged Revenues which include Committed Tax Increment Revenues, such “Cost” must constitute a “Qualified Cost of a Public Project” as defined in Section 3.3.1 and Section 3.3.2 of the Interlocal Agreement, as certified by the Issuer in the Requisition related thereto.

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

may be made by way of reimbursement to the Issuer or any other Person who has paid the same in addition to direct payment of Costs.

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

“County” shall mean Hillsborough County, Florida.

“CRA” shall mean the Community Redevelopment Agency of the City of Tampa.

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

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

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

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

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

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

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

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

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

“Debt Service Reserve Insurance Policy” shall mean the insurance policy, surety bond or other evidence of insurance, if any, deposited to the credit of the Debt Service Reserve Fund or any account thereof in lieu of or in partial substitution for cash or securities on deposit therein, which policy, bond or the evidence of insurance constitutes an unconditional senior obligation of the issuer thereof. The issuer thereof shall be a municipal bond insurer whose obligations ranking *pari passu* with its obligations under such policy, bond or other evidence of insurance

are rated at the time of deposit of such policy, bond or other evidence of insurance to the credit of the Debt Service Reserve Fund or any account thereof in the highest rating category of both Moody's and S&P, unless otherwise approved by the Credit Facility Issuer who has issued a municipal bond insurance policy with respect to the Bonds.

"Debt Service Reserve Letter of Credit" shall mean the irrevocable, transferable letter or line of credit, if any, deposited for the credit of the Debt Service Reserve Fund or any account thereof in lieu of or in partial substitution for cash or securities on deposit therein, which letter or line of credit constitutes an unconditional senior obligation of the issuer thereof. The issuer of such letter or line of credit shall be a banking association, bank or trust company or branch thereof whose senior debt obligations ranking *pari passu* with its obligations under such letter or line of credit are rated at the time of deposit of the letter or line of credit to the credit of the Debt Service Reserve Fund or any account thereof in the highest rating category of both Moody's and S&P, unless otherwise approved by the Credit Facility Issuer who has issued a municipal bond insurance policy with respect to the Bonds.

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

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

"Deferred Obligations" shall mean the obligations of the Issuer evidenced in a Developer Funding Agreement or an Acquisition Agreement, as applicable, to pay the Developer, without interest, with respect to the Developer Funding Agreement, the amount advanced by the Developer and deposited in to a Series Account of the Acquisition and Construction Fund, and with respect to the Acquisition Agreement, the amount by which the cost of a Project or portions thereof to be conveyed by the Developer to the Issuer pursuant to such Acquisition Agreement exceeds the amount actually paid by the Issuer for such Project or portions thereof from proceeds of the applicable Series of Bonds, which obligations shall be subordinate to the related Series of Bonds issued and outstanding under the related Supplemental Indenture and payable, if ever, solely as provided herein and therein. The Trustee may conclusively rely on specific written instructions contained and certifications set forth in a requisition from the Issuer delivered to it with respect to the existence of any Deferred Obligations to be paid and the amount to be paid. In all other respects, the Trustee, absent specific written notice from the Issuer or the District Manager, is authorized to assume that no Deferred Obligations exist. Notwithstanding the above, if an Event of Default has occurred, no amounts available under this Master Indenture and the applicable Supplemental Indenture shall be used to pay Deferred Obligations unless and until the Event of Default has been remedied.

"Developer" shall mean, Riverside Heights Development, LLC, and any entity or entities which succeed to all or any part of the interests and assume any or all of the responsibilities of said entities.

“Developer Funding Agreement” shall mean, if applicable, one or more developer funding agreements between the Issuer and the Developer, pursuant to which the Developer will agree to advance moneys, from time to time, to the Issuer for deposit into the Series Account of the Acquisition and Construction Fund, so that there are sufficient moneys on deposit therein (taking into account proceeds from such Series of Bonds) to complete the related Project. Any obligation on the part of the Issuer to repay such advances made by the Developer shall be subordinate to the payment of the related Series of Bonds and will constitute Deferred Obligations.

“District Lands” or “District” shall mean the premises governed by the Issuer, consisting of approximately \_\_\_\_ acres of land located entirely within the City, as more fully described in Exhibit A hereto.

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

“Event of Default” shall mean any of the events described in Section 10.01 hereof.

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

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

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

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

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

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

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

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

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

“Interlocal Agreement” shall mean that certain Interlocal Agreement dated May 1, 2015, by and among the City, the CRA, and the Issuer, entered into pursuant to Section 163.01, Florida Statutes.

“Investment Securities” shall mean and include any of the following securities, if and to the extent the same are at the time legal investments for funds of the Issuer:

(a) Government Obligations;

(b) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or such other government-sponsored agencies which may presently exist or be hereafter created; provided that, such bonds, debentures, notes or other evidences of indebtedness are fully guaranteed as to both principal and interest by the United States of America: Export-Import Bank; Farm Credit System Financial Assistance Corporation; Rural Economic Community Development Administration (formerly the Farmers Home Administration); General Services Administration; U.S. Maritime Administration; Small Business Administration; Government National Mortgage Association; U.S. Department of Housing & Urban Development; Federal Housing Administration; Federal Financing Bank; Resolution Funding Corporation (REFCORP) interest strips only; Agency for International Development; or the Overseas Private Investment Corporation.

(c) Direct and general obligations of any state of the United States, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, if at the time of their purchase such obligations are rated in either of the two highest rating categories by either S&P or Moody’s;

(d) Negotiable or non-negotiable certificates of deposit, time deposits or other similar banking arrangements issued by any bank or trust company, including the Trustee, or any federal savings and loan association, the deposits of which are insured by the Federal Deposit Insurance Corporation (including the FDIC’s Savings Association Insurance Fund), which securities, to the extent that the principal thereof exceeds the maximum amount insurable by the Federal Deposit Insurance Corporation and, therefore, are not so insured, shall be fully secured to the extent permitted by law as to principal and interest by the securities listed in subsections (a), (b) or (c) above; provided, however, that with respect to securities used to secure securities hereunder, in addition to direct and general obligations of any state of the United States, Investment Securities shall include

direct and general obligations of any political subdivision or instrumentality of any such state, to the payment of the principal of and interest on which the full faith and credit of such subdivision or instrumentality is pledged if such obligations are initially rated “A” or higher by either S&P or Moody’s;

(e) Bank or broker repurchase agreements fully secured by securities specified in (a) or (b) above, which may include repurchase agreements with the commercial banking department of the Trustee, provided that such securities are deposited with the Trustee, with a Federal Reserve Bank or with a bank or trust company (other than the seller of such securities) having a combined capital and surplus of not less than \$100,000,000;

(f) A promissory note of a bank holding company rated “AA” or better by either S&P or Moody’s;

(g) Investment agreements with a bank, insurance company or other financial institution, or the subsidiary of a bank, insurance company or other financial institution if the parent guarantees the investment agreement, which bank, insurance company, financial institution or parent (i) has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in the highest short-term rating category by Moody’s or S&P (if the term of such agreement does not exceed 365 days), or (ii) has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in one of the three highest rating categories by Moody’s or S&P (provided that the term of such agreement is not less than 366 days nor more than twenty-four (24) months) or (iii) has an unsecured, uninsured and unguaranteed obligation (or claims paying ability) rated in one of the two highest rating categories by Moody’s or S&P (if the term of such agreement is more than twenty-four (24) months) or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation of the aforesaid ratings, provided:

(A) interest is paid at least semiannually at a fixed rate (subject to adjustments for yield restrictions required by the Code) during the entire term of the agreement, consistent with the Interest Payment Dates;

(B) moneys invested thereunder may be withdrawn without penalty, premium, or charge upon not more than two days’ notice unless otherwise specified in a Supplemental Indenture;

(C) the same guaranteed interest rate will be paid on any future deposits made to restore the account to its required amount; and

(D) the Trustee receives an opinion of counsel that such agreement is an enforceable obligation of such insurance company, bank, financial institution or parent;

(h) Any short term government fund whose assets consist of (a), (b) and (c) above;

(i) Commercial paper which at the time of purchase is rated in the highest rating category by either S&P or Moody's;

(j) (A) certificates evidencing a direct ownership interest in non-callable Government Obligations or in future interest or principal payments thereon held in a custody account by a custodian satisfactory to the Trustee, and (B) obligations of any state of the United States of America or any political subdivision, public instrumentality or public authority of any such state which are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and which are fully secured by and payable solely from non-callable Government Obligations held pursuant to an escrow agreement satisfactory to the Trustee, provided that such obligations shall be rated in the highest rating category of either Moody's or S&P;

(k) shares of an open-end, diversified investment company which is registered under the Investment Company Act of 1940, as amended, and which invests its assets in any of the securities described in clauses (a), (b) or (c) hereof;

(l) shares of any open-end, SEC-registered money market mutual funds which fund invests its assets in any of the securities described in clauses (a), (b) or (c) hereof; and

(m) any other lawful investment as provided in a Supplemental Indenture, for any particular series of Bonds.

"Issuer" shall mean The Heights Community Development District.

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

"Master Indenture" shall mean, this Master Trust Indenture dated as of July 1, 2017, by and between the Issuer and the Trustee, as supplemented from time to time in accordance with the provisions of Article XIII hereof.

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

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

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



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

(b) Bonds for the payment, redemption or purchase of which moneys and/or Defeasance Securities, the principal of and interest on which, when due, will provide sufficient moneys to fully pay such Bonds in accordance with Article XIV hereof, shall have been or shall concurrently be deposited with the Trustee; provided that, if such Bonds are being redeemed, the required notice of redemption shall have been given or provision shall have been made therefor, and that if such Bonds are being purchased, there shall be a firm commitment for the purchase and sale thereof; and

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

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

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

“Paying Agent” shall mean initially, U.S. Bank National Association, and thereafter any successor thereto appointed in accordance with Section 11.20 of this Master Indenture.

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

“Pledged Revenues” shall mean, unless otherwise provided by Supplemental Indenture with respect to a specific Series of Bonds, with respect to a particular Series of Bonds Outstanding, (a) all Committed Tax Increment Revenues received by the Issuer with respect to such Series of Bonds, if applicable, (b) all revenues received by the Issuer from Special Assessments levied and collected on all or a portion of the District Lands with respect to such Series of Bonds, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Special Assessments or from the issuance and sale of tax certificates with respect to such Special Assessments, and (c) all moneys on deposit in the Funds and Accounts established under the Indenture in respect of such Series of Bonds, including earnings thereon; provided, however, that Pledged Revenues shall not include, (i) with respect to a particular Series of Bonds, revenues received by the District from Special Assessments levied and collated with respect to one or more other Series of Bonds, including without limitation amounts received from any foreclosure proceeding for the enforcement of collection of such Special Assessments or from the issuance and sale of tax certificates with respect to such Special Assessments, (ii) any moneys transferred to the Rebate Fund, or investment earnings thereon and (iii) “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, as amended, or any other provision of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (i), (ii) and (iii) of this proviso).

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

“Project” shall mean with respect to any Series of Bonds, the portion or portions of certain master infrastructure consisting of roadways, water and sewer facilities, a stormwater management system, recreational facilities, streetscape, landscape and hardscape to be acquired and/or constructed by the Issuer, whether within or outside the District Lands, all as more specifically described in the Supplemental Indenture relating to such Series of Bonds; provided that a Project shall specially benefit all of the District Lands on which Special Assessments to secure such Series of Bonds have been levied.

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

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

“Rebate Fund” shall mean the Fund, if any, so designated, which is established pursuant to an arbitrage rebate agreement, into which shall be deposited certain moneys in accordance with the provisions of said arbitrage rebate agreement.

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

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

“Redevelopment Act” shall mean Chapter 163, Part III, Florida Statutes, as amended.

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

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

“Regulatory Body” shall mean and include (a) the United States of America and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the United States of America, (b) the State, any political subdivision thereof and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the State, (c) the County and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established

by the County, and (d) any other public body, whether federal, state or local or otherwise having regulatory jurisdiction and authority over the Issuer.

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

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

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

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

“Series” shall mean all of the Bonds authenticated and delivered at one time on original issuance and pursuant to any Certified Resolution of the Issuer authorizing such Bonds as a separate Series of Bonds, or any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II hereof and the applicable Supplemental Indenture, regardless of variations in maturity, interest rate or other provisions; provided, however, two or more Series of Bonds may be issued simultaneously under the same Supplemental Indenture if designated as separate Series of Bonds by the Issuer upon original issuance. Two or more Series of Bonds may be issued simultaneously under separate Supplemental Indentures, but under this Master Indenture.

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

“Special Assessments” shall mean (a) the net proceeds derived from the levy and collection of “special assessments”, as provided for in Sections 190.011(14) and 190.022 of the Act (except for any such special assessments levied and collected for maintenance purposes), against the lands located within the District 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 lands within the District that are subject to assessment as a result of a particular Project or any portion thereof, and in the case of both “special assessments” and “benefit special assessments”, including the interest and penalties on such assessments, pursuant to all applicable provisions of the Act and Chapter 170, Florida Statutes, and Chapter 197, Florida Statutes (and any successor statutes thereto), including, without limitation, any amount received from any foreclosure proceeding for the enforcement of collection of such assessments or from the

issuance and sale of tax certificates with respect to such assessments, less (to the extent applicable) the fees and costs of collection thereof payable to the Tax Collector and less certain administrative costs payable to the Property Appraiser pursuant to the Property Appraiser and Tax Collector Agreement. “Special Assessments” shall not include “maintenance special assessments” levied and collected by the Issuer under Section 190.021(3) of the Act.

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

“State” shall mean the State of Florida.

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

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

“Tax Increment Revenues” shall mean the tax increment revenues generated within the Tampa Heights Riverfront Community Redevelopment Area and deposited into the Redevelopment Trust Fund pursuant to the Redevelopment Act.

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

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

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

## **ARTICLE II**

### **THE BONDS**

SECTION 2.01. Amounts and Terms of Bonds; Details of Bonds. The Issuer is hereby authorized to issue in one or more Series pursuant to the terms and conditions of this Master Indenture, its obligations to be known as “The Heights Community Development District Special Assessment Bonds” and the “The Heights Community Development District Special Assessment and Revenue Bonds” (collectively, the “Bonds”). The total principal amount of Bonds that may be issued under this Master Indenture is expressly limited to \$\_\_\_\_\_ (exclusive of any refunding bonds). The Bonds shall be issued in Authorized Denominations and within each Series shall be numbered consecutively from R-1 and upwards and in substantially the form attached hereto as Exhibit C, with such appropriate variations, omissions and insertions as are permitted or required by this Master Indenture or as otherwise provided in a Supplemental Indenture. All Bonds shall be issued only upon satisfaction of the conditions set

forth in Article III hereof; and the Trustee shall, at the Issuer's request, authenticate such Bonds and deliver them as specified in such request.

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

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

Except to the extent otherwise provided in Section 2.11 hereof or in a Supplemental Indenture, interest on any Bond is payable on any Interest Payment Date by check or draft mailed on the Interest Payment Date to the person in whose name that Bond is registered at the close of business on the Regular Record Date for such Interest Payment Date, at his address as it appears on the Bond Register. The Bonds shall bear interest from the Interest Payment Date next preceding the date on which they are authenticated unless authenticated on an Interest Payment Date in which event they shall bear interest from such Interest Payment Date, or unless authenticated before the first Interest Payment Date in which event they shall bear interest from their date; provided, however, that if a Bond is authenticated between a Record Date and the next succeeding Interest Payment Date, such Bond shall bear interest from such succeeding Interest Payment Date; provided further, however, that if at the time of authentication of any Bond interest thereon is in default, such Bond shall bear interest from the date to which interest has been paid. Any interest on any Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be 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 Bonds of a Series in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Trustee and Paying Agent, upon requesting the same in a writing received by the Trustee and Paying Agent at least fifteen (15) days prior to the relevant Record Date, which writing shall specify the bank, which shall be a bank within the United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Trustee and Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Trustee and Paying Agent at least fifteen (15) days prior to the relevant Record Date. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Interest on overdue principal and, to the

extent lawful, on overdue interest will be payable at the numerical rate of interest borne by such Bonds on the day before the default occurred.

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

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

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

The Trustee shall be entitled to be reimbursed for payments made to any Authenticating Agent as reasonable compensation for its services.

Any corporation into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, consolidation or conversion to which any Authenticating Agent shall be party, or any corporation succeeding to the corporate trust business of any Authenticating Agent, shall be the successor of the Authenticating Agent hereunder, if such successor corporation is otherwise eligible under this Section, without the execution or filing of any further act on the part of the parties hereto or the Authenticating Agent or such successor corporation.

Any Authenticating Agent may at any time resign by giving written notice of resignation to the Trustee, the Issuer and any Paying Agent. The Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent, the Issuer and any Paying Agent. Upon receiving such a notice of resignation or upon such a termination, or in case at any time any Authenticating Agent shall cease to be eligible under this Section, the Trustee shall promptly appoint a successor Authenticating Agent, shall give written notice of such appointment to the Issuer and the Paying Agent, shall mail a notice of such appointment to all Holders of Bonds as the names and addresses of such Holders appear on the Bond Register.

SECTION 2.04. Registration and Registrar. The Trustee is hereby constituted and appointed as the initial Registrar for the Bonds. The Registrar shall act as registrar and transfer agent for the Bonds. The Issuer shall cause to be kept at an office of the Registrar a register (herein sometimes referred to as the "Bond Register" or "Register") in which, subject to the provisions set forth in Section 2.08 below and such other regulations as the Issuer and Registrar may prescribe, the Issuer shall provide for the registration of the Bonds and for the registration of transfers and exchanges of such Bonds. The Issuer shall cause the Registrar to designate, by a

written notification to the Trustee, a specific office location (which may be changed from time to time, upon similar notification) at which the Bond Register is kept.

The Registrar when it is not also the Trustee, forthwith following each Record Date and at any other time as reasonably requested by the Trustee, certify and furnish to the Trustee, and to any Paying Agent as such Trustee shall specify, the names, addresses, and holdings of Bondholders and any other relevant information reflected in the Bond Register, and the Trustee and any such Paying Agent shall for all purposes be entitled to rely upon the information so furnished to it and shall have no liability or responsibility in connection with the preparation thereof.

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

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

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

SECTION 2.06. Temporary Bonds. Pending preparation of definitive Bonds, or by agreement with the original purchasers of all Bonds, the Issuer may issue and, upon its request, the Trustee shall authenticate in lieu of definitive Bonds one or more temporary printed or typewritten Bonds of substantially the tenor recited above. Upon request of the Issuer, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same

rights, remedies and security hereunder as definitive Bonds. So long as Cede & Co., or any other nominee of DTC is the registered Owner of the Bonds, the definitive Bonds shall be in typewritten form.

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

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

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

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

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

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, Paying Agent or the Registrar, duly executed by the Bondholder or his attorney duly authorized in writing.

Transfers and exchanges shall be made without charge to the Bondholder, except that the Issuer or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

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



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

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

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

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

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

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

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

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

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

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

### **ARTICLE III**

#### **ISSUE OF BONDS**

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

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

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

(3) an opinion of counsel for the Issuer, which shall also be addressed to the Trustee, to the effect that: (a) the Issuer has good right and lawful authority under the Act to undertake the Project, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body; (b) that the Special Assessment proceedings have been taken in accordance with Florida law and that the Issuer has taken all action necessary to levy and impose the Special Assessments; (c) that the Special Assessments are legal, valid, and binding liens upon the property against which the Special Assessments are made, coequal with the lien of all state, county, Issuer and municipal ad valorem taxes and superior in priority to all other liens, titles and claims against said property then existing or thereafter created, until paid; (d) the related Indenture has been duly and validly authorized, approved, and executed by the Issuer; (e) the issuance of the Series of Bonds has been duly authorized and approved by the Board; and (f) the related Indenture (assuming due authorization, execution and delivery by the Trustee) constitutes a binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms except as enforcement thereof may be affected by bankruptcy, reorganization, insolvency, moratorium and other similar laws relating to creditors' rights generally and subject to equitable principles, whether in a proceeding at law or in equity (clauses (c) and (d) shall not apply in the case of the issuance of a refunding Series of Bonds);

(4) a Consulting Engineer's certificate addressed to the Issuer and the Trustee setting forth the estimated cost of the Project, and in the case of an acquisition by the Issuer of all or a portion of the Project that has been completed, stating, in the signer's opinion, (a) that the portion of the Project improvements to be acquired from the proceeds of such Bonds have been completed in accordance with the plans and specifications therefor; (b) the Project improvements are constructed in a sound

workmanlike manner and in accordance with industry standards; (c) the purchase price to be paid by the Issuer for the Project improvements is no more than the lesser of (i) the fair market value of such improvements and (ii) the actual Cost of construction of such improvements; and (d) the plans and specifications for the Project improvements have been approved by all Regulatory Bodies required to approve them (specifying such Regulatory Bodies) or such approval can reasonably be expected to be obtained; provided, however, that in lieu of the information required in clause (a), there may be delivered to the Trustee satisfactory evidence of the acceptance of operational and maintenance responsibility of each component of the Project by one or more governmental entities (the foregoing shall not be applicable in the case of the issuance of a refunding Series of Bonds);

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

(6) the proceeds of the sale of such Bonds;

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

(8) one or more Certified Resolutions of the Issuer relating to the levy of Special Assessments in respect of the Project, and evidencing that the Issuer has undertaken and, to the extent then required under applicable law, completed all necessary proceedings, including, without limitation, the approval of assessment rolls, the holding of public hearings, the adoption of resolutions and the establishment of all necessary collection procedures, in order to levy and collect Special Assessments upon the District Lands in an amount sufficient to pay the Debt Service Requirement on the Bonds to be issued (the foregoing shall not be applicable in the case of the issuance of a refunding Series of Bonds);

(9) an executed opinion of Bond Counsel;

(10) a written direction of the Issuer to the Trustee to authenticate and deliver such Bonds;

(11) in the case of a Series of Bonds to be issued for the purpose of completing a Project, a certificate of the Consulting Engineer stating the original estimated Cost of the Project to be completed at the time of issuance of the Bonds originally issued to finance such Project, that such estimated Cost will be exceeded, the Cost of completing such Project, and that other funds available or reasonably expected to become available for such Cost of completion, together with the proceeds of such Series of Bonds, will be sufficient to pay such Cost of completion; and

(12) a copy of a Final Judgment of validation and a Certificate of No Appeal with respect to the Bonds that are subject to validation;

(13) in the case of the issuance of a refunding Series of Bonds, an Officer's Certificate of the Issuer stating (a) the intended use of the proceeds of the issue; (b) any other amounts available for the purpose; (c) that the proceeds of the issue plus the other

amounts, if any, stated to be available for the purpose will be sufficient to refund the Bonds to be refunded in accordance with the refunding plan and in compliance with Article XIV of this Master Indenture, including, without limitation, to pay the Costs of issuance of such Bonds, and (d) that notice of redemption, if applicable, of the Bonds to be refunded has been duly given or that provision has been made therefor, as applicable;

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

(15) such other documents, certifications and opinions as shall be required by the Supplemental Indenture or by the Issuer or the Trustee upon advice of counsel.

At the option of the Issuer, any or all of the matters required to be stated in the Certified Resolution described in (1) above may instead be stated in a Supplemental Indenture, duly approved by a Certified Resolution of the Issuer.

## **ARTICLE IV**

### **ACQUISITION OF PROJECT**

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

SECTION 4.02. Compliance Requirements. The Issuer will comply with all present and future laws, acts, rules, regulations, orders and requirements lawfully made and applicable in fact to any acquisition or construction hereby undertaken and shall obtain all necessary approvals under federal, state and local laws, acts, rules and regulations necessary for the completion and operation of any Project or portion thereof for which any Series of Bonds is being issued and shall complete any Project or portion thereof in conformity with such approvals, laws, rules and regulations.

## **ARTICLE V**

### **ACQUISITION AND CONSTRUCTION FUND**

SECTION 5.01 Acquisition and Construction Fund. The Trustee shall establish an Acquisition and Construction Fund into which shall be deposited the proceeds from each Series of Bonds issued under the Indenture (unless otherwise specified herein or in the applicable Supplemental Indenture for a Series of Bonds) and from which Costs may be paid as set forth herein and in the applicable Supplemental Indenture. Unless otherwise specified in the

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

(a) *Deposits.* In addition to the deposit of amounts received by the Trustee on the date of issuance of each Series of Bonds, the Issuer shall pay or cause to be paid to the Trustee, for deposit into the Series Account of the Acquisition and Construction Fund, as promptly as practicable, subject to Section 9.14(c) hereof, the following amounts:

- (i) Payments made to the Issuer from the sale, lease or other disposition of the Project or any portion thereof; and
- (ii) The balance of insurance proceeds with respect to the loss or destruction of the Project or any portion thereof.

Amounts in the Series Account of the Acquisition and Construction Fund shall be applied to pay the Cost of a Project or a portion thereof, as applicable, pertaining to the Series of Bonds in question; provided, however, that if any amounts remain in the Series Account of the Acquisition and Construction Fund after the Completion Date of the Project or portion thereof pertaining to the Series of Bonds in question, and if such amounts are not reserved for payment of any remaining part of the Cost of such Project, such amounts shall be transferred to the applicable Series Bond Redemption Fund for application to the redemption of Bonds of the Series to which such proceeds relate, as set forth in Section 6.06 hereof or in the applicable Supplemental Indenture.

(b) *Disbursements.* All payments from the Acquisition and Construction Fund shall be paid in accordance with the provisions of this subsection. Moneys in the Acquisition and Construction Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more officers or employees of the Trustee legally authorized to sign such items or by wire transfer to an account specified by the payee upon satisfaction of the conditions for disbursement set forth in this subsection (b). Before any such payment shall be made, the District shall file with the Trustee a fully executed requisition in the form of Exhibit D attached hereto. Upon receipt of each such requisition and accompanying certificate, the Trustee shall promptly withdraw from the Acquisition and Construction Fund and pay to the person, firm

or corporation named in such requisition the amount designated in such requisition. All requisitions and certificates received by the Trustee pursuant to this Section 5.01 shall be retained in the possession of the Trustee, subject at all reasonable times to the inspection of the District, the Consulting Engineer, the Owner of any Bonds, and the agents and representatives thereof.

(c) *Completion of Project.* On the date of completion of the Project, as evidenced by the delivery of a Certificate of the Consulting Engineer and adoption of a resolution by the Board accepting the Project as provided by Section 170.09 Florida Statutes, as amended (the "Completion Date"), the balance in the Acquisition and Construction Fund not reserved by the District for the payment of any remaining part of the Cost of the Project, shall, first, be transferred by the Trustee to, and deposited in, the applicable Series Account of the Bond Redemption Fund and applied as provided in Section 6.06 hereof, and second, apply to pay deferred obligations, if and to the extent that the Issuer has notified the Trustee of the existence of such Deferred Obligations, unless the Developer has forgiven the Deferred Obligations, and third, for such other purposes set forth in the applicable Supplemental Indenture.

## **ARTICLE VI**

### **SPECIAL ASSESSMENTS; APPLICATION THEREOF TO FUNDS AND ACCOUNTS**

SECTION 6.01. Special Assessments; Lien of Indenture on Pledged Revenues. The Issuer hereby covenants that it shall levy Special Assessments to the extent and in the amount necessary to pay the Debt Service Requirement on Bonds issued and Outstanding hereunder. The Issuer shall collect the Special Assessments in accordance with Section 9.04 hereof.

The Issuer shall, within 5 Business Days of receipt thereof, pay to the Trustee for deposit in the applicable Series Account of the Revenue Fund established under Section 6.03 hereof all Committed Tax Increment Revenues and all Special Assessments received by the Issuer from the levy thereof on the District Lands subject to assessments for the payment of the related Series of Bonds; provided, however, that amounts received as prepayments of Special Assessments shall be deposited directly into the applicable series Bond Redemption Fund established hereunder or in any account thereof established pursuant to the applicable Supplemental Indenture. The Issuer shall notify the Trustee at the time of deposit of any amounts received as prepayments of Special Assessments and shall identify the related Series of Bonds.

There are hereby pledged for the payment of the principal or Redemption Price of and interest on all Bonds of each Series issued and Outstanding under the Indenture and all reimbursements due to any Credit Facility Issuer for any drawing with respect to such Series of Bonds on its Credit Facility, including, without limitation, interest thereon, as required under the terms of the applicable Credit Facility Agreement, the Pledged Revenues; provided, however, that unless otherwise specifically provided herein or in a Supplemental Indenture relating to a Series of Bonds with respect to the Pledged Revenues securing such Series of Bonds, the Pledged Revenues securing a Series of Bonds shall secure only such Series of Bonds and Bonds issued on a parity therewith and shall not secure any other Bonds or Series of Bonds. The Pledged Revenues shall immediately be subject to the lien and pledge of the Indenture without

any physical delivery hereof or further act; provided, however, that the lien and pledge of the Indenture shall not apply to any moneys transferred by the Trustee to the Rebate Fund. The foregoing notwithstanding, to the extent provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, such Series of Bonds may be made payable from and secured by less than all of the Pledged Revenues, and any one or more of the provisions of this Master Indenture may be made inapplicable to such Series of Bonds, all as more specifically provided in the corresponding Supplemental Indenture; provided, however, that any such provisions shall apply only to the particular Series of Bonds authorized by such Supplemental Indenture and shall not affect in any manner whatsoever any Outstanding Series of Bonds.

SECTION 6.02. Funds and Accounts Relating to the Bonds. The Funds and Accounts specified in this Article VI shall be established under the Master Indenture and each Supplemental Indenture pursuant to which a Series of Bonds is issued for the benefit of the specific Series of Bonds issued pursuant to such Supplemental Indenture and any Series issued on a parity therewith and, unless expressly otherwise provided in said Supplemental Indenture, shall not apply to Bonds Outstanding hereunder issued under any other indenture supplemental hereto. All moneys, including, without limitation, proceeds of a Series of Bonds, on deposit to the credit of the Funds and Accounts established hereunder and under a Supplemental Indenture (except for moneys transferred to the Rebate Fund) shall be pledged to the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Series of Bonds issued hereunder and under such Supplemental Indenture, and any Series issued on a parity therewith.

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

FIRST, upon receipt but no later than the Business Day preceding the first May 1 for which there is an insufficient amount from Bond proceeds (or investment earnings thereon) on deposit in the applicable Series Interest Account to be applied to the payment of interest on the Bonds of a Series due on the next succeeding May 1, and no later than the Business Day next preceding each May 1 thereafter while Bonds of a Series issued under the Indenture remain Outstanding, to the applicable Series Interest Account of the



Debt Service Fund, an amount equal to the interest on the related Series of Bonds becoming due on the next succeeding May 1, less any amount on deposit in such Interest Account not previously credited;

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

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

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

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

SIXTH, to the related Series Account of the Acquisition and Construction Fund, for the payment of Deferred Obligations, as set forth in Section 5.01(c) hereof and in the applicable Supplemental Indenture, if and to the extent the Issuer has notified the Trustee that such Deferred Obligations exist;

SEVENTH, to make such deposits into the Rebate Fund, if any, as the Issuer may direct in accordance with arbitrage rebate agreement or tax agreement or certificate relating to the Rebate Fund, such moneys thereupon to be used solely for the purposes specified in such related agreement or certificate; any moneys so transferred to the Rebate Fund shall thereupon be free from the lien and pledge of the Indenture; and

EIGHTH, subject to the following paragraph the balance of any moneys remaining after making the foregoing deposits shall remain therein.

The Trustee shall within ten (10) Business Days after the last Interest Payment Date in any calendar year, at the direction of the Issuer, withdraw any moneys held for the credit of the Revenue Fund which are not otherwise required to be deposited pursuant to this Section and deposit such moneys as directed to the credit of the applicable Series Account of the Bond Redemption Fund in accordance with the provisions hereof. Special Assessment prepayments pledged to a particular Series of Bonds shall be deposited directly into the applicable Series Bond Redemption Fund as provided herein.

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

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

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

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

(a) The Trustee shall apply the amounts required to be transferred to the Series Sinking Fund Account (less any moneys applied to the purchase of Bonds of the applicable Series pursuant to the next sentence hereof) on the principal payment date in each of the years set forth in a Supplemental Indenture to the redemption of Bonds of a Series in the amounts, manner and maturities and on the dates set forth in a Supplemental Indenture, at a Redemption Price of 100% of the principal amount thereof. At the written direction of the Issuer, the Trustee shall apply moneys from time to time available in the Series Sinking Fund Account to the purchase of Bonds of the applicable Series which mature in the aforesaid years, at prices not higher than the principal amount thereof, in lieu of redemption as aforesaid, provided

that firm purchase commitments can be made before the notice of redemption would otherwise be required to be given. In the event of purchases at less than the principal amount thereof, the difference between the amount in the Series Sinking Fund Account representing the principal amount of the Bonds so purchased and the purchase price thereof (exclusive of accrued interest) shall be transferred to the related Series Interest Account of the Debt Service Fund.

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

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

SECTION 6.05. Debt Service Reserve Fund. The Trustee is hereby authorized and directed to establish a Debt Service Reserve Fund and pursuant to a Supplemental Indenture a Series Account for each Series of Bonds issued hereunder. The Debt Service Reserve Fund and each Series Account therein shall be held by the Trustee for the benefit of each related Series of Bonds; provided, however, that notwithstanding anything to the contrary contained in this Master Indenture, the Supplemental Indenture authorizing the issuance of a Series of Bonds may provide that the Debt Service Reserve Fund is not applicable and no account therein shall secure such Series of Bonds. The Debt Service Reserve Fund and each Series Account therein shall constitute an irrevocable trust fund to be applied solely as set forth herein and shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, on the date of issuance and delivery of a Series of Bonds an amount of Bond proceeds equal to the Debt Service Reserve Requirement in respect of such Series of Bonds, calculated as of the date of issuance and delivery of such Series of Bonds, shall be deposited in the related Series Account of the Debt Service Reserve Fund. As long as there exists no default under the Indenture and the amount in the Series Account of the Debt Service Reserve Fund is not reduced below the then applicable Debt Service Reserve Requirement with respect to such Series of Bonds, earnings on investments in the Series Account of the Debt Service Reserve Fund shall, prior to the Completion Date of a Project, be transferred to the Series Interest Account of the Debt Service Fund relating thereto, and after the Completion Date, be transferred to the related Series Account of the Revenue Fund. Otherwise, earnings on investments in each Series Account of the Debt Service Reserve Fund shall be retained therein until applied as set forth herein. Unless otherwise provided in a Supplemental Indenture, in the event that the amount in a Series Account of the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement with respect to such Series of Bonds due to a decrease in the then applicable Debt Service Reserve Requirement as a result of an optional prepayment by the owner

of a lot or parcel of land of a Special Assessment against such lot or parcel, which Special Assessment is pledged for the payment and security of such Series of Bonds, the excess amount shall be transferred from the Series Account of the Debt Service Reserve Fund to the Series Bond Redemption Fund established for such Series of Bonds, as a credit against the principal amount of the prepayment otherwise required to be made by the owner of such lot or parcel. Unless otherwise provided in a Supplemental Indenture, in the event that the amount in a Series Account of the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement with respect to such Series of Bonds due to a decrease in the then applicable Series Account of the Debt Service Reserve Requirement for any other reason, the excess amount shall be transferred from the Series Account of the Debt Service Reserve Fund to the related Series Account of the Revenue Fund.

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

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

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

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

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

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

SECOND, to be used to call for redemption pursuant to clause (b) of Section 8.01 hereof an amount of Bonds of the applicable Series equal to the amount of money

transferred to the Series Bond Redemption Fund pursuant to the aforesaid clauses or provisions, as appropriate, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate; and

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

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

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

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

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

SECTION 6.10. Unclaimed Moneys In the event any Bond shall not be presented for payment when the principal of such Bond becomes due, either at maturity or at the date fixed for redemption of such Bond or otherwise, if amounts sufficient to pay such Bond have been deposited with the Trustee for the benefit of the owner of the Bond and have remained unclaimed for three (3) years after the date payment thereof becomes due shall, upon request of the Issuer, if the Issuer is not at the time to the knowledge of the Trustee in default with respect to any covenant in the Indenture or the Bonds contained, be paid to the Issuer; and the Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the Issuer;

provided, however, that the Trustee, before making payment to the Issuer, may, at the expense of the Issuer, cause a notice to be published in an Authorized Newspaper, stating that the money remaining unclaimed will be returned to the Issuer after a specified date.

## **ARTICLE VII**

### **SECURITY FOR AND INVESTMENT OR DEPOSIT OF FUNDS**

**SECTION 7.01.**     Deposits and Security Therefor. All moneys received by the Trustee under a Supplemental Indenture for deposit in any Fund or Account established under the Master Indenture or such Supplemental Indenture shall be considered trust funds, shall not be subject to lien or attachment, except for the lien created by the Indenture, and shall be deposited in the commercial department of the Trustee, until or unless invested or deposited as provided in Section 7.02 hereof. All deposits of moneys received by the Trustee under the Master Indenture or such Supplemental Indenture in the commercial department of the Trustee (whether original deposits under this Section 7.01 or deposits or redeposits in time accounts under Section 7.02) shall, to the extent not insured, and to the extent permitted by law, be fully secured as to both principal and interest earned, by Investment Securities of the types set forth in subparagraphs (a), (b), (c) or (d) of the definition of Investment Securities and the provisions thereof. If at any time the commercial department of the Trustee is unwilling to accept such deposits or unable to secure them as provided above, the Trustee may deposit such moneys with any other depository which is authorized to receive them and the deposits of which are insured by the Federal Deposit Insurance Corporation (including the FDIC'S Savings Association Insurance Fund). All deposits in any other depository in excess of the amount covered by insurance (whether under this Section 7.01 or Section 7.02 as aforesaid) shall, to the extent permitted by law, be fully secured as to both principal and interest earned, in the same manner as required herein for deposits with the Trustee. Such security shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000.

**SECTION 7.02.**     Investment or Deposit of Funds. Except to the extent otherwise provided in a Supplemental Indenture with respect to a specific Series of Bonds, the Trustee shall, as directed by the Issuer in writing, invest moneys held in the Debt Service Fund and any Series Bond Redemption Fund created under any Supplemental Indenture only in Government Obligations and securities described in subparagraphs (d), (e), (h), (j) or (l) of the definition of Investment Securities. Except to the extent otherwise provided in a Supplemental Indenture with respect to a specific Series of Bonds, the Trustee shall, as directed by the Issuer in writing, invest moneys held in any other Fund or Account or Series Account of the Debt Service Reserve Fund in Investment Securities. All deposits in time accounts shall be subject to withdrawal without penalty and all investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for purposes set forth herein. All securities securing investments under this Section shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee, as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000. The interest and income received upon such investments and any interest paid by the Trustee or any other depository of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund

or Account for which such investments are made; provided, however, that if the amount in any Fund or Account equals or exceeds the amount required to be on deposit therein, subject to Section 6.05 of this Master Indenture and unless otherwise provided in a Supplemental Indenture with respect to a specific Series of Bonds, any interest and other income so received shall be deposited in the related Series Account of the Revenue Fund. Upon request of the Issuer, or on its own initiative whenever payment is to be made out of any Fund or Account, the Trustee shall sell such securities as may be requested to make the payment and restore the proceeds to the Fund or Account in which the securities were held. The Trustee shall not be accountable for any depreciation in the value of any such security or for any loss resulting from the sale thereof, except as provided hereinafter. If net proceeds from the sale of securities held in any Fund or Account shall be less than the amount invested and, as a result, the amount on deposit in such Fund or Account is less than the amount required to be on deposit in such Fund or Account, the amount of such deficit shall be transferred to such Fund or Account from the related Series Account of the Revenue Fund.

Absent specific instructions as aforesaid, all moneys in the Funds and Accounts established under the Indenture shall be invested in investments of the nature described in subparagraph (l) of the definition of Investment Securities; provided, however, that whether or not specific instructions as aforesaid have been received by the Trustee, moneys in the Debt Service Fund and in the Bond Redemption Fund shall be invested only in the types of obligations described in the two first sentences of this Section 7.02. Subject to the provisions of Section 9.31 of this Master Indenture, moneys in any of the Funds and Accounts established pursuant to the Indenture, when held by the Trustee, shall be immediately invested by the Trustee subject to all written directions from the Issuer. The Trustee shall not be liable or responsible for any loss or entitled to any gain resulting from any investment or sale upon the investment instructions of the Issuer or otherwise, including that set forth in the first sentence of this paragraph.

SECTION 7.03. Valuation of Funds. The Trustee shall value the assets in each of the Funds and Accounts established hereunder or under any Supplemental Indenture on March 15 and September 15 of each Fiscal Year, and as soon as practicable after each such valuation date (but no later than ten (10) days after each such valuation date) shall provide the Issuer a report of the status of each Fund and Account as of the valuation date. In computing the assets of any Fund or Account, investments and accrued interest thereon shall be deemed a part thereof, subject to Section 7.02 hereof. For the purpose of determining the amount on deposit to the credit of any Fund or Account established hereunder or under any Supplemental Indenture, obligations in which money in such Fund or Account shall have been invested shall be valued at the market value or the amortized cost thereof, whichever is lower, or at the redemption price thereof, to the extent that any such obligation is then redeemable at the option of the holder.

## **ARTICLE VIII**

### **REDEMPTION AND PURCHASE OF BONDS**

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



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

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

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

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

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

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

**SECTION 8.02.**      Notice of Redemption and of Purchase. Except where otherwise required by a Supplemental Indenture, when required to redeem or purchase Bonds of a Series under any provision of the Indenture or directed to do so by the Issuer, the Trustee shall cause notice of the redemption or purchase, either in whole or in part, to be mailed at least thirty (30) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5th) day prior to such mailing), at their registered addresses 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 this Section 8.02. Such notice shall be given in the name of the Issuer, shall be dated, shall set forth the Bonds of such Series Outstanding which shall be called for redemption or purchase and shall include, without limitation, the following additional information:

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

If at the time of mailing of notice of an optional redemption or purchase, the Issuer shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all

the Bonds called for redemption or purchase, such notice shall 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.

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

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

**SECTION 8.03.**      Payment of Redemption Price. If any required (a) unconditional notice of redemption has been duly mailed or waived by the Owners of all Bonds called for redemption or (b) conditional notice of redemption has been so mailed or waived and the redemption moneys have been duly deposited with the Trustee or Paying Agent, then in either case, the Bonds called for redemption shall be payable on the redemption date at the applicable Redemption Price plus accrued interest, if any, to the redemption date. Bonds so called for redemption, for which moneys have been duly deposited with the Trustee, will cease to bear interest on the specified redemption date, shall no longer be secured by the Indenture and shall not be deemed to be Outstanding under the provisions of the Indenture.

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

**SECTION 8.04.**      Partial Redemption of Bonds. Except to the extent otherwise provided in a Supplemental Indenture, if less than all of a Series of Bonds of a maturity are to be redeemed, the Trustee shall select the particular Bonds or portions of the Bonds to be called for redemption by lot in such reasonable manner as the Trustee in its discretion may determine. In the case of any partial redemption of Bonds of a Series pursuant to Section 8.01(a), such redemption shall be effectuated by redeeming Bonds of such Series of such maturities in such manner as shall be specified by the Issuer in writing, subject to the provisions of Section 8.01 hereof. In the case of any partial redemption of Bonds of a Series pursuant to Section 8.01(b), such redemption shall be effectuated by redeeming Bonds of such Series pro rata among the maturities, treating each date on which a 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.

## **ARTICLE IX**

### **COVENANTS OF THE ISSUER**

SECTION 9.01. Power to Issue Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Bonds, to adopt and execute the Master Indenture and to pledge the Pledged Revenues for the benefit of the Bonds of a Series and any Credit Facility Issuer. The Pledged Revenues are not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Bonds of a Series and any Credit Facility Issuer with respect to such Series. The Bonds and the provisions of 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 Bondholders and any Credit Facility Issuer under the Indenture against all claims and demands of all other Persons whomsoever.

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

THE BONDS AUTHORIZED UNDER THE INDENTURE AND THE OBLIGATIONS EVIDENCED THEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE ISSUER, INCLUDING, WITHOUT LIMITATION, THE PROJECTS OR ANY PORTION THEREOF IN RESPECT OF WHICH ANY SUCH BONDS ARE BEING ISSUED, OR ANY PART THEREOF, BUT SHALL CONSTITUTE A LIEN ONLY ON THE PLEDGED REVENUES AS SET FORTH IN THE INDENTURE. NOTHING IN THE BONDS AUTHORIZED UNDER THE INDENTURE OR IN THE INDENTURE SHALL BE CONSTRUED AS OBLIGATING THE ISSUER TO PAY THE BONDS OR THE REDEMPTION PRICE THEREOF OR THE INTEREST THEREON EXCEPT FROM THE PLEDGED REVENUES, OR AS PLEDGING THE FAITH AND CREDIT OF THE ISSUER,

THE CRA, THE CITY, THE COUNTY, OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, OR AS OBLIGATING THE ISSUER, THE CRA, THE CITY, THE COUNTY, OR THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS, DIRECTLY OR INDIRECTLY OR CONTINGENTLY, TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR.

NOTHING IN THE BONDS AUTHORIZED UNDER THE INDENTURE OR IN THE INDENTURE SHALL BE CONSTRUED AS OBLIGATING A DEVELOPER, OR ANY PERSON AFFILIATED WITH, CONTROLLING OR RELATED TO, A DEVELOPER TO PAY THE BONDS OR THE REDEMPTION PRICE THEREOF OR THE INTEREST THEREON, ACCEPT TO THE EXTENT THAT THEY ARE OBLIGATED TO PAY SPECIAL ASSESSMENTS CONSTITUTING PLEDGED REVENUES UNDER THE INDENTURE.

SECTION 9.03.           Special Assessments; Re-Assessments.

(a)     The Issuer shall levy Special Assessments, and evidence and certify to the Tax Collector or cause the Property Appraiser to certify on the tax roll to the Tax Collector for collection by the Tax Collector and enforcement by the Tax Collector or the Issuer pursuant to the Act, Chapter 170 or Chapter 197, Florida Statutes, or any successor statutes, as applicable, and Section 9.04 hereof, an amount equal to the amount of Special Assessments levied by the Issuer less the amount of Committed Tax Increment Revenues expected to be on deposit in the Revenue Fund as of April 1 in the following year.

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

SECTION 9.04.           Method of Collection. Special Assessments shall be collected by the Issuer in accordance with the provisions of the Act and Chapter 170 or Chapter 197, Florida Statutes, or any successor statutes thereto, as applicable, in accordance with the terms of this Section. The Issuer shall use its best efforts to adopt the uniform method for the levy, collection and enforcement of Special Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, or any successor statutes thereto, as soon as practicable, or a comparable alternative method afforded by Section 197.3631, Florida Statutes. The Issuer shall use its best efforts to enter into one or more written agreements with the Property Appraiser and the Tax Collector, either individually or jointly (together, the "Property Appraiser and Tax Collector Agreement") in order to effectuate the provisions of this Section. The Issuer shall use its best efforts to ensure that any such Property Appraiser and Tax Collector Agreement remains in effect for at least as long as the final maturity of Bonds Outstanding under the Indenture. To

the extent that the Issuer is not able to collect Special Assessments pursuant to the “uniform tax roll collection” method under Chapter 197, Florida Statutes, the Issuer may elect to collect and enforce Special Assessments pursuant to any available method under the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto. The election to collect and enforce Special Assessments in any year pursuant to any one method shall not, to the extent permitted by law, preclude the Issuer from electing to collect and enforce Special Assessments pursuant to any other method permitted by law in any subsequent year.

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

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

(25%) of the aggregate principal amount of all Outstanding Bonds of the Series payable from Special Assessments assessed on such property.

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

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

(a) At any time from the date of levy of Special Assessments on a parcel of District Lands through the date that is thirty (30) days after the related Project has been completed and the Board has adopted a resolution accepting such Project as provided by Section 170.09, Florida Statutes, as amended, any owner of property subject to the Special Assessments may, at its option, require the Issuer to release and extinguish the lien upon its property by virtue of the levy of the Special Assessments that relate to a Series of Bonds by paying to the Issuer the entire amount of such Special Assessment on such property, without interest.

(b) At any time subsequent to thirty (30) days after the related Project has been completed and the Board has adopted a resolution accepting such Project as provided by Section 170.09, Florida Statutes, as amended, any owner of property subject to the Special Assessments may, at its option, require the Issuer to release and extinguish the lien upon its property by virtue of the levy of the Special Assessments by paying to the Issuer the entire amount of the Special Assessment, plus accrued interest to the next succeeding Interest Payment Date (or the second succeeding Interest Payment Date if such prepayment is made within forty five (45) calendar days before an Interest Payment Date), attributable to the property subject to Special Assessment owned by such owner.

(c) Upon receipt of a prepayment as described in (a) or (b) above, the Issuer shall immediately pay the amount so received to the Trustee, and the Issuer shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by an authorized officer of the Issuer, to the effect that the Special Assessment has been paid and that such Special Assessment lien is thereby released and extinguished. Except as otherwise provided by a Supplemental Indenture, upon receipt of any such moneys from the Issuer the Trustee shall immediately deposit the same into the applicable Series Bond Redemption Fund to be applied to the redemption of Bonds in accordance with Section 8.01(b)(i) or (ii) hereof, as the case may be.

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

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

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

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

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

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

(a) Except as otherwise provided in subsection (d) of this Section, the Issuer will carry or cause to be carried, in respect of the Project, comprehensive general liability insurance (covering bodily injury and property damage) issued by one or more insurance



companies authorized or eligible to do business under the laws of the State, in such amounts as is customary for similar operations, or as is more specifically set forth hereinbelow.

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

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

(c) All proceeds received from property damage or destruction insurance and all proceeds received from the condemnation of a Project or any part thereof are hereby pledged by the Issuer as security for the related Series of Bonds and shall be deposited at the option of the Issuer, but subject to the limitations hereinafter described, either (i) into a separate fund to be established by the Trustee for such purpose, and used to remedy the loss, damage or taking for which such proceeds are received, either by repairing the damaged property or replacing the destroyed or taken property, as soon as practicable after the receipt of such proceeds, or (ii) into the related Series Bond Redemption Fund for the purpose of purchasing or redeeming Bonds according to the provisions set forth in Article VIII hereof. The Issuer shall not be entitled to deposit insurance proceeds or condemnation awards into the separate fund described above in clause (i) of this paragraph (and such proceeds and awards shall be deposited directly into the related Series Bond Redemption Fund pursuant to clause (ii) of this paragraph) unless there shall have been filed with the Issuer within a reasonable time after the damage, destruction or condemnation (A) a certificate from the Consulting Engineer that the proceeds of the insurance or condemnation awards deposited into such separate fund, together with other funds available for such purposes, will be sufficient to repair, rebuild, replace or restore such property to substantially the same condition as it was in prior to its damage, destruction or condemnation (taking into consideration any changes, alterations and modifications that the Issuer may desire), (B) an opinion from the Consulting Engineer that the Project can be repaired, rebuilt, replaced or restored within two (2) years following the damage, destruction or condemnation thereof and (C) an opinion of the Consulting Engineer that, in each of the three (3) Fiscal Years following

completion of such repair, rebuilding, replacement or restoration, the Issuer will be in compliance with its obligations hereunder. If the certificate described in clause (A) of this paragraph is not rendered because such proceeds or awards are insufficient for such purposes, the Issuer may deposit any other legally available funds in such separate fund in an amount required to enable the Consulting Engineer to render its certificate. If the insurance proceeds or condemnation awards deposited in such separate fund are more than sufficient to repair the damaged property or to replace the destroyed or taken property, the balance thereof remaining shall be deposited to the credit of the related Series Account in the Revenue Fund.

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

Prior to participation in any plan of Qualified Self Insurance not currently in effect, the Issuer shall deliver to the Trustee (i) a copy of the proposed plan, and (ii) from the District Manager, an evaluation of the proposed plan together with an opinion to the effect that (A) the proposed Qualified Self Insurance plan will provide the coverage required by subsections (a) and (b) of this Section, and (B) the proposed Qualified Self Insurance plan provides for the creation of actuarially sound reserves.

Each plan of Qualified Self Insurance shall be in written form, shall provide that upon the termination of such plan reserves will be established or insurance acquired in amounts adequate to cover any potential retained liability in respect of the period of self insurance, and shall be reviewed annually by the District Manager or registered actuary who shall deliver to the Issuer a report on the adequacy of the reserves established thereunder in light of claims made. If the District Manager or registered actuary determines that such reserves are inadequate in light of the claims made, he shall make recommendations as to the amount of reserves that should be established and maintained, and the Issuer shall comply with such recommendations unless it can establish to the satisfaction of the Trustee that such recommendations are unreasonable in light of the nature of the claims or the history of recovery against the Issuer for similar claims. A copy of each Qualified Self Insurance plan and of each annual report thereon shall be delivered to the Trustee.

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

Within the first six (6) months of each Fiscal Year the District Manager shall file with the Trustee a complete report of the status of the insurance coverages relating to all Projects, such report to include, without being limited thereto, a schedule of all insurance policies required by the Indenture which are then in effect, stating with respect to each policy the name of the insurer, the amount, number and expiration date, and the hazards and the risks covered thereby. The Trustee shall hold such report solely as a repository for the holders of the Bonds, and shall have

no duty to require the filing of such report or to determine compliance by the Issuer with the requirements of this section.

SECTION 9.15. Collection of Insurance Proceeds. Copies of all insurance policies referred to in Section 9.14 of this Article shall be available at the offices of the Issuer at all reasonable times to the inspection of the Holders of \$1,000,000 or more in aggregate principal amount of the related Series of Bonds and their agents and representatives duly authorized in writing. The Issuer covenants that it will take such action as may be necessary to demand, collect and sue for any insurance money which may become due and payable under any policy of insurance required under the Indenture, whether such policy is payable to the Issuer or to the Trustee. The Trustee is hereby authorized in its own name to demand, collect, sue and receive any insurance money which may become due and payable under any policies payable to it.

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

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

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

The Issuer shall annually, within 180 days after the close of each Fiscal Year, file with the Trustee, any rating agency that shall have then in effect a rating on any of the Bonds, any Bondholder that shall have, in writing, requested a copy thereof, and otherwise as provided by law, a copy of an annual report for such year, prepared in accordance with Generally Accepted Accounting Principles by a Certified Public Accountant, relating to its operations and including, without limitation, statements in reasonable detail of financial condition as of the end of such Fiscal Year and income and expenses for such Fiscal Year relating to the Project, and a summary, with respect to each Fund and Account established under the Indenture, of the receipts therein and disbursements therefrom during such Fiscal Year, and the amounts held therein at the end of such Fiscal Year.

The Issuer shall file with the Trustee annually within 180 days after the close of each Fiscal Year a certificate of a Responsible Officer setting forth (i) a description in reasonable detail of the insurance then in effect pursuant to the requirements of Section 9.14 hereof and that the Issuer has complied in all respects with such requirements, (ii) whether during such year any

material part of the Project has been damaged or destroyed and, if so, the amount of insurance proceeds covering such loss or damage and specifying the Issuer's reasonable and necessary replacement costs, and (iii) whether or not to the knowledge of the signatory, the Issuer is in default with respect to any of the covenants, agreements or conditions on its part contained in the Indenture, and if so, the nature of such default.

The report, statements and other documents required to be furnished by the Issuer to the Trustee pursuant to any provisions of the Indenture shall be available for the inspection of Bondholders at the office of the Trustee.

SECTION 9.18. Observance of Accounting Standards. The Issuer covenants that all the accounts and records of the Issuer relating to the Project will be kept according to Generally Accepted Accounting Principles consistently applied and consistent with the provisions of the Master Indenture.

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

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

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

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

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

(b) The Issuer shall cause the Consulting Engineer to make an inspection of the portions of the Project owned by the Issuer at least once in each Fiscal Year and, on or before the first day of July in each Fiscal Year, to submit to the Board a report setting forth (i) its findings as to whether such portions of the Project owned by the Issuer have been maintained in good repair, working order and condition, and (ii) its recommendations as to:

(1) the proper maintenance, repair and operation of the Project owned by the Issuer during the ensuing Fiscal Year and an estimate of the amount of money necessary for such purposes; and

(2) the insurance to be carried under the provisions of Section 9.14 hereof and the amount that should be set aside monthly for the purpose of paying insurance premiums which fall due less often than monthly.

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

SECTION 9.22. Audit Reports. The Issuer covenants that, no later than 180 days after the end of each Fiscal Year, it will cause an audit to be made by a Certified Public Accountant covering all receipts and moneys then on deposit with or in the name of the Trustee or the Issuer and any security held therefor and any investments thereof. Copies of such audit reports shall be filed with the Trustee, the District Manager and the Secretary of the Board, and mailed by said Secretary to the Consulting Engineer and to all Bondholders who shall have filed their names and addresses with him for such purpose. If the material required to be in such audit also appears in the annual report of the Issuer provided for in Section 9.17 hereof in a manner that can be readily identified, then the filing of a copy of such annual audit shall satisfy the requirement of this Section.

SECTION 9.23. Information to Be Filed with Trustee. The Issuer shall cause to be kept on file with the Trustee at all times copies of the schedules of Special Assessments levied on all District Lands in respect of the Project and a copy of the Interlocal Agreements. The Issuer shall keep accurate records and books of account with respect to the Project, and shall have a complete audit of such records and accounts made annually by a Certified Public Accountant, as provided in Section 9.22 hereof. A signed copy of said audit shall be furnished to the Trustee as soon as practicable after such audit shall become available.

SECTION 9.24. Covenant Against Sale or Encumbrance; Exceptions. Subject to Section 9.28 hereof, the Issuer covenants that, (a) except for those improvements comprising the Project that are to be conveyed or dedicated by the Issuer to the County, the State Department of Transportation or another governmental entity and (b) except as in this Section permitted, it will not sell, lease or otherwise dispose of or encumber the Project, or any part thereof. The Issuer may, however, from time to time, sell any machinery, fixtures, apparatus, tools, instruments or other movable property acquired by it from the proceeds of a Series of Bonds or from Pledged Revenues if the District Manager shall determine, with the approval of the Consulting Engineer, that such items are no longer needed or are no longer useful in connection with the construction, maintenance and operation of the Project, and the proceeds thereof shall be applied to the

replacement of the properties so sold or disposed of or, at the written direction of the Issuer shall be deposited to the credit of the related Series Account in the Revenue Fund.

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

The Issuer may lease or grant easements, franchises or concessions for the use of any part of the Project not incompatible with the maintenance and operation thereof, if the Consulting Engineer shall approve such lease, easement, franchise or concession in writing, and the net proceeds of any such lease, easement, franchise or concession (after the making of provision for payment from said proceeds of all costs incurred in financing, constructing, operating, maintaining or repairing such leases, easements, franchises or concessions) shall be deposited as received to the credit of related Series Account in the Revenue Fund.

SECTION 9.25. Fidelity Bonds. Every officer, agent or employee of the Issuer having custody or control of any of the Pledged Revenues shall be bonded by a responsible corporate surety in an amount not less than the greatest amount reasonably anticipated to be within the custody or control of such officer, agent or employee at one time. The premiums on such surety bonds shall be paid by the Issuer as an expense of operation and maintenance of the Project.

SECTION 9.26. No Loss of Lien on Pledged Revenues. The Issuer shall not do or omit to do, or suffer to be done or omit to be done, any matter or thing whatsoever whereby the lien of the Bonds on the Pledged Revenues or any part thereof, or the priority thereof, would be lost or impaired; provided, however, that this Section shall not prohibit the Trustee from transferring moneys to the Rebate Fund held by the Trustee under any arbitrage rebate agreement.

SECTION 9.27. Compliance With Other Contracts and Agreements. The Issuer shall comply with and abide by all of the terms and conditions of any and all contracts and agreements which the Issuer enters into in connection with the Project and the issuance of the Bonds, including, without limitation, the Interlocal Agreement. The Issuer shall not amend, or consent to the amendment of, the Interlocal Agreement if such amendment shall impair the security for the Bonds or adversely affect the rights and remedies of the Bondholders.

SECTION 9.28. Issuance of Additional Obligations. The Issuer shall not issue any obligations other than the Bonds payable from Pledged Revenues, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge, payable from Pledged Revenues, except in the ordinary course of business.

SECTION 9.29. Extension of Time for Payment of Interest Prohibited. The Issuer shall not directly or indirectly extend or assent to an extension of time for payment of any claim for interest on any of the Bonds and shall not directly or indirectly be a party to or approve any arrangement therefor by purchasing or funding or in any manner keeping alive any such claim for interest; no claim for interest which in any way, at or after maturity, shall have been

transferred or pledged apart from the Bonds to which it relates or which shall in any manner have been kept alive after maturity by extension or by purchase thereof by or on behalf of the Issuer, shall be entitled, in case of a default hereunder, to any benefit or security under the Indenture except after the prior payment in full of the principal of all Bonds and claims for interest appertaining thereto not so transferred, pledged, kept alive or extended.

SECTION 9.30. Further Assurances. The Issuer shall not enter into any contract or take any action by which the rights of the Trustee or the Bondholders may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of the Indenture.

SECTION 9.31. Use of Bond Proceeds to Comply with Internal Revenue Code. Except with respect to a Series of Bonds, the interest on which is not intended to be excluded from gross income of the holders thereof, the Issuer covenants to the Holders of the Bonds that it will not make or direct the making of any investment or other use of the proceeds of any Bonds issued hereunder which would cause such Bonds to be “arbitrage bonds” as that term is defined in Section 148 (or any successor provision thereto) of the Code and or “private activity bonds” or “private loan bonds” as that term is defined in Section 141 (or any successor provision thereto) of the Code, and that it will comply with the requirements of such Code section and related regulations throughout the term of such Bonds. Any contract entered into by the Issuer for the operation or maintenance of any portion of the Project, including, without limitation, the parking garage, shall conform to the requirements of the Code and the regulations promulgated thereunder so that the Bonds will not be “private activity bonds” or “private loan bonds” referred to above. The Issuer hereby further covenants and agrees to comply with the procedures and covenants contained in any arbitrage rebate agreement executed in connection with the issuance of each Series of Bonds for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on each Series of Bonds.

SECTION 9.32. Corporate Existence and Maintenance of Properties. For so long as any Bonds are Outstanding hereunder, unless otherwise provided by the Act, the Issuer shall maintain its corporate existence as a local unit of special purpose government under the Act and shall provide for or otherwise require the Project, and all parts thereof owned by the Issuer to be (a) continuously operated, repaired, improved and maintained as shall be necessary to provide adequate service to the lands benefitted thereby; and (b) in compliance with all valid and applicable laws, acts, rules, regulations, permits, orders, requirements and directions of any competent public authority.

SECTION 9.33. Continuing Disclosure. The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of the Indenture, failure of the Issuer or the Developer (if obligated pursuant to the Continuing Disclosure Agreement) to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee may (and, at the request of any Participating Underwriter or the Holders of at least 25% aggregate principal amount in Outstanding Bonds of a Series and receipt of indemnity to its satisfaction, shall) or any Holder of the Bonds or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under this Section 9.33. For purposes of this Section,

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

SECTION 9.34. Committed Tax Increment Revenues. The Issuer shall comply with all provisions of the Interlocal Agreement and shall collect the Committed Tax Increment Revenues in accordance with the provisions of the Interlocal Agreement. In the event that the Community Redevelopment Agency does not pay the Committed Tax Increment Revenues in accordance with the Interlocal Agreement, the Issuer shall take all necessary and appropriate actions, including proceedings in law or equity, to collect the Committed Tax Increment Revenues as the same are due and payable under the provisions of the Interlocal Agreement.

## **ARTICLE X**

### **EVENTS OF DEFAULT AND REMEDIES**

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

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

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

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

(c) if the Issuer, for any reason, is rendered incapable of fulfilling its obligations under the Indenture or under the Act; or

(d) if the Issuer proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the Issuer or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the Issuer and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or

(e) if the Issuer defaults in the due and punctual performance of any other covenant in the Indenture or in any Bond of such Series issued pursuant to the Indenture and such default continues for sixty (60) days after written notice requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds of such Series; provided, however, that if



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

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

SECTION 10.03. No Acceleration. No Series of Bonds issued under this Master Indenture shall be subject to acceleration.

SECTION 10.04. Legal Proceedings by Trustee.

If any Event of Default with respect to a Series of Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Holders of not less than a majority of the aggregate principal amount of the Outstanding Bonds of such Series and receipt of indemnity to its satisfaction shall, in its own name:

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

(b) bring suit upon the Series of Bonds;

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

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

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

SECTION 10.05. Discontinuance of Proceedings by Trustee. If any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, the Issuer, the Trustee, the Paying Agent and the Bondholders shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

SECTION 10.06. Bondholders May Direct Proceedings. The Holders of a majority in aggregate principal amount of the Outstanding Bonds of a Series then subject to remedial proceedings under this Article X shall have the right to direct the method and place of

conducting all remedial proceedings by the Trustee under the Master Indenture, provided that such directions shall not be otherwise than in accordance with law or the provisions of the Master Indenture.

SECTION 10.07. Limitations on Actions by Bondholders. No Bondholder shall have any right to pursue any remedy hereunder unless (a) the Trustee shall have been given written notice of an Event of Default, (b) the Holders of at least a majority of the aggregate principal amount of the Outstanding Bonds of the applicable Series shall have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names, (c) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, and (d) the Trustee shall have failed to comply with such request within a reasonable time.

SECTION 10.08. Trustee May Enforce Rights Without Possession of Bonds. All rights under the Master Indenture and a Series of Bonds may be enforced by the Trustee without the possession of any of the Bonds of such Series or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the Holders of the Bonds of such Series.

SECTION 10.09. Remedies Not Exclusive. Except as limited under Section 15.01 of this Master Indenture, no remedy contained in the Master Indenture is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 10.10. Delays and Omissions Not to Impair Rights. No delay or omission in respect of exercising any right or power accruing upon any Event of Default shall impair such right or power or be a waiver of such Event of Default, and every remedy given by this Article X may be exercised from time to time and as often as may be deemed expedient.

SECTION 10.11. Application of Moneys in Event of Default. Any moneys received by the Trustee or the Paying Agent, as the case may be, in connection with any proceedings brought under this Article X with respect to a Series of Bonds shall be applied in the following priority:

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

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

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

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

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

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

For purposes of the application of moneys described above, to the extent payments of principal of and interest on a Series of Bonds shall have been made under a Credit Facility relating thereto, the Credit Facility Issuer shall be entitled to moneys in the related Series Accounts in the Debt Service Fund in accordance with the agreement pursuant to which such Credit Facility has been issued (but subject to subsection (a) hereof and Section 11.04 hereof) and the Certified Resolution of the Issuer authorizing the issuance of such Bonds to which such Credit Facility relates.

SECTION 10.12. Trustee's Right to Receiver; Compliance with Act. The Trustee shall be entitled as of right to the appointment of a receiver and the Trustee, the Bondholders and any receiver so appointed shall have such rights and powers and be subject to such limitations and restrictions as are contained in the Act and other applicable law of the State.

SECTION 10.13. Trustee and Bondholders Entitled to all Remedies under Act. It is the purpose of this Article to provide such remedies to the Trustee and Bondholders as may be lawfully granted under the provisions of the Act and other applicable laws of the State; if any remedy herein granted shall be held unlawful, the Trustee and the Bondholders shall nevertheless be entitled to every other remedy provided by the Act and other applicable laws of the State. It is further intended that, insofar as lawfully possible, the provisions of this Article X shall apply to and be binding upon any receiver appointed in accordance with Section 10.12 hereof.

SECTION 10.14. Credit Facility Issuer's Rights Upon Events of Default. Anything in the Master Indenture to the contrary notwithstanding, if any Event of Default has occurred and is continuing while a Credit Facility securing all or a portion of such Bonds of a Series Outstanding is in effect, the Credit Facility Issuer shall have the right, in lieu of the Owners of the Series of Bonds (or portion thereof) secured by said Credit Facility, by an instrument in

writing, executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee under the Master Indenture, or exercising any trust or power conferred on the Trustee by the Master Indenture. Said direction shall be controlling to the extent the direction of Owners of the Series of Bonds (or portion thereof) secured by said Credit Facility would have been controlling under this Article. If the Credit Facility Issuer shall be in default in the performance of its obligations under the Credit Facility, said Credit Facility Issuer shall have no rights under this Section.

## **ARTICLE XI**

### **THE TRUSTEE; THE PAYING AGENT AND REGISTRAR**

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

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

SECTION 11.03. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Negligence. The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of Counsel concerning all questions hereunder; the Trustee shall not be answerable for the default or misconduct of any attorney or agent selected and supervised by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under the Master Indenture nor for anything whatever in connection with the trust hereunder, except only its own negligence or willful misconduct or breach of its obligations hereunder.

SECTION 11.04. Compensation and Indemnity. The Issuer shall pay the Trustee reasonable compensation for its services hereunder, and also all its reasonable expenses and disbursements, and shall indemnify and hold the Trustee harmless against any liabilities which it may incur in the proper exercise and performance of its powers and duties hereunder, except with respect to its own willful misconduct, negligence or breach of its obligations hereunder. If the Issuer defaults in respect of the foregoing obligations, the Trustee may deduct the amount owing to it from any moneys coming into its hands under the Indenture but exclusive of the Rebate Fund and moneys from a drawing on any Credit Facility, which right of payment shall be prior to the right of the holders of the Bonds. This provision shall survive the termination of the Master Indenture and, as to any Trustee, its removal or resignation as Trustee.

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

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

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

SECTION 11.08. Reliance by Trustee. The Trustee may act on any requisition, resolution, notice, telegram, facsimile transmission, request, consent, waiver, certificate, statement, affidavit, voucher, bond, or other paper or document which it in good faith believes to be genuine and to have been passed, signed or given by the persons purporting to be authorized (which in the case of the Issuer shall be a Responsible Officer) or to have been prepared and furnished pursuant to any of the provisions of the Indenture; the Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement.

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

SECTION 11.10. Construction of Ambiguous Provisions. The Trustee may construe any ambiguous or inconsistent provisions of the Indenture, and except as otherwise provided in Article XIII of this Master Indenture, any construction by the Trustee shall be binding upon the

Bondholders. The Trustee shall give prompt notice to the Issuer of any intention to make such construction.

SECTION 11.11. Resignation of Trustee. The Trustee may resign and be discharged of the trusts created by the Indenture by written resignation filed with the Secretary of the Issuer not less than sixty (60) days before the date when such resignation is to take effect; provided, however, that (i) if any Outstanding Bonds are not registered Bonds, notice of such resignation is published at least once a week for three (3) consecutive calendar weeks in at least one Authorized Newspaper and at least once in The Bond Buyer, or its successor, if any, the first publication to appear not less than three (3) weeks prior to the date when the resignation is to take effect; and that (ii) if any Outstanding Bonds are registered Bonds, notice of such resignation shall be sent by first-class mail to each Bondholder as its name and address appears on the Bond Register and to any Paying Agent, Registrar, Authenticating Agent and Credit Facility Issuer, if any, at least sixty (60) days before the resignation is to take effect. Such resignation shall take effect on the day specified in the Trustee's notice of resignation unless a successor Trustee is previously appointed, in which event the resignation shall take effect immediately on the appointment of such successor; provided, however, that notwithstanding the foregoing, such resignation shall not take effect until a successor Trustee has been appointed. If a successor Trustee has not been appointed within ninety (90) days after the Trustee has given its notice of resignation, the Trustee may petition any court of competent jurisdiction for the appointment of a temporary successor Trustee to serve as Trustee until a successor Trustee has been duly appointed. Notice of such resignation shall also be given to any rating agency that shall then have in effect a rating on any of the Bonds.

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

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of the Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Issuer or the Holders of not less than a majority of the aggregate principal amount of the Bonds then Outstanding.

SECTION 11.13. Appointment of Successor Trustee. If the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the Issuer shall appoint a successor and (i) if any Outstanding Bonds are not registered bonds, shall publish notice of such appointment in an Authorized Newspaper and in The Bond Buyer, or its successor, if any, and (ii) if any Outstanding Bonds are registered Bonds, shall mail notice of such appointment by first-class mail to each Bondholder as its name and address appear on the Bond Register, and to the Paying Agent, Registrar, Authenticating Agent, Credit Facility Issuer, if any, and any rating agency that shall then have in effect a rating

on any of the Bonds. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Master Indenture prior to the date specified in the notice of resignation or removal as the date when such resignation or removal was to take effect, the Holders of a majority in aggregate principal amount of all Bonds then Outstanding may appoint a successor Trustee.

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

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

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

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

SECTION 11.18. Resignation of Paying Agent or Registrar. The Paying Agent or Registrar may resign and be discharged of the duties created by the Master Indenture by executing an instrument in writing resigning such duties and specifying the date when such resignation shall take effect, and filing the same with the Issuer, the Trustee, and any rating agency that shall then have in effect a rating on any of the Bonds, not less than forty-five (45) days before the date specified in such instrument when such resignation shall take effect, and by giving written notice of such resignation not less than three (3) weeks prior to such resignation date to the Bondholders, mailed to their addresses as such appear in the Bond Register. Such

resignation shall take effect on the date specified in such instrument and notice, but only if a successor Paying Agent or Registrar shall have been appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor Paying Agent or Registrar. If the successor Paying Agent or Registrar shall not have been appointed within a period of ninety (90) days following the giving of notice, then the Paying Agent or Registrar shall be authorized to petition any court of competent jurisdiction to appoint a successor Paying Agent or Registrar as provided in Section 11.22 hereof.

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

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

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

SECTION 11.22. Judicial Appointment of Successor Paying Agent or Registrar. In case at any time the Paying Agent or Registrar shall resign and no appointment of a successor Paying Agent or Registrar shall be made pursuant to the foregoing provisions of this Master Indenture prior to the date specified in the notice of resignation as the date when such resignation is to take effect, the retiring Paying Agent or Registrar may forthwith apply to a court of competent jurisdiction for the appointment of a successor Paying Agent or Registrar. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Paying Agent or Registrar. Notice of such appointment shall be given by the



Successor Registrar or Paying Agent to the Issuer, the Trustee, any rating agency that shall then have in effect a rating on any of the Bonds, and all Bondholders. In the absence of such an appointment, the Trustee shall become the Registrar or Paying Agent, or and shall so notify the Issuer, any rating agency that shall have issued a rating on the Bonds, and all Bondholders.

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

SECTION 11.24. Successor by Merger or Consolidation. Any corporation into which any Paying Agent or Registrar hereunder may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Paying Agent or Registrar hereunder shall be a party, shall be the successor Paying Agent or Registrar under the Indenture without the execution or filing of any paper or any further act on the part of the parties thereto, anything in the Indenture to the contrary notwithstanding.

## **ARTICLE XII**

### **ACTS OF BONDHOLDERS; EVIDENCE OF OWNERSHIP OF BONDS**

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

## **ARTICLE XIII**

### **AMENDMENTS AND SUPPLEMENTS**

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

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

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

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

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

SECTION 13.02. Amendments With Bondholders' Consent. Subject to the provisions of Section 13.03 hereof, this Master Indenture may be amended from time to time by a Supplemental Indenture and any Supplemental Indenture approved by the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding in the case of the Master Indenture, and of the Series of Bonds then outstanding and secured by such Supplemental Indenture in the case of amendment of a Supplemental Indenture; provided that with respect to (a) the interest payable upon any Bonds, (b) the dates of maturity or redemption provisions of any Bonds, (c) this Article XIII and (d) the security provisions hereunder or under any Supplemental Indenture, which may only be amended by approval of the Owners of all Bonds to be so amended.

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

## **ARTICLE XIV**

### **DEFEASANCE**

SECTION 14.01. Defeasance. When interest on, and principal or Redemption Price (as the case may be) of, the Bonds of a Series or any portion thereof to be defeased have been paid, or there shall have been deposited with the Trustee or such other escrow agent designated

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

SECTION 14.02. Deposit of Funds for Payment of Bonds. If the Issuer deposits with the Escrow Agent moneys sufficient, or Defeasance Securities, the principal of and interest on which, when due, together with any moneys remaining uninvested, will provide sufficient moneys to pay the principal or Redemption Price of any Bonds of a Series becoming due, either at maturity or by redemption or otherwise, together with all interest accruing thereon to the date of maturity or such prior redemption, and reimburses or causes to be reimbursed or pays or causes to be paid the other amounts required to be reimbursed or paid under Section 14.01 hereof, interest on such Bonds of a Series shall cease to accrue on such date of maturity or prior redemption and all liability of the Issuer with respect to such Bonds of a Series shall likewise cease, except as hereinafter provided; provided, however, that (a) if any Bonds are to be redeemed prior to the maturity thereof, notice of the redemption thereof shall have been duly given in accordance with the provisions of Section 8.02 hereof, or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of such notice, and (b) in the event that any Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days following a deposit of moneys with the Escrow Agent, in accordance with this Section, the Issuer shall have given the Escrow Agent, in form satisfactory to the Escrow Agent, irrevocable instructions to mail to the Owners of such Bonds at their addresses as they appear on the Bond Register, a notice stating that a deposit in accordance with this Section has been made with the Escrow Agent and that the Bonds to which such notice relates are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price (as the case may be) of, and interest on, said Bonds of a Series. Thereafter such Bonds shall be deemed not to be Outstanding hereunder and the Owners of such Bonds shall be restricted exclusively to the funds so deposited for any claim of whatsoever nature with respect to such Bonds, and the Escrow Agent shall hold such funds in trust for such Owners. At the time of the deposit referred to above, there shall be delivered to the Escrow Agent a verification from a firm of independent certified public accountants stating that the principal of and interest on the Defeasance Securities, together with the stated amount of any cash remaining on deposit with the Escrow Agent, will be sufficient without reinvestment to pay the remaining principal of, redemption premium, if any, and interest on such defeased Bonds.

Money so deposited with the Escrow Agent which remains unclaimed three (3) years after the date payment thereof becomes due shall, upon request of the Issuer, if the Issuer is not at the time to the knowledge of the Escrow Agent in default with respect to any covenant in the

Indenture or the Bonds contained, be paid to the Issuer; and the Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the Issuer; provided, however, that the Escrow Agent, before making payment to the Issuer, may, at the expense of the Issuer, cause a notice to be published in an Authorized Newspaper, stating that the money remaining unclaimed will be returned to the Issuer after a specified date.

## **ARTICLE XV**

### **MISCELLANEOUS PROVISIONS**

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

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

SECTION 15.02.     Payment Dates. In any case where an Interest Payment Date or the maturity date of the Bonds or the date fixed for the redemption of any Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 15.03.     No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Bonds.

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

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

SECTION 15.06.     Notices. Any notice, demand, direction, request or other instrument authorized or required by the Indenture to be given to or filed with the Issuer or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of the Indenture if and when personally delivered and receipted for, or sent by registered United States mail, return receipt requested, addressed as follows:

(a) As to the Issuer -

The Heights Community Development District  
c/o Meritus Corp.  
2005 Pan Circle, Suite 120  
Tampa, Florida 33605  
Attention: District Manager

(b) As to the Trustee -

U.S. Bank National Association  
225 E. Robinson Street, Suite 250  
Orlando, Florida 32801  
Attention: Corporate Trust Department

Any of the foregoing may, by notice sent to each of the others, designate a different or additional address to which notices under the Indenture are to be sent.

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

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

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

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

SECTION 15.10. Counterparts. This Master Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

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

**IN WITNESS WHEREOF**, The Heights Community Development District has caused this Master Indenture to be executed by the Chairman of its Board and attested by the Secretary or Assistant Secretary of its Board and U.S. Bank National Association, has caused this Master Indenture to be executed by one of its Authorized Signatories, all as of the day and year first above written.

**THE HEIGHTS COMMUNITY  
DEVELOPMENT DISTRICT**

[SEAL]

Attest:

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

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

[SEAL]

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

By: \_\_\_\_\_  
Stacey Johnson  
Vice President

STATE OF FLORIDA )  
 ) SS:  
COUNTY OF HILLSBOROUGH )

On this \_\_\_\_ day of July, 2017, before me, a notary public in and for the State and County aforesaid, personally appeared \_\_\_\_\_ and \_\_\_\_\_, Chairman and Secretary, respectively, of the Board of Supervisors of The Heights Community Development District, who acknowledged that they did sign the foregoing instrument as such officers, respectively, for and on behalf of The Heights Community Development District; and that the same is their free act and deed as such officers, respectively, and the free act and deed of The Heights Community Development District.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF  
FLORIDA

(Name of Notary Public, Print, Stamp or  
Type as Commissioned)

- ☐ Personally known to me, or  
☐ Produced identification:

(Type of Identification Produced)

STATE OF FLORIDA )  
 ) SS:  
COUNTY OF HILLSBOROUGH )

On this \_\_\_\_ day of July, 2017, before me, a notary public in and for the State and County aforesaid, personally appeared Stacey Johnson, a Vice President of U.S. Bank National Association, as Trustee, who acknowledged that he/she did sign said instrument as such officer for and on behalf of said national banking association; that the same is his/her free act and deed as such officer and the free act and deed of said national banking association; and that the seal affixed to said instrument is the seal of said national banking association.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF  
FLORIDA

(Name of Notary Public, Print, Stamp or  
Type as Commissioned)

- ☐ Personally known to me, or  
☐ Produced identification:

(Type of Identification Produced)

- ☐ DID take an oath, or  
☐ DID NOT take an oath.



**EXHIBIT A**

**LEGAL DESCRIPTION OF  
THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT**

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

**EXHIBIT B**

[FORM OF BOND]

The following legend shall appear on the Bond only if the Bonds are privately placed:

**THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, BASED UPON THE EXEMPTION FROM REGISTRATION AVAILABLE UNDER SECTION 3(a)(2) THEREOF, AND MAY BE SOLD OR OTHERWISE TRANSFERRED ONLY TO AN “ACCREDITED INVESTOR”, AS SUCH TERM IS DEFINED IN 17 C.F.R. SECTION 230.501(a), OR ANY SUCCESSOR PROVISION THERETO, IN ACCORDANCE WITH APPLICABLE FEDERAL AND STATE SECURITIES LAWS AND OTHERWISE IN ACCORDANCE WITH THE PROVISIONS OF THE INDENTURE REFERRED TO BELOW.**

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

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT  
[SPECIAL ASSESSMENT AND REVENUE BOND]  
[SPECIAL ASSESSMENT BOND]  
SERIES \_\_\_\_\_**

Interest Rate                      Maturity Date                      Date of Original Issuance                      CUSIP

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that The Heights Community Development District (the “Issuer”), for value received, hereby promises to pay to the registered owner shown above or registered assigns, on the date specified above, from the sources hereinafter mentioned, upon presentation and surrender hereof at the corporate trust office of U.S. Bank National Association, in Miami, Florida, as paying agent (said national banking association and/or any bank or trust company to become successor paying agent being herein called the “Paying Agent”), the Principal Amount set forth above with interest thereon at the Interest Rate per annum set forth above, computed on a 360-day year of 30-day months, payable on the first day of \_\_\_\_\_ of each year. Principal of this Bond is payable at the corporate trust office of U.S. Bank National Association, located in Miami, Florida, in lawful money of the United States of America. Interest on this Bond is payable by check or draft of the Paying Agent made payable to the registered owner and mailed on each Interest Payment Date to the address of the registered owner as such name and address shall appear on the registry books of the Issuer maintained by U.S. Bank National Association, as Registrar (said national banking association

and any successor Registrar being herein called the "Registrar") at the close of business on the fifteenth day of the calendar month preceding each interest payment date or the date on which the principal of a Bond is to be paid (the "Record Date"). Such interest shall be payable from the most recent interest payment date next preceding the date of authentication hereof to which interest has been paid, unless the date of authentication hereof is a May 1 or November 1 to which interest has been paid, in which case from the date of authentication hereof, or unless such date of authentication is prior to [\_\_\_\_\_ 1, \_\_\_\_], in which case from [\_\_\_\_\_ 1, \_\_\_\_], or unless the date of authentication hereof is between a Record Date and the next succeeding interest payment date, in which case from such interest payment date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Record Date and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice whereof shall be given to Bondholders of record as of the fifth (5th) day prior to such mailing, at their registered addresses, not less than ten (10) days prior to such Special Record Date, or may be paid, at any time in any other lawful manner, as more fully provided in the Indenture (defined below).

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH ON THE FRONT SIDE HEREOF.

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

[THE BONDS OF THIS ISSUE DO NOT CONSTITUTE A DEBT OR OBLIGATION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAMPA, THE CITY OF TAMPA, FLORIDA, HILLSBOROUGH COUNTY, FLORIDA, THE STATE OR ANY OTHER GOVERNMENTAL OR TAXING ENTITY OTHER THAN THE DISTRICT EXCEPT AS TO THE OBLIGATION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAMPA CONTAINED IN THE INTERLOCAL AGREEMENT (AS DEFINED IN THE INDENTURE) TO DEPOSIT CERTAIN FUNDS IN THE REDEVELOPMENT TRUST FUND AND PAY A PORTION OF SUCH FUNDS TO THE DISTRICT AS PROVIDED IN, AND LIMITED BY, THE INTERLOCAL AGREEMENT. NO

TAX INCREMENT REVENUES OTHER THAN “COMMITTED TAX INCREMENT REVENUES” (AS DEFINED IN THE INTERLOCAL AGREEMENT) OR OTHER REVENUES OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAMPA, THE CITY OF TAMPA, FLORIDA, HILLSBOROUGH COUNTY, FLORIDA, THE STATE OR ANY OTHER TAXING ENTITY OTHER THAN THE DISTRICT ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF PREMIUM, IF ANY, OR INTEREST ON THE BONDS.]

NOTHING IN THE BONDS AUTHORIZED UNDER THE INDENTURE OR IN THE INDENTURE SHALL BE CONSTRUED AS OBLIGATING A DEVELOPER, OR ANY PERSON AFFILIATED WITH, CONTROLLING OR RELATED TO, A DEVELOPER TO PAY THE BONDS OR THE REDEMPTION PRICE THEREOF OR THE INTEREST THEREON, ACCEPT TO THE EXTENT THAT THEY ARE OBLIGATED TO PAY SPECIAL ASSESSMENTS CONSTITUTING PLEDGED REVENUES UNDER THE INDENTURE.

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

**IN WITNESS WHEREOF**, The Heights Community Development District has caused this Bond to be signed by the facsimile signature of the Chairman of its Board of Supervisors, and attested by the facsimile signature of the Secretary of its Board of Supervisors, as of the date hereof.

**THE HEIGHTS COMMUNITY  
DEVELOPMENT DISTRICT**

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

Attest:

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

**CERTIFICATE OF AUTHENTICATION**

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

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

U.S. BANK NATIONAL ASSOCIATION, as  
Trustee

By: \_\_\_\_\_  
Authorized Officer

[Back of Bond]

This Bond is one of an authorized issue of Bonds of The Heights Community Development District, a community development district duly created, organized and existing under Chapter 190, Florida Statutes (the Uniform Community Development District Act of 1980), as amended (the “Act”), and Ordinance No. 2006-161 of the City Council of the City of Tampa, Florida, effective on July 13, 2006, designated as [“The Heights Community Development District Special Assessment Bonds, Series \_\_\_\_ (Special Assessments)”] [The Heights Community Development District Special Assessment and Revenue Bonds, Series \_\_\_\_ (Committed Tax Increment and Special Assessments)] (the “Bonds”), in the aggregate principal amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) of like date, tenor and effect, except as to number. The Bonds are being issued under authority of the laws and Constitution of the State of Florida, including particularly the Act, to pay a portion of the costs of the financing, funding, planning, acquisition, construction, reconstruction, equipping and installation of certain infrastructure improvements permitted by the Act. The Bonds shall be issued as fully registered Bonds in authorized denominations, as set forth in the Indenture. The Bonds are issued under and secured by a Master Trust Indenture dated as of July 1, 2017 (the “Master Indenture”), as amended and supplemented by a [\_\_\_\_\_] Supplemental Trust Indenture dated as of \_\_\_\_\_, 20\_\_ (the “Supplemental Indenture” and together with the Master Indenture, the “Indenture”), each by and between the Issuer and the Trustee, executed counterparts of which are on file at the corporate trust office of the Trustee in Orlando, Florida.

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

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

It is expressly agreed by the registered or beneficial owner of this Bond that such registered owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer [the Community Redevelopment Agency of the City of Tampa], The City of Tampa, Florida, Hillsborough County, Florida, the State of Florida or any political subdivision thereof, or taxation in any form of any real or personal property of the Issuer [the Community Redevelopment Agency of the City of Tampa], The City of Tampa, Florida, Hillsborough County, Florida, the State of Florida or any political subdivision thereof, for the

payment of the principal of, premium, if any, and interest on this Bond or the making of any other sinking fund and other payments provided for in the Indenture, except for Special Assessments to be assessed and levied by the Issuer as set forth in the Indenture.

By the acceptance of this Bond, the registered or beneficial owner hereof assents to all the provisions of the Indenture.

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

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

#### Optional Redemption

The Bonds are subject to redemption at the option of the Issuer in whole or in part at any time on or after \_\_\_\_\_ 1, \_\_\_\_, at the redemption prices (expressed as percentages of principal amount to be redeemed) set forth below, plus accrued interest to the redemption date, upon notice from the Issuer to the Trustee as set forth in the Indenture.

<b><u>Redemption Period</u></b> <b><u>(Both Dates Inclusive)</u></b>	<b><u>Redemption Price</u></b>
_____ 1, ____ to _____ 31, ____	%
_____ 1, ____ to _____ 31, ____	
_____ 1, ____ and thereafter	

#### Mandatory Sinking Fund Redemption

The Bonds are subject to mandatory sinking fund redemption on \_\_\_\_\_ 1 in the years and in the principal amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Bonds redeemed pursuant to



optional or extraordinary mandatory redemption as set forth above or purchased and cancelled pursuant to the provisions of the Indenture.

<u>Year</u>	<u>Principal Amount of Bonds to be Paid</u>	<u>Year</u>	<u>Principal Amount of Bonds to be Paid</u>
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#### Extraordinary Mandatory Redemption in Whole or in Part

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

#### Notice of Redemption

The Trustee shall cause notice of redemption to be mailed at least thirty but not more than sixty days prior to the date of redemption to all registered owners of Bonds to be redeemed (as such owners appear on the books of the Registrar on the fifth (5th) day prior to such mailing) and

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

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

The Issuer shall keep books for the registration of the Bonds at the corporate trust office of the Registrar in Orlando, Florida. Subject to the restrictions contained in the Indenture, the Bonds may be transferred or exchanged by the registered owner thereof in person or by his attorney duly authorized in writing only upon the books of the Issuer kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Issuer shall execute and the Trustee or such other authenticating agent as may be appointed by the Trustee under the Indenture shall authenticate and deliver a new Bond or Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Indenture. Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, Paying Agent or the Registrar, duly executed by the Bondholder or his attorney duly authorized in writing. Transfers and exchanges shall be made without charge to the Bondholder, except that the Issuer or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds. Neither the Issuer nor the

Registrar on behalf of the Issuer shall be required (i) to issue, transfer or exchange any Bond during a period beginning at the opening of business fifteen (15) days before the day of mailing of a notice of redemption of Bonds selected for redemption and ending at the close of business on the day of such mailing, or (ii) to transfer or exchange any Bond so selected for redemption in whole or in part.

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

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

## STATEMENT OF VALIDATION

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court of the Thirteenth Judicial Circuit of Florida, in and for Hillsborough County, Florida, rendered on November 30, 2006.

\_\_\_\_\_  
Chairman

## ABBREVIATIONS

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

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

UNIFORM GIFT MIN ACT	-	_____ Custodian _____
		(Cust) (Minor)

Under Uniform Gifts to Minors

Act \_\_\_\_\_  
(State)

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

## ASSIGNMENT AND TRANSFER

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

---

---

(please print or typewrite name and address of assignee)

---

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

---

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

Signature Guarantee:

---

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

---

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

---

Please insert social security or other identifying number of Assignee.

**EXHIBIT C**  
**FORM OF REQUISITION**

THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT  
[SPECIAL ASSESSMENT AND REVENUE BONDS]  
[SPECIAL ASSESSMENT BONDS]  
SERIES \_\_\_\_\_

The undersigned, a Responsible Officer of The Heights Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of that certain Master Trust Indenture dated as of July 1, 2017, as supplemented and amended by that certain \_\_\_\_\_ Supplemental Trust Indenture dated as of \_\_\_\_\_, 20\_\_ (collectively, the "Indenture"), by and between the District and U.S. Bank National Association, as trustee (the "Trustee") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

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

The undersigned hereby certifies that:

- 1. ☐ obligations in the stated amount set forth above have been incurred by the District, or  
☐ this requisition is for Costs of Issuance payable from the Acquisition and Construction Fund that have not previously been paid;
- 2. each disbursement set forth above is a proper charge against the Acquisition and Construction Fund or the Account or subaccount, if any referenced above;

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 that is due and which has not previously been paid.

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

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

Attached hereto are originals of the invoice(s) from the vendor of the property acquired or the services rendered with respect to which disbursement is hereby requested.

THE HEIGHTS COMMUNITY  
DEVELOPMENT DISTRICT

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

**DEVELOPERS' APPROVAL FOR NON-COST OF ISSUANCE REQUESTS ONLY**

If this requisition is for a disbursement from other than Costs of Issuance, the undersigned Developer hereby approves of this disbursement for a Cost of the Project.

**RIVERSIDE HEIGHTS DEVELOPMENT,  
LLC**, a Florida limited liability company

By: Riverside Heights, LLC  
Its: Manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: Manager

CONSULTING ENGINEER'S APPROVAL FOR  
NON-COST OF ISSUANCE AND NON-CAPITALIZED INTEREST REQUESTS ONLY

If this requisition is for a disbursement other than Costs of Issuance of the Series \_\_\_\_ Bonds or payment of capitalized interest, or a requisition presented on the date of closing of a Series of Bonds, the undersigned Consulting Engineer hereby certifies that (a) this disbursement is for a Cost of the Project and is consistent with the applicable acquisition or construction contract for the portion of the Project with respect to which such disbursement is being made, (b) the Consulting Engineer approves this requisition, (c) the amount requisitioned is due and unpaid, (d) that, insofar as the payment is to be made for work, material, supplies or equipment, the work has been performed and the material, supplies or equipment have been installed as part of the Project or any portion thereof or have been delivered either at the proper site or at a proper place for fabrication and are covered by the builders' risk insurance; (e) that all work, material, supplies and equipment for which payment is to be made are, in the signer's opinion, in accordance with the plans and specifications or duly approved change orders; and (f) all approvals for the acquisition, construction, reconstruction, installation and equipping of the Project or any portion thereof have been obtained or can reasonably be expected to be obtained from all applicable regulatory bodies.

CONSULTING ENGINEER

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



---

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**FIRST SUPPLEMENTAL TRUST INDENTURE**

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**BETWEEN**

**THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT**

**AND**

**U.S. BANK NATIONAL ASSOCIATION  
As Trustee**

---

**Dated as of July 1, 2017**

---

**Authorizing and Securing**

**\$ \_\_\_\_\_  
THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT AND REVENUE BONDS, SERIES 2017  
(COMMITTED TAX INCREMENT AND SPECIAL ASSESSMENTS)**

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**THIS FIRST SUPPLEMENTAL TRUST INDENTURE** (the “First Supplemental Indenture”), dated as of July 1, 2017 between **THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT** (the “Issuer” or the “District”), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and **U.S. BANK NATIONAL ASSOCIATION** (said banking association and any bank or trust company becoming successor trustee under this First Supplemental Indenture being hereinafter referred to as the “Trustee”);

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

**WHEREAS**, the Issuer is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the “Act”), and Ordinance No. 2006-161 of the City Council of the City of Tampa, Florida, effective on July 13, 2006; and

**WHEREAS**, the premises to be governed by the Issuer are described more fully in Exhibit A to the Master Trust Indenture, dated as of July 1, 2017 between the District and the Trustee (the “Master Indenture”), referred to as the “District Lands” and consist of approximately \_\_\_ acres of land located entirely within the City of Tampa, Florida (the “City”) in Hillsborough County, Florida (the “County”); 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 master infrastructure (the “Series 2017 Project”) pursuant to the Act for the special benefit of the District Lands (as further described in Exhibit A hereto), as set forth in The Heights Community Development District Master Assessment Methodology Report, dated June 13, 2017 (the “Assessment Methodology”) and Resolution 2017-\_\_ adopted by the Board of Supervisors of the Issuer on July \_\_, 2017; and

**WHEREAS**, pursuant to the Master Indenture and this First Supplemental Indenture (hereinafter sometimes collectively referred to as the “Indenture”), the Issuer has determined to issue \$\_\_\_\_\_ aggregate principal amount of The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the “Series 2017 Bonds”); and

**WHEREAS**, the proceeds of the Series 2017 Bonds will be used to provide funds for (i) the payment of a portion of the costs of the Series 2017 Project, (ii) the payment of interest on the Series 2017 Bonds through November 1, 2019, (iii) the funding of the Series 2017 Debt Service Reserve Account, and (iv) payment of the costs of issuance of the Series 2017 Bonds; and

**WHEREAS**, the Series 2017 Bonds will be secured on a parity by a pledge of the Committed Tax Increment Revenues (as defined in the Master Trust Indenture) to the extent provided herein; and

**WHEREAS**, the Series 2017 Bonds will be additionally secured on a parity by a pledge of Special Assessments levied on the District Lands (as hereinafter defined) to the extent provided herein; and

**WHEREAS**, the Series 2017 Bonds are to be issued as Qualified Debt in accordance with Article III of the Interlocal Agreement (as defined herein) to finance Qualified Costs of the Public Project (as such terms are defined herein); and

**WHEREAS**, to the extent that the amount of Committed Tax Increment Revenues are insufficient to pay Annual Debt Service (as defined in the Interlocal Agreement) on the Series 2017 Bonds, such Annual Debt Service shall be paid from the proceeds of the Series 2017 Special Assessments, in the manner and to the extent provided in the Indenture;

**NOW, THEREFORE**, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH, that to provide for the issuance of the Series 2017 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 2017 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2017 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 U.S. Bank National Association, as Trustee, its successors in trust and its assigns forever, and grants a lien on all of the right, title and interest of the Issuer in and to the Pledged Revenues (hereinafter defined) as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Series 2017 Bonds issued hereunder, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

**TO HAVE AND TO HOLD** the same and 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 with respect to the Series 2017 Bonds.

**IN TRUST NEVERTHELESS**, for the equal and ratable benefit and security of all present and future Owners of the Series 2017 Bonds issued and to be issued under this First Supplemental Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this First Supplemental Indenture) of any one Series 2017 Bond over any other Series 2017 Bond, all as provided in the Indenture.

**PROVIDED, HOWEVER**, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal or redemption price of the Series 2017 Bonds issued, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2017 Bonds and the Indenture, according to the true intent and meaning thereof and hereof, and the Issuer shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this First Supplemental Indenture

and the rights hereby granted shall cease and terminate, otherwise this First Supplemental Indenture to be and remain in full force and effect.

## **ARTICLE I**

### **DEFINITIONS**

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

“Acquisition Agreement” shall mean one or more improvement acquisition agreements relating to the Series 2017 Project, between the developer and the Issuer.

“Annual Debt Service” shall mean the actual payments of principal and interest on the Series 2017 Bonds each year in accordance with the debt service schedule determined at the time the Series 2017 Bonds are issued.

“Arbitrage Certificate” shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants, of the Issuer, dated as of July \_\_, 2017, relating to certain restrictions on arbitrage under the Code.

“Assessment Resolutions” shall mean Resolutions 2017-\_\_, 2017-\_\_, and 2017-\_\_ of the Issuer dated \_\_\_\_, 2017, \_\_\_\_, 2017 and \_\_\_\_, 2017, as amended and supplemented from time to time.

“Authorized Denomination” shall mean, with respect to the Series 2017 Bonds, initially minimum denominations of \$100,000 and any integral multiple of \$5,000 in excess thereof, and thereafter, denominations of \$5,000 and any integral multiple thereof.

“Capitalized Interest” shall mean interest due or to become due on the Series 2017 Bonds, which will be paid, or is expected to be paid, from the proceeds of the Series 2017 Bonds.

“Continuing Disclosure Agreement” shall mean one or more continuing disclosure agreements for the benefit of the owners of the Series 2017 Bonds, to be entered into between the Issuer, the Developer, the City, the County, and Digital Assurance Certification, L.L.C., as dissemination agent, each dated as of July \_\_, 2017, in connection with the issuance of the Series 2017 Bonds.

“Defeasance Securities” shall mean, with respect to the Series 2017 Bonds, to the extent permitted by law, (a) cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in clause (b) hereof), and (b) direct obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of Treasury), which are non-callable and non-prepayable.

“Developer” shall mean, Riverside Heights Development, LLC, and any entities which succeed to all or any part of the interests and assumes any or all of the responsibilities of said entities, as the master Developer of the District Lands.

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

“Interlocal Agreement” shall mean that certain Interlocal Agreement dated May 1, 2015, by and among the City, the Community Redevelopment Agency of the City of Tampa, and the Issuer, entered into pursuant to Section 163.01, Florida Statutes.

“Interest Payment Date” shall mean May 1 and November 1 of each year, commencing November 1, 2017.

“Master Indenture” shall mean the Master Trust Indenture, dated as of July 1, 2017 by and between the Issuer and the Trustee, as supplemented and amended with respect to matters pertaining solely to the Master Indenture or the Series 2017 Bonds (as opposed to supplements or amendments relating to Series of Bonds other than the Series 2017 Bonds as specifically defined in this First Supplemental Indenture).

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

“Pledged Revenues” shall mean with respect to the Series 2017 Bonds, (a) all Committed Tax Increment Revenues received by the Issuer with respect to the Series 2017 Bonds, (b) all revenues received by the Issuer from Series 2017 Special Assessments levied and collected on the District Lands benefited by the Series 2017 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Special Assessments or from the issuance and sale of tax certificates with respect to such Special Assessments, and (c) all moneys on deposit in the Funds and Accounts established under the Indenture in respect to the Series 2017 Bonds, including earning thereon; provided, however, that Pledged Revenues shall not include (i) with respect to the Series 2017 Bonds, revenues received by the District from Special Assessments levied and collected with respect to one or more other Series of Bonds, including without limitation amounts received from any foreclosure proceeding for the enforcement of collection of such Special Assessments or from the issuance and sale of tax certificates with respect to such Special Assessments, (ii) any moneys transferred to the Rebate Fund, or investment earnings thereon and (iii) “special assessments” levied and collected by the Issuer under Section 190.022 of the Act, as amended, or any other provision of the Act, for maintenance purposes or “maintenance special assessments” levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (i), (ii) and (iii) of this proviso).

“Prepayment” shall mean the payment by any owner of property of the amount of Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments and prepayments which become due pursuant to the “true-up”

mechanism contained in the Assessment Resolutions. “Prepayments” shall include, without limitation, Series 2017 Prepayment Principal.

“Registrar” shall mean U.S. Bank National Association, and its successors and assigns as Registrar hereunder.

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

“Resolution” shall mean, collectively, (i) Resolution 2006-19 of the Issuer dated July 26, 2006, pursuant to which the Issuer authorized the issuance of not exceeding \$70,000,000 aggregate principal amount of its special assessment bonds and special assessment revenue bonds to finance the acquisition and construction of a certain master infrastructure improvements for the special benefit of the District Lands or portions thereof, and (ii) Resolution 2017-\_\_ of the Issuer dated July \_\_, 2017, pursuant to which the Issuer authorized the issuance of the Series 2017 Bonds in an aggregate principal amount not exceeding \$\_\_\_\_\_, to finance the Series 2017 Project, specifying the details of the Series 2017 Bonds and delegating authority to the Chairman to award and sell the Series 2017 Bonds.

“Series 2017 Bond Redemption Fund” shall mean the Series 2017 Bond Redemption Fund established pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2017 Interest Account” shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(d) of this First Supplemental Indenture.

“Series 2017 Principal Account” shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(c) of this First Supplemental Indenture.

“Series 2017 Revenue Account” shall mean the Account so designated, established as a separate account within the Revenue Fund pursuant to Section 4.01(b) of this First Supplemental Indenture.

“Series 2017 Acquisition and Construction Account” shall mean the Account so designated, established as a separate account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this First Supplemental Indenture.

“Series 2017 Bonds” shall mean the \$\_\_\_\_\_ aggregate principal amount of The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments), to be issued as fully registered Bonds in accordance with the provisions of the Master Indenture and this First Supplemental Indenture, and secured and authorized by the Master Indenture and this First Supplemental Indenture.

“Series 2017 Capitalized Interest Subaccount” shall mean the subaccount so designated, established as a separate subaccount within the Series 2017 Interest Account of the Debt Service Fund pursuant to Section 4.01(d) of this First Supplemental Indenture.

“Series 2017 Debt Service Reserve Account” shall mean the Account so designated, established as a separate account within the Debt Service Reserve Fund pursuant to Section 4.01(f) of this First Supplemental Indenture.

“Series 2017 Debt Service Reserve Requirement” shall mean, with respect to the Series 2017 Bonds, an amount equal to the lesser of (i) the maximum annual Debt Service Requirement (on a calendar year basis) for the Outstanding Series 2017 Bonds, (ii) 125% of the average annual Debt Service Requirement for Outstanding Series 2017 Bonds, and (iii) 10% of the original stated principal amount (within the meaning of the Code) of the Series 2017 Bonds.

“Series 2017 General Account” shall mean the account so designated, established as a separate account under the Series 2017 Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2017 Interest Subaccount” shall mean the account so designated, established as a separate subaccount under the Series 2017 Interest Account pursuant to section 4.01(d) of this First Supplemental Indenture.

“Series 2017 Prepayment Account” shall mean the account so designated, established as a separate account under the Series 2017 Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2017 Prepayment Principal” shall mean the portion of a Prepayment corresponding to the principal amount of Series 2017 Special Assessments being prepaid.

“Series 2017 Principal Subaccount” shall mean the subaccount so designated, established as a separate subaccount under the Series 2017 Principal Account pursuant to Section 4.01(d) of the First Supplemental Indenture.

“Series 2017 Revenue Subaccount” shall mean the subaccount so designated, established as a separate subaccount within the Series 2017 Revenue Account pursuant to Section 4.01(b) of this First Supplemental Indenture.

“Series 2017 Sinking Fund Account” shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(e) of this First Supplemental Indenture.

“Series 2017 Special Assessments” shall mean a portion of the Special Assessments levied, corresponding in amount to the debt service on the Series 2017 Bonds.

“Special Assessments” shall mean (a) the net proceeds derived from the levy and collection of “special assessments,” as provided for in Sections 190.011(14) and 190.022 of the Act (except for any such special assessments levied and collected for maintenance purposes), against the District Lands 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 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 include the Series 2017 Special Assessments, but shall not include "maintenance special assessments" levied and collected by the Issuer under Section 190.021(3) of the Act.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the forms of Series 2017 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 the Chairman or Vice Chairman and the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary or Responsible Officer of the Issuer.

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

## **ARTICLE II**

### **THE SERIES 2017 BONDS**

SECTION 2.01. Amounts and Terms of Series 2017 Bonds; Issue of Series 2017 Bonds. No Series 2017 Bonds may be issued under this First Supplemental Indenture except in accordance with the provisions of this Article and Articles II and III of the Master Indenture.

(a) The total principal amount of Series 2017 Bonds that may be issued under this First Supplemental Indenture is expressly limited to \$\_\_\_\_\_. The Series 2017 Bonds shall be numbered consecutively from AR-1 and upwards.

(b) Any and all Series 2017 Bonds shall be issued substantially in the forms attached hereto as Exhibit B, 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. The Issuer shall issue the Series 2017 Bonds upon execution of this First Supplemental Indenture and satisfaction of the requirements of Section 3.01 of the Master Indenture; and the Trustee shall, at the Issuer's request, authenticate such Series 2017 Bonds and deliver them as specified in the request.

SECTION 2.02. Execution. The Series 2017 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

SECTION 2.03. Authentication. The Series 2017 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2017 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 2017 Bonds.

(a) The Series 2017 Bonds are being issued hereunder in order to provide funds (i) for the payment of a portion of the costs of the Series 2017 Project, (ii) for the payment of interest on the Series 2017 Bonds through November 1, 2019, (iii) to fund the Series 2017 Debt Service Reserve Account, and (iv) to pay a portion of the costs of issuance of the Series 2017 Bonds. The Series 2017 Bonds shall be designated “The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments),” and shall be issued as fully registered bonds without coupons in Authorized Denominations.

(b) The Series 2017 Bonds shall be dated July \_\_, 2017. Interest on the Series 2017 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2017 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, 2017, in which case from July \_\_, 2017 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.

(d) Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book entry only system of registration of the Series 2017 Bonds, the principal or Redemption Price of the Series 2017 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 2017 Bonds. Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book entry only system of registration of the Series 2017 Bonds, the payment of interest on the Series 2017 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2017 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 2017 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 2017 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 2017 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 2017 Bonds.

(a) The Series 2017 Bonds will mature on May 1, 20\_\_, May 1, 20\_\_, and May 1, 20\_\_ and bear interest at the rate of \_\_\_\_% per annum, \_\_\_\_% per annum, and \_\_\_\_% per annum, respectively, subject to the right of prior redemption in accordance with their terms.

(b) Interest on the Series 2017 Bonds will be computed in all cases on the basis of a 360 day year of twelve 30 day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by the Series 2017 Bonds on the day before the default occurred.

SECTION 2.06. Disposition of Series 2017 Bond Proceeds.

(a) From the proceeds of the Series 2017 Bonds received by the Trustee,

(i) \$\_\_\_\_\_ representing Capitalized Interest shall be deposited in the Series 2017 Capitalized Interest Subaccount of the Series 2017 Interest Account of the Debt Service Fund,

(ii) \$\_\_\_\_\_ (which is an amount equal to the Series 2017 Debt Service Reserve Requirement) shall be deposited in the Series 2017 Debt Service Reserve Account of the Debt Service Reserve Fund, and

(iii) \$\_\_\_\_\_ constituting all remaining proceeds of the Series 2017 Bonds, shall be deposited in the Series 2017 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied in accordance with Article V of the Master Indenture.

SECTION 2.07. Book-Entry Form of Series 2017 Bonds. The Series 2017 Bonds shall be issued as one fully registered bond per maturity of each series 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 and the Trustee 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, the Trustee will register and deliver to the Beneficial Owners replacement

Series 2017 Bonds in the form of fully registered Series 2017 Bonds in accordance with the instructions from Cede & Co.

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 2017 Bonds, and hereby appoints U.S. Bank National Association, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. U.S. Bank National Association, hereby accepts its appointment as Registrar and its duties and responsibilities as Registrar hereunder. Registrations, transfers and exchanges shall be without charge to the Bondholder requesting such registration, transfer or exchange, but such Bondholder shall pay any taxes or other governmental charges on all registrations, transfers and exchanges.

The Issuer hereby appoints U.S. Bank National Association, as Paying Agent for the Series 2017 Bonds. U.S. Bank National Association, hereby accepts its appointment as Paying Agent and its duties and responsibilities as Paying Agent hereunder.

### **ARTICLE III**

#### **REDEMPTION OF SERIES 2017 BONDS**

SECTION 3.01. Redemption Dates and Prices. The Series 2017 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 2017 Bonds shall be made on the dates hereinafter required. If less than all the Series 2017 Bonds are to be redeemed pursuant to an Extraordinary Mandatory Redemption, the Trustee shall select the Series 2017 Bonds or portions of the Series 2017 Bonds to be redeemed as provided in this Section 3.01. Partial redemptions of Series 2017 Bonds shall be made in such a manner that the remaining Series 2017 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2017 Bond of each series.

(a) Optional Redemption.

(i) *Series 2017 Bonds.* The Series 2017 Bonds may, at the option of the Issuer, be called for redemption prior to maturity as a whole or in part at any time on or after May 1, 2017 (less than all Series 2017 Bonds to be selected by lot), at a Redemption Price equal to 100% of the principal amount to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date.

(b) Extraordinary Mandatory Redemption in Whole or in Part. The Series 2017 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole, on any date, or in part, on any Interest Payment Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2017 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2017 Prepayment Principal deposited into the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund following

the payment in whole or in part of Special Assessments on any portion of the District Lands specially benefitted by the Series 2017 Project in accordance with the provisions of Section 4.05(a) of this First Supplemental Indenture, including excess moneys transferred from the Series 2017 Debt Service Reserve Account to the Series 2017 Prepayment Account of the Series 2017 Redemption Fund, of the Series 2017 Bond Redemption Fund resulting from such Special Assessment prepayments pursuant to Section 4.01(g)(ii) of this First Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2017 Accounts and Subaccounts in the Series 2017 Funds and Accounts (other than the Rebate Fund) sufficient to pay and redeem all Series 2017 Outstanding Bonds, as the case may be, and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.

(iii) on or after the Completion Date of the Series 2017 Project, by application of moneys remaining in the Series 2017 Acquisition and Construction Account not reserved by the Issuer for the payment of any remaining part of the Cost of the Series 2017 Project, all of which shall be transferred to the Series 2017 General Account of the Series 2017 Bond Redemption Fund, credited toward extinguishment of the Special Assessments and applied toward the redemption of the Series 2017 Bonds; and on or after November 1, 2019 by application of any moneys remaining in the Series 2017 Capitalized Interest Subaccount representing Capitalized Interest in excess of the amount required to pay interest on the Series 2017 Bonds through November 1, 2019, all of which shall be transferred first, prior to the Completion Date of the Series 2017 Project, to the Series 2017 Acquisition and Construction Account, and thereafter to the Series 2017 General Account of the Series 2017 Bond Redemption Fund pursuant to Section 5.01(c) of the Master Indenture and Section 4.01(d) of this First Supplemental Indenture, and applied by the Issuer toward the redemption of the Series 2017 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2017 Special Assessments which the Issuer shall describe to the Trustee in writing.

(iv) from excess moneys transferred from the Series 2017 Revenue Subaccount to the Series 2017 General Account of the Series 2017 Bond Redemption Fund, in accordance with Section 6.03 of the Master Indenture and Section 4.02 of this First Supplemental Indenture.

(v) following condemnation or the sale of any portion of the Series 2017 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 2017 Project to the Trustee by or on behalf of the Issuer for deposit into the Series 2017 General Account of the Series 2017 Bond Redemption Fund in order to effectuate such redemption and, which moneys shall be applied by the Issuer to redeem Series 2017 Bonds in accordance with the manner it has credited such moneys toward

extinguishment of Series 2017 Special Assessments which the Issuer shall describe to the Trustee in writing.

(vi) following the damage or destruction of all or substantially all of the Series 2017 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 2017 General Account of the Series 2017 Bond Redemption Fund which moneys shall be applied by the Issuer to redeem Series 2017 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2017 Special Assessments which the Issuer shall describe to the Trustee in writing; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the Issuer shall cause to be delivered to the Trustee (x) notice setting forth the redemption date and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Series 2017 Project would not be economical or would be impracticable.

(vii) from amounts on deposit in the Series 2017 Debt Service Reserve Account in excess of the Series 2017 Debt Service Reserve Requirement, and transferred to the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund in accordance with Section 6.05 of the Master Indenture and Section 4.01(f) hereof to be used, together with any Special Assessment prepayments on deposit in the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund, as the case may be, for the Extraordinary Mandatory Redemption of the Series 2017 Bonds.

(c) Mandatory Sinking Fund Redemption. The Series 2017 Bonds are subject to mandatory redemption in part by the Issuer by lot prior to their scheduled maturity from moneys in the Series 2017 Sinking Fund Account established under the Indenture in satisfaction of applicable Amortization 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:

**Series 2017 Term Bond Maturing May 1, 20\_\_**

Year <u>(May 1)</u>	Principal <u>Amount</u>	Year <u>(May 1)</u>	Principal <u>Amount</u>
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\_\_\_\_\_

\* Maturity.

**Series 2017 Term Bond Maturing May 1, 20\_\_**

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
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\* Maturity.

**Series 2017 Term Bond Maturing May 1, 20\_\_**

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
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\* Maturity.

SECTION 3.02. Notice of Redemption. When required to redeem Series 2017 Bonds under any provision of this First Supplemental Indenture or directed to redeem Series 2017 Bonds by the Issuer, the Trustee shall give or cause to be given to Owners of the Series 2017 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 an account within the Acquisition and Construction Fund designated as the “Series 2017 Acquisition and Construction Account.” Proceeds of the Series 2017 Bonds shall be deposited into the Series 2017 Acquisition and Construction Account in the amount set forth in Section 2.06 of this First Supplemental Indenture, together with any excess moneys transferred to the Series 2017 Acquisition and Construction Account, and such moneys in the Series 2017 Acquisition and Construction Account shall be applied as set forth in Article V of the Master Indenture and Section 3.01(b)(iii) of this First Supplemental Indenture.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish an account within the Revenue Fund designated as the “Series 2017 Revenue Account,” and within such account the “Series 2017 Revenue Subaccount.” Committed Tax Increment Revenues shall be deposited by the Trustee in the Series 2017 Revenue Subaccount and applied in accordance with Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture. Series 2017 Special Assessments (except for Prepayments of Series 2017 Special Assessments which shall be deposited in the Series 2017 Prepayment Account) shall be deposited by the Trustee into the Series 2017 Revenue Subaccount which shall be applied as set forth in Article VI of the Master Indenture and Section 4.02 of this First 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 2017 Principal Account,” and within such account the “Series 2017 Principal Subaccount.” Moneys shall be deposited into the Series 2017 Principal Account as provided in Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture, and applied for the purposes provided therein.

(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 2017 Interest Account” and within such Account, the “Series 2017 Interest Subaccount,” and the “Series 2017 Capitalized Interest Subaccount.” Moneys deposited into the Series 2017 Interest Account pursuant to the Master Indenture and Section 4.02 of this First Supplemental Indenture, shall be applied for the purposes provided therein and as provided in this Section 4.01(d).

In the event that on November 1, 2019, the amount of proceeds of the Series 2017 Bonds representing Capitalized Interest on deposit in the Series 2017 Capitalized Interest Subaccount exceeds the amount needed for Capitalized Interest with respect to the Series 2017 Bonds, as the case may be, such excess shall be transferred at the written direction of the District Manager from the Series 2017 Capitalized Interest Subaccount first, prior to the Completion Date of the Series 2017 Project, to the Series 2017 Acquisition and Construction Account, and thereafter to the Series 2017 General Account of the Series 2017 Bond Redemption Fund, in such manner as the District Manager shall determine to apply such excess as a credit against Special Assessments, and applied, together with excess moneys transferred to the Series 2017 General Account from the Series 2017 Acquisition and Construction Account, pursuant to the Master Indenture and Section 3.01(b)(iii) hereof, toward the Extraordinary Mandatory Redemption of the Series 2017 Bonds.

(e) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate account within the Debt Service Fund designated as the “Series 2017 Sinking Fund



Account.” Moneys shall be deposited into the Series 2017 Sinking Fund Account as provided in Article VI of the Master Indenture and applied for the purposes provided therein and in Section 3.01(c) of this First 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 2017 Debt Service Reserve Account.” As long as there exists no default under the Indenture and the amounts in the Series 2017 Debt Service Reserve Account and is not reduced below the Series 2017 Debt Service Reserve Requirement, earnings on investments in the Series 2017 Debt Service Reserve Account shall be transferred to the applicable Capitalized Interest Subaccount of the Series 2017 Interest Account through November 1, 2019 and be transferred to the Series 2017 Revenue Subaccount, thereafter.

(g) Proceeds of the Series 2017 Bonds shall be deposited into the Series 2017 Debt Service Reserve Account in the amount set forth in Section 2.06(a) of this First Supplemental Indenture, and such moneys, together with any other moneys deposited into the Series 2017 Debt Service Reserve Account pursuant to the Master Indenture, shall be applied for the purposes provided therein and in this Section 4.01(f)(i). On each March 15 and September 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2017 Debt Service Reserve Account and transfer any excess therein above the Series 2017 Debt Service Reserve Requirement for the Series 2017 Bonds caused by Series 2017 Special Assessment prepayments to be deposited to the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund to be used, together with any Series 2017 Prepayment Principal on deposit in the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund, for the Extraordinary Mandatory Redemption of Series 2017 Bonds in accordance with Section 3.01(b)(vii).

In the event that the amount of proceeds of the Series 2017 Bonds on deposit in the Series 2017 Debt Service Reserve Account exceeds the Series 2017 Debt Service Reserve Requirement with respect to the Series 2017 Bonds due to a decrease in the amount of Series 2017 Bonds that will be outstanding as a result of an optional prepayment by the owner of a lot or parcel of land of a Series 2017 Special Assessment against such lot or parcel as provided in Section 4.05(a) of this First Supplemental Indenture, the amount to be released shall be transferred from the Series 2017 Debt Service Reserve Account to the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund, as a credit against the Series 2017 Prepayment Principal otherwise required to be made by the owner of such lot or parcel.

(h) Pursuant to Section 6.06 of the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Fund designated as the “Series 2017 Bond Redemption Fund” and within such Fund, a “Series 2017 General Account” and a “Series 2017 Prepayment Account.” Except as otherwise provided in this First Supplemental Indenture, moneys to be deposited into the Series 2017 Bond Redemption Fund as provided in Article VI of the Master Indenture shall be deposited to the Series 2017 General Account of the Series 2017 Bond Redemption Fund.

(i) Moneys in the Series 2017 General Account of the Series 2017 Bond Redemption Fund (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, if any, as the Issuer may direct 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 2017 General Account of the Series 2017 Bond Redemption Fund to the Rebate Fund shall thereupon be free from the lien and pledge of the Indenture;

SECOND, to be used to call for redemption pursuant to Section 3.01(b)(ii), (iii), (iv), (v) and (vi) hereof an amount of the Series 2017 Bonds equal to the amount of money transferred to the Series 2017 General Account of the Series 2017 Bond Redemption Fund, respectively, pursuant to the aforesaid clauses or provisions, as appropriate, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate; and

THIRD, the remainder to be utilized by the Trustee, at the direction of a Responsible Officer or call for redemption on each Interest Payment Date on which Series 2017 Bonds are subject to optional redemption pursuant to Section 3.01(a) hereof such amount of Series 2017 Bonds as, with the redemption premium, may be practicable; provided, however, that not less than \$5,000 principal amount of Series 2017 Bonds shall be called for redemption at one time.

(ii) Moneys in the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund (including all earnings on investments held in either such Prepayment Account of the Series 2017 Bond Redemption Fund) shall be accumulated therein to be used as follows, to the extent that the need therefor arises:

To be used to call for redemption pursuant to Section 3.01(b)(i) and (vii) hereof an amount of Series 2017 Bonds equal to the amount of money transferred to the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund pursuant to the aforesaid clauses or provisions, as appropriate, and as directed by the Issuer pursuant to the Assessment Methodology, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate.

SECTION 4.02. Series 2017 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2017 Revenue Subaccount, of the Series 2017 Revenue Account to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt but no later than the Business Day preceding the first May 1 for which there remains an insufficient amount from the Series 2017 Bond proceeds (or investment earnings thereon) on deposit in the Series 2017 Capitalized Interest Subaccount to be applied to the payment of interest on the Series 2017 Bonds due on the next succeeding May 1 thereafter to the Series 2017 Interest Subaccount of the Debt Service Fund, an amount from the Series 2017 Revenue Subaccount equal to the interest

on the Series 2017 Bonds becoming due on the next succeeding May 1, less any amounts on deposit in the Series 2017 Interest Subaccount not previously credited;

SECOND, no later than the Business Day next preceding each May 1, commencing May 1, 20\_\_ to the Series 2017 Principal Subaccount of the Debt Service Fund, an amount from the Series 2017 Revenue Subaccount equal to the principal amount of Series 2017 Bonds Outstanding maturing on such May 1, if any, less any amounts on deposit in the Series 2017 Principal Subaccount not previously credited;

THIRD, no later than the Business Day next preceding each May 1, commencing May 1, 20\_\_, to the Series 2017 Sinking Fund Account of the Debt Service Fund, an amount from the Series 2017 Revenue Subaccount equal to the principal amount of Series 2017 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2017 Sinking Fund Account not previously credited;

FOURTH, no later than the Business Day next preceding each May 1, commencing May 1, 20\_\_, to the Series 2017 Sinking Fund Account of the Debt Service Fund, an amount from the Series 2017 Revenue Subaccount equal to the principal amount of Series 2017 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2017 Sinking Fund Account not previously credited;

FIFTH, upon receipt but no later than the Business Day preceding the first November 1 for which there remains an insufficient amount from the Series 2017 Bond proceeds (or investment earnings thereon) on deposit in the Series 2017 Capitalized Interest Subaccount to be applied to the payment of interest on the Series 2017 Bonds due on the next succeeding November 1, and upon receipt but no later than the Business Day next preceding each November 1 thereafter to the Series 2017 Interest Subaccount of the Debt Service Fund, an amount from the Series 2017 Revenue Subaccount equal to the interest on the Series 2017 Bonds becoming due on the next succeeding November 1, less any amount on deposit in the Series 2017 Interest Subaccount not previously credited;

SIXTH upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2017 Bonds remain Outstanding, to the Series 2017 Debt Service Reserve Account, an amount from the Series 2017 Revenue Subaccount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2017 Debt Service Reserve Requirement;

SEVENTH, to the Series 2017 Acquisition and Construction Account, for the payment of Deferred Obligations, as set forth in Section 5.01(c) of the Master Indenture, if and to the extent the Issuer has notified the Trustee that such Deferred Obligations exist;

EIGHTH, the amount, if any, as the Issuer may direct in accordance with the Arbitrage Certificate, such monies thereupon to be used solely for the purposes specified in the Arbitrage Certificate; any monies so transferred from the Series 2017 Acquisition and Construction Fund to the Rebate Fund shall be free from the lien and pledge of the Indenture; and

NINTH, subject to the following paragraph the balance of any moneys remaining after making the foregoing deposits the balance shall remain in the Series 2017 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 to make such deposit thereto.

The Trustee shall, within ten (10) Business Days after the last Interest Payment Date in any calendar year, withdraw any moneys held for the credit of the Series 2017 Revenue Account which are not otherwise required to be deposited pursuant to this Section and deposit such moneys as directed, prior to the Completion Date of the Series 2017 Project, to the credit of the Series 2017 Acquisition and Construction Account, and thereafter, to the credit of the Series 2017 General Account of the Series 2017 Bond Redemption Fund as determined by the Issuer in accordance with the provisions of this First Supplemental Indenture. Special Assessment prepayments shall be deposited directly into the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund as provided in the Indenture.

SECTION 4.03. Power to Issue Series 2017 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2017 Bonds, to execute and deliver the Indenture and to pledge the Pledged Revenues for the benefit of the Series 2017 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 2017 Bonds, except as otherwise permitted under the Master Indenture. The Series 2017 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 2017 Bonds under the Indenture against all claims and demands of all persons whomsoever.

SECTION 4.04. Series 2017 Project to Conform to Plans and Specifications; Changes. The Issuer will proceed to complete the Series 2017 Project, as described in Exhibit A hereto, 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 2017 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. At any time any owner of property subject to the Special Assessments may, at its option, or under certain circumstances described in the Assessment Resolutions in connection with Prepayments derived from application of the “true-up” mechanism therein, shall, require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Special Assessments by paying to the Issuer all or a portion of the Special Assessment, which shall constitute Series 2017 Prepayment Principal, as directed by the Issuer pursuant to the provisions of Section 4.01(g)(ii) of this First Supplemental Indenture, plus accrued interest to the next succeeding Interest Payment Date (or the second succeeding Interest Payment Date if such prepayment is made within 45 calendar days before an Interest Payment Date), attributable to the property subject to Special Assessment owned by such owner; provided, however, to the extent that such payments are to be used to redeem Series 2017 Bonds, in the event the amount

in the Series 2017 Debt Service Reserve Account, as the case may be, will exceed the Series 2017 Debt Service Reserve Requirement, as a result of a Prepayment in accordance with this Section 4.05(a) and the resulting redemption in accordance with Section 3.01(b)(i) of this First Supplemental Indenture of Series 2017 Bonds, the excess amount shall be transferred from the Series 2017 Debt Service Reserve Account, as the case may be, to the Series 2017 Prepayment Account, as a credit against the Series 2017 Prepayment Principal otherwise required to be paid by the owner of such lot or parcel.

(a) Upon receipt of Series 2017 Prepayment Principal as described in paragraph (a) above, subject to satisfaction of the conditions set forth therein, the Issuer shall immediately pay the amount so received to the Trustee, and the Issuer shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by the District Manager, to the effect that the Special Assessment has been paid in whole or in part and that such 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 2017 Prepayment Account of the Series 2017 Bond Redemption Fund to be applied in accordance with clause (i) of Section 3.01(b) of this First Supplemental Indenture, to the redemption of Series 2017 Bonds in accordance with Section 4.01(g)(ii) of this First Supplemental Indenture.

## **ARTICLE V**

### **MISCELLANEOUS PROVISIONS**

SECTION 5.01. Interpretation of Supplemental Indenture. This First Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2017 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this First Supplemental Indenture by reference. To the maximum extent possible, the Master Indenture and the Supplemental Indenture shall be read and construed as one document.

SECTION 5.02. Amendments. Any amendments to this First Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

SECTION 5.03. Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 5.04. Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this First Supplemental Indenture are hereby incorporated herein and made a part of this First Supplemental Indenture for all purposes.

SECTION 5.05. Payment Dates. In any case in which an Interest Payment Date or the maturity date of the Series 2017 Bonds or the date fixed for the redemption of any Series 2017 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 5.06. 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 2017 Bonds.

SECTION 5.07. Collection of Assessments. Pursuant to Section 9.04 of the Master Trust Indenture and subject to the Issuer entering into a Property Appraiser and Tax Collector Agreement, Special Assessments levied on platted lots and pledged hereunder to secure the Series 2017 Bonds will be collected pursuant to the uniform method for the levy, collection and enforcement of Special Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes.

IN WITNESS WHEREOF, The Heights Community Development District has caused this First Supplemental Trust Indenture to be executed by the Chairman of its Board of Supervisors and its corporate seal to be hereunto affixed and attested by the Secretary of its Board of Supervisors and U.S. Bank National Association, has caused this First Supplemental Trust Indenture to be executed by one of its Vice Presidents and its seal to be hereunto affixed and attested by an authorized officer, all as of the day and year first above written.

**THE HEIGHTS COMMUNITY  
DEVELOPMENT DISTRICT**

[SEAL]

Attest:

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

\_\_\_\_\_  
Chairman, Board of Supervisors

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

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

[SEAL]

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

Stacey Johnson  
Vice President

STATE OF FLORIDA )  
 ) SS:  
COUNTY OF HILLSBOROUGH )

On this \_\_\_\_ day of \_\_\_\_\_, 2017, before me, a notary public in and for the State and County aforesaid, personally appeared \_\_\_\_\_ and \_\_\_\_\_, Chairman and Secretary, respectively, of THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT (the “Issuer”), who acknowledged that they did so sign the foregoing instrument as such officers, respectively, for and on behalf of said Issuer; that the same is their free act and deed as such officers, respectively, and the free act and deed of said Issuer; and that the seal affixed to said instrument is the seal of said Issuer; that they respectively appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said District, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Notary Public, Print, Stamp or  
Type as Commissioned)

- ☐<sub>1</sub> Personally known to me, or  
☐<sub>2</sub> Produced identification:

(Type of Identification Produced)



STATE OF FLORIDA )  
 ) SS:  
COUNTY OF HILLSBOROUGH )

On this \_\_\_\_ day of \_\_\_\_\_, 2017, before me, a notary public in and for the State and County aforesaid, personally appeared Stacey Johnson of U.S. Bank National Association, as Trustee, who acknowledged that she did so sign said instrument as such officer for and on behalf of said corporation; that the same is her free act and deed as such officer, respectively, and the free act and deed of said corporation; and that the seal affixed to said instrument is the seal of said corporation; that she appeared before me on this day in person and acknowledged that she, being thereunto duly authorized, signed, sealed with the seal of said corporation for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Notary Public, Print, Stamp or  
Type as Commissioned)

☐1 Personally known to me, or  
☐2 Produced identification:

(Type of Identification Produced)

## EXHIBIT A

### DESCRIPTION OF SERIES 2017 PROJECT

The following table lists the components and the estimated cost of the Series 2017 Project:

<b><u>Component</u></b>	<b><u>Estimated Cost</u></b>
Roadway System	\$5,100,000
Water & Wastewater Utilities	2,000,000
Storm Water Management	4,300,000
Recreational Facilities	3,900,000
Electrical Distribution	3,400,000
Landscaping & Hardscaping	3,700,000
<b>Total</b>	<b><u><u>\$22,400,000</u></u></b>

**EXHIBIT B**

**[FORM OF SERIES 2017 BOND]**

R-\_\_\_\_

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

**UNITED STATES OF AMERICA**

**STATE OF FLORIDA**

**THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT AND REVENUE BOND, SERIES 2017  
(COMMITTED TAX INCREMENT AND SPECIAL ASSESSMENTS)**

<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
____%	May 1, 20__	_____, 2017	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that The Heights Community Development District (the "Issuer"), for value received, hereby promises to pay to the registered owner shown above or registered assigns, on the date specified above, from the sources hereinafter mentioned, upon presentation and surrender hereof at the designated corporate trust office of U.S. Bank National Association, located in Orlando, Florida, as paying agent (said bank and/or any bank or trust company to become successor paying agent being herein called the "Paying Agent"), the principal amount set forth above with interest thereon at the rate per annum set forth above, payable on the first day of May and November of each year, commencing November 1, 20\_\_\_. Principal of this Bond is payable at the designated corporate trust office of U.S. Bank National Association, located in Orlando, Florida in lawful money of the United States of America. Except when registration of this Bond is being maintained pursuant to a book-entry-only system, interest on this Bond is payable by check or draft of the Paying Agent made payable to the registered owner and mailed to the address of the registered owner as such name and address shall appear on the registry books of the Issuer maintained by U.S. Bank National Association, as Registrar (said Registrar and any successor Registrar being herein called the "Registrar") at the close of business on the fifteenth day of the calendar month preceding each interest payment date or the date on which the principal of this Bond is to be paid (the "Record Date"). Such interest shall be payable from the most recent interest payment date next preceding the date of authentication hereof to which interest has been paid, unless the date of authentication hereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or November 1, 2017, in which case from the Dated Date set forth above, or unless the date of authentication hereof is between a Record Date and the next succeeding interest payment date, in which case from such interest payment date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Record Date and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice whereof shall be given to Bondholders of record

as of the fifth (5th) day prior to such mailing, at their registered addresses, not less than ten (10) days prior to such Special Record Date, or may be paid, at any time in any other lawful manner, as more fully provided in the Indenture (defined below). The foregoing notwithstanding, any Owner of Bonds in an aggregate principal amount of at least \$\_\_\_\_\_ 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 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.

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

THE BONDS OF THIS ISSUE DO NOT CONSTITUTE A DEBT OR OBLIGATION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAMPA, THE CITY OF TAMPA, FLORIDA, HILLSBOROUGH COUNTY, FLORIDA, THE STATE OR ANY OTHER GOVERNMENTAL OR TAXING ENTITY OTHER THAN THE DISTRICT EXCEPT AS TO THE OBLIGATION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAMPA CONTAINED IN THE INTERLOCAL AGREEMENT (AS DEFINED IN THE INDENTURE) TO DEPOSIT CERTAIN FUNDS IN THE REDEVELOPMENT TRUST FUND AND PAY A PORTION OF SUCH FUNDS TO THE DISTRICT AS PROVIDED IN, AND LIMITED BY, THE INTERLOCAL AGREEMENT. NO TAX INCREMENT REVENUES OTHER THAN "COMMITTED TAX INCREMENT REVENUES" (AS DEFINED IN THE INTERLOCAL AGREEMENT) OR OTHER REVENUES OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAMPA, THE CITY OF TAMPA, FLORIDA, HILLSBOROUGH COUNTY, FLORIDA, THE STATE OR ANY OTHER TAXING ENTITY OTHER THAN THE DISTRICT ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

NOTHING IN THE BONDS AUTHORIZED UNDER THE INDENTURE OR IN THE INDENTURE SHALL BE CONSTRUED AS OBLIGATING A DEVELOPER, OR ANY

PERSON AFFILIATED WITH, CONTROLLING OR RELATED TO, A DEVELOPER TO PAY THE BONDS OR THE REDEMPTION PRICE THEREOF OR THE INTEREST THEREON, ACCEPT TO THE EXTENT THAT THEY ARE OBLIGATED TO PAY SPECIAL ASSESSMENTS CONSTITUTING PLEDGED REVENUES UNDER THE INDENTURE.

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

IN WITNESS WHEREOF, The Heights Community Development District has caused this Bond to be signed by the manual signature of the Chairman of its Board of Supervisors and a facsimile of its seal to be imprinted hereon, and attested by the manual signature of the Secretary of its Board of Supervisors, all as of the date hereof.

**THE HEIGHTS COMMUNITY  
DEVELOPMENT DISTRICT**

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

(SEAL)

Attest:

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

**CERTIFICATE OF AUTHENTICATION**

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

Date of Authentication: \_\_\_\_\_, 2017

U.S. BANK NATIONAL ASSOCIATION, as  
Trustee

By: \_\_\_\_\_  
Authorized Officer

[Back of Series 2017 Bond]

This Bond is one of an authorized series of Bonds of The Heights Community Development District (the “District”), a community development district duly created, organized and existing under Chapter 190, Florida Statutes (the Uniform Community Development District Act of 1980), as amended (the “Act”), and under Ordinance No. 2006-161 of the City Council of the City of Tampa, Florida, effective on July 13, 2006, designated as “The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the “Series 2017 Bonds”), in the aggregate principal amount of \$\_\_\_\_\_ of like date, tenor and effect, except as to number. The Series 2017 Bonds are being issued under authority of the laws and Constitution of the State of Florida, including particularly the Act. Proceeds of the Series 2017 Bonds shall be used (i) to pay a portion of the costs of the Series 2017 Project (ii) to pay interest on the 2017 Bonds through November 1, 2019, (iii) to fund the Series 2017 Debt Service Reserve Requirement and (iv) to pay a portion of the costs of issuance of the Series 2017 Bonds. The Series 2017 Bonds shall be issued as fully registered Bonds in authorized denominations, as set forth in the Indenture. The Series 2017 Bonds are issued under, and are secured and governed by, a Master Trust Indenture dated as of July 1, 2017 (the “Master Indenture”), as amended and supplemented by a First Supplemental Trust Indenture dated as of July 1, 2017 (the “First Supplemental Indenture” and together with the Master Indenture, the “Indenture”), each by and between the Issuer and the Trustee, executed counterparts of which are on file at the designated corporate trust office of the Trustee in Orlando, Florida.

Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2017 Bonds issued under the Indenture, the operation and application of the Series 2017 Debt Service Reserve Account and other Funds and Accounts (each as defined in the Indenture) charged with and pledged to the payment of the principal of and interest on the Series 2017 Bonds, the levy, and the evidencing and certifying for collection, of Special Assessments, the nature and extent of the security for the Series 2017 Bonds, the terms and conditions on which the Series 2017 Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Indenture, the conditions under which such Indenture may be amended without the consent of the registered owners of Bonds, the conditions under which such Indenture may be amended with the consent of the registered owners of a majority in aggregate principal amount of the Series 2017 Bonds outstanding, and as to other rights and remedies of the registered owners of the Series 2017 Bonds.

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

It is expressly agreed by the owner of this Bond that such owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, the Community Redevelopment Agency of the City of Tampa, the City of Tampa, Florida, Hillsborough County, Florida, the State of Florida or any political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, the Community Redevelopment Agency of the City of Tampa, the City of Tampa, Florida, Hillsborough County,



Florida, the State of Florida or any political subdivision thereof, for the payment of the principal of, premium, if any, and interest on this Bond or the making of any other sinking fund and other payments provided for in the Indenture, except for Special Assessments to be assessed and levied by the Issuer as set forth in the Indenture.

By the acceptance of this Bond, the registered or beneficial owner hereof assents to all the provisions of the Indenture.

This Bond is payable from and secured by Pledged Revenues, as such term is defined in the Indenture, all in the manner provided in the Indenture. The Indenture provides for the levy, and the evidencing and certifying, of non ad valorem assessments in the form of Special Assessments, and the collection of Committed Tax Increment Revenues to secure and pay the Series 2017 Bonds.

The Series 2017 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the redemption price of the Series 2017 Bonds shall be made on the dates specified below. Except as otherwise provided in the Indenture, if less than all the Series 2017 Bonds are to be redeemed pursuant to an Extraordinary Mandatory Redemption, the Trustee shall select the Series 2017 Bonds or portions of the Series 2017 Bonds to be redeemed pro rata between the Series 2017 Bonds based on the original principal amount Outstanding and within each Series, by lot. Partial redemption of Series 2017 Bonds shall be made in such a manner that the remaining 2017 Bonds held by each Bondholder shall be in Authorized Denominations.

#### Optional Redemption

The Series 2017 Bonds may, at the option of the District, be called for redemption prior to maturity as a whole or in part at any time on or after May 1, 20\_\_ (less than all Series 2017 Bonds to be selected by lot), at a Redemption Price equal to 100% of the principal amount to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date.

#### Extraordinary Mandatory Redemption

The Series 2017 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole, on any date, or in part, on any Interest Payment Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2017 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

- (i) from Series 2017 Prepayment Principal deposited into the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund following the payment in whole or in part of Special Assessments on any portion of the District Lands specially benefited by the Series 2017 Project in accordance with the provisions of Section 4.05(a) of the First Supplemental Indenture.

- (ii) from moneys, if any, on deposit in the Series 2017 Accounts and Subaccounts in the Series 2017 Funds and Accounts (other than the Rebate Fund) sufficient to pay and redeem all Series 2017 Outstanding Bonds, as the case may

be, and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.

(iii) on or after the Completion Date of the Series 2017 Project, by application of moneys remaining in the Series 2017 Acquisition and Construction Account not reserved by the Issuer for the payment of any remaining part of the Cost of the Series 2017 Project, all of which shall be transferred to the Series 2017 General Account of the Series 2017 Bond Redemption Fund credited toward extinguishment of the Special Assessments and applied toward the redemption of the Series 2017 Bonds; and on or after November 1, 2019 by application of any moneys remaining in the Series 2017 Capitalized Interest Subaccount representing Capitalized Interest in excess of the amount required to pay interest on the Series 2017 Bonds through November 1, 2019, all of which shall be transferred first, prior to the Completion Date of the Series 2017 Project, to the Series 2017 Acquisition and Construction Account, as appropriate, and thereafter to the Series 2017 General Account of the Series 2017 Bond Redemption Fund pursuant to Section 5.01(c) of the Master Indenture and Section 4.01(d) of the First Supplemental Indenture, and applied by the Issuer toward the redemption of the Series 2017 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Special Assessments which the Issuer shall describe to the Trustee in writing.

(iv) from excess moneys transferred from the Series 2017 Revenue Subaccount to the Series 2017 Bond Redemption Fund, respectively, in accordance with Section 6.03 of the Master Indenture and Section 4.02 of the First Supplemental Indenture.

(v) following condemnation or the sale of any portion of the Series 2017 Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys by such governmental entity to the Trustee for deposit into the Series 2017 General Account of the Series 2017 Bond Redemption Fund in order to effectuate such redemption and which are not to be used to rebuild, replace or restore the taken portion of the Series 2017 Project.

(vi) following the damage or destruction of all or substantially all of the Series 2017 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 2017 General Account of the Series 2017 Bond Redemption Fund; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the Issuer shall cause to be delivered to the Trustee (x) notice setting forth the redemption date and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Series 2017 Project would not be economical or would be impracticable.

(vii) from amounts on deposit in the Series 2017 Debt Service Reserve Account in excess of the Series 2017 Debt Service Reserve Requirement and

transferred to the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund in accordance with Section 4.01(f) the First Supplemental Indenture to be used, together with any Special Assessment prepayments on deposit in the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund, as the case may be, for the Extraordinary Mandatory Redemption of the Series 2017 Bonds.

Mandatory Sinking Fund Redemption.

The Series 2017 Bonds are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2017 Sinking Fund Account established under the Indenture in satisfaction of applicable Amortization 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:

**Series 2017 Term Bond Maturing May 1, 20\_\_**

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
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\_\_\_\_\_  
\* Maturity.

**Series 2017 Term Bond Maturing May 1, 20\_\_**

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
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\_\_\_\_\_  
\* Maturity.

**Series 2017 Term Bond Maturing May 1, 20\_\_**

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
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\_\_\_\_\_  
\* Maturity.

Notice of Redemption

The Trustee shall cause notice of redemption to be mailed at least thirty but not more than sixty days prior to the date of redemption to all registered owners of Bonds to be redeemed (as such owners appear on the books of the Registrar on the fifth (5th) day prior to such mailing) and to certain additional parties as set forth in the Indenture; provided, however, that failure to mail any such notice or any defect in the notice or the mailing thereof shall not affect the validity of the redemption of the Bonds for which such notice was duly mailed in accordance with the Indenture. If less than all of the Bonds shall be called for redemption, the notice of redemption shall specify the Bonds to be redeemed. On the redemption date, the Bonds called for redemption will be payable at the designated corporate trust office of the Paying Agent and on such date interest shall cease to accrue, such Bonds shall cease to be entitled to any benefit under the Indenture and such Bonds shall not be deemed to be outstanding under the provisions of the Indenture and the owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof. If the amount of funds so deposited with the Trustee, or otherwise available, is insufficient to pay the redemption price and interest on all Bonds so called for redemption on such date, the Trustee shall redeem and pay on such date an amount of such Bonds for which such funds are sufficient, selecting the Bonds to be redeemed by lot from among all such Bonds called for redemption on such date, and interest on any Bonds not paid shall continue to accrue, as provided in the Indenture.

This Bond shall be issued initially pursuant to a book-entry-only system administered by The Depository Trust Company, New York, New York ("DTC"), which shall act as securities depository for the Bonds, with no physical distribution of Bonds to be made. Any provisions of the Indenture or this Bond requiring physical delivery of Bonds shall, under the book-entry-only system, be deemed to be satisfied by a notation on the records maintained by DTC of ownership interests of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Bonds ("Beneficial Owners").

This Bond shall initially be issued in the name of Cede & Co. as nominee for DTC, and so long as this Bond is held in book-entry-only form Cede & Co. shall be considered the registered owner for all purposes hereof, including the payment of the principal of and interest on

this Bond. Payment to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to individual Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Issuer or the Trustee.

The Issuer shall keep books for the registration of the Bonds at the designated corporate trust office of the Registrar in Orlando, Florida. Except when registration of the Bonds is being maintained pursuant to a book-entry-only system, the Bonds may be transferred or exchanged by the registered owner thereof in person or by his attorney duly authorized in writing only upon the books of the Issuer kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Issuer shall execute and the Trustee or such other authenticating agent as may be appointed by the Trustee under the Indenture shall authenticate and deliver a new Bond or Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Indenture. There shall be no charge for any such exchange or transfer of Bonds, but the Issuer may require payment of a sum sufficient to pay any tax, fee or other governmental charge imposed. Neither the Issuer nor the Registrar shall be required (a) to transfer or exchange Bonds for a period of 15 days next preceding any selection of Bonds to be redeemed or thereafter until after the mailing of any notice of redemption; or (b) to transfer or exchange any Bond called for redemption in whole or in part.

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

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

## STATEMENT OF VALIDATION

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court of the Thirteenth Judicial Circuit of Florida, in and for Hillsborough County, Florida, rendered on November 30, 2006.

Chairman

## ABBREVIATIONS

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

TEN COM as tenants in common

TEN ENT      as tenants by the entireties

JT TEN as joint tenants with the right of survivorship and not as tenants in common

UNIFORM GIFT MIN ACT - \_\_\_\_\_ Custodian

(Cust)

(Minor)

under Uniform Gifts to Minors Act

(State)

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

\*\*\*\*\*

## ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney to transfer the said Bond on the books of the Issuer, with full power of substitution in the premises.

Dated:

Social Security Number or  
Employer Identification  
Number of Transferee:

Signature guaranteed:

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular without alteration or any change whatever.

\$ \_\_\_\_\_  
**THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT**  
**(CITY OF TAMPA, FLORIDA)**  
**SPECIAL ASSESSMENT AND REVENUE BONDS, SERIES 2017**  
**(COMMITTED TAX INCREMENT AND SPECIAL ASSESSMENTS)**

**BOND PURCHASE CONTRACT**

\_\_\_\_\_, 2017

Board of Supervisors  
The Heights Community Development District  
City of Tampa, Florida

Dear Ladies and Gentlemen:

FMSbonds, Inc. (the "Underwriter") offers to enter into this Bond Purchase Contract (the "Purchase Contract") with The Heights Community Development District (the "District"). The District is located entirely within the incorporated area of the City of Tampa, Florida (the "City"). This offer of the Underwriter shall, unless accepted by the District, acting through its Board of Supervisors (the "Board"), expire at 10:00 P.M. prevailing time within the jurisdiction of the District on the date hereof, unless previously withdrawn or extended in writing by the Underwriter. This Purchase Contract shall be binding upon the District and the Underwriter upon execution and delivery. Any capitalized word not defined herein shall have the meaning ascribed thereto in the Preliminary Limited Offering Memorandum (hereinafter defined). In conformance with Section 218.385, Florida Statutes, as amended, the Underwriter hereby delivers to the District the Disclosure and Truth-In-Bonding Statements attached hereto as Exhibit A.

**1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District and the District hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of its \$\_\_\_\_\_ aggregate principal amount of The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the "Bonds"). The Bonds shall be dated their date of delivery and shall mature on the dates, shall bear interest at the rates, and shall be subject to redemption prior to maturity, all as provided in the Preliminary Limited Offering Memorandum and in Exhibit B attached hereto. The purchase price for the Bonds shall be \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Bonds, less an original issue discount of \$\_\_\_\_\_ and [plus/less] an underwriter's [premium/discount] of \$\_\_\_\_\_.00) (such payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery being hereinafter referred to as the "Closing").

**2. The Bonds.** The Bonds are to be issued by the District, a local unit of special-purpose government of the State of Florida (the "State") created pursuant to the Uniform



Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor statute thereto, the Florida Constitution, and other applicable provisions of law (the "Act"), by Ordinance No. 2006-161 enacted by the City Council of the City, effective as of July 13, 2006 (the "Ordinance") and pursuant to the Interlocal Agreement dated May 1, 2015, by and among the City, the Community Redevelopment Agency of the City of Tampa (the "CRA"), and the District, entered into pursuant to Section 163.01, Florida Statutes (the "Interlocal Agreement"). The Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of \_\_\_\_ 1, 2017 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of \_\_\_\_ 1, 2017 (the "First Supplemental Indenture," and together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee") and Resolutions No. 2006-19 and No. 2017-\_\_ adopted by the Board of Supervisors (the "Board") of the District on July 26, 2006, and July \_\_, 2017, respectively (collectively, the "Bond Resolution"). The [Series 2017] Special Assessments, the revenues of which constitute a portion of the Pledged Revenues, have been levied by the District on the lands within the District specially benefited by the Series 2017 Project pursuant to the Assessment Resolutions (as such term is defined in the First Supplemental Indenture).

**3. Underwriting.** It shall be a condition to the District's obligation to sell and to deliver the Bonds to the Underwriter, and to the Underwriter's obligation to purchase, accept delivery of and pay for the Bonds, that the entire principal amount of the Bonds be issued, sold and delivered by the District and purchased, accepted and paid for by the Underwriter at the Closing and that the District and the Underwriter receive the opinions, documents and certificates described in Section 8(c) hereof. The Underwriter agrees to deliver at the Closing a certificate in form satisfactory to Bond Counsel, in its reasonable opinion, as to the initial offering prices or yields of the Bonds.

**4. Use of Documents.** Prior to the date hereof, the District has caused to be prepared and provided to the Underwriter the Preliminary Limited Offering Memorandum, dated \_\_\_\_ \_\_, 2017 (such Preliminary Limited Offering Memorandum, including the cover pages and all appendices thereto and any amendments and supplements thereto being collectively called the "Preliminary Limited Offering Memorandum"), of the District, relating to the Bonds that the District has deemed final as of its date, except for certain permitted omissions (the "Permitted Omissions"), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12") in connection with the limited offering of the Bonds. The Underwriter has reviewed the Preliminary Limited Offering Memorandum prior to the execution of this Purchase Contract. The District has, prior to the date hereof, authorized the Underwriter to use the Preliminary Limited Offering Memorandum in connection with the limited offering of the Bonds. The District shall deliver, or cause to be delivered, at its expense, to the Underwriter within seven (7) business days after the date hereof but not later than the date three (3) business days prior to the Closing Date (as defined below) and in sufficient time to allow the Underwriter to comply with all of the requirements of Rule 15c2-12 and all applicable securities laws and the rules of the Municipal Securities Rulemaking Board (the "MSRB"), a final Limited Offering Memorandum dated \_\_\_\_ \_\_, 2017 (such Limited Offering Memorandum, including the cover pages and all appendices thereto and any amendments and supplements thereto being collectively called the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda") as the Underwriter shall reasonably request

to comply with the requirements of Rule 15c2-12 and all applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The District authorizes the use by the Underwriter of the Limited Offering Memorandum with respect to the Bonds.

**5. Definitions.** For purposes hereof, (a) this Purchase Contract, the Bonds, the Indenture, the Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District, Riverside Heights Holdings I, LLC, a Florida limited liability company, Riverside Heights Holdings II, LLC, a Florida limited liability company, Riverside Heights Holdings III, LLC, a Florida limited liability company, Riverside Heights Pearl LLC, a Florida limited liability company and RHH 220 7th Avenue, LLC, a Florida limited liability company (collectively, the "Landowners") and \_\_\_\_\_, as dissemination agent (the "Dissemination Agent"), in substantially the form attached to the Preliminary Limited Offering Memorandum as Appendix G thereto (the "Disclosure Agreement"), the Interlocal Agreement and the DTC Blanket Issuer Letter of Representations entered into by the District, are referred to herein collectively as the "Financing Documents," and (b) [the Funding and Completion Agreement by and between the District, the Landowners and Riverside Heights Holdings, LLC, a Florida limited liability company (the "Developer") dated as of the Closing Date (the "Completion Agreement"), the Development Acquisition Agreement by and between the District and the [Landowners and the Developer] dated as of the Closing Date (the "Acquisition Agreement"), the Agreement to Convey or Dedicate in recordable form by and between the District and the Landowners [and the Developer] dated as of the Closing Date (the "Agreement to Convey"), the Collateral Assignment and Assumption of Development Rights Relating to the [Series 2017 Project/the Development] in recordable form by and between the District and the Landowners dated as of the Closing Date (the "Collateral Assignment"), the True-Up Agreement in recordable form by and between the District and the Landowners dated as of the Closing Date (the "True-Up Agreement") and the Declaration of Consent to Jurisdiction of the District and Imposition of Special Assessments in recordable form by Landowners dated as of the Closing Date (the "Declaration"), are collectively referred to herein as the "Ancillary Agreements."]

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

(a) The Board is the governing body of the District and the District is and will be on the Closing Date duly organized and validly existing as a unit of special-purpose government created pursuant to the Constitution and laws of the State, including, without limitation, the Act.

(b) The District has full legal right, power and authority to: (i) adopt the Bond Resolution and the Assessment Resolutions; (ii) enter into the Financing Documents and Ancillary Agreements to which it is a party; (iii) sell, issue and deliver the Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Bonds for the purposes described in the Limited Offering Memoranda; (v) ratify the delivery and use of the Preliminary Limited Offering Memorandum and authorize the execution, delivery and use of the Limited Offering Memorandum; and (vi) carry out and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary Agreements, and the Limited Offering Memoranda.

The District has complied, and on the Closing Date will be in compliance in all material respects, with the terms of the Act and with the obligations on its part contained in the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary Agreements to which it is a party and the Bonds.

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

(d) Except as may be expressly disclosed in the Preliminary Limited Offering Memorandum, the District is not in material breach of or material default under any applicable provision of the Act or any applicable constitutional provision or statute or, to the best of its knowledge, administrative regulation of the State or the United States of America or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement, or other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of its knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or material event of default under any such instrument; and the execution and delivery of the Bonds, the Financing Documents, the Ancillary Agreements to which it is a party and the Limited Offering Memorandum, the delivery of the Preliminary Limited Offering Memorandum, and the adoption of the Bond Resolution and the Assessment Resolutions, and compliance with the provisions on the District's part contained therein, will not conflict with or constitute a material breach of or material default under any applicable constitutional provision, or law, or, to the best of its knowledge, any administrative

regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption, use or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as provided by the Assessments Resolution, the Bonds and the Indenture. To the best of its knowledge, no event has occurred which, with the lapse of time or the giving of notice, or both, would constitute an event of default (as therein defined) under the Bonds, the Financing Documents or the Ancillary Agreements to which the District is a party.

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization by the District, or which would constitute a condition precedent to, or the absence of which would materially adversely affect, the due performance by the District of its obligations, to issue the Bonds, or under the Bonds, the Bond Resolution, the Assessment Resolutions, Financing Documents or the Ancillary Agreements have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(f) The descriptions of the Bonds, the Financing Documents, the Ancillary Agreements to which the District is a party and the Series 2017 Project to the extent referred to in the Limited Offering Memoranda, conform in all material respects to the Bonds, the Financing Documents, the Ancillary Agreements and the Series 2017 Project, respectively.

(g) The Bonds, when issued, executed and delivered in accordance with the Indenture and when delivered to and paid for by the Underwriter as provided herein, will be validly issued and outstanding obligations of the District, entitled to the benefits of the Indenture and upon such issuance, execution and delivery of the Bonds, the Indenture will provide, for the benefit of the holders from time to time of the Bonds, a legally valid and binding pledge of and first lien on the Pledged Revenues. On the Closing Date, all conditions precedent to the issuance of the Bonds set forth in the Indenture will have been complied with or fulfilled.

(h) As of the date hereof, there is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to its best knowledge, threatened against the District: (i) contesting the corporate existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (ii) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the application of the proceeds of the sale thereof for the purposes described in the Preliminary Limited Offering Memorandum or the collection of [Series 2017] Special Assessments or the pledge of and lien on the Pledged Revenues, pursuant to the Indenture; (iii) contesting or affecting specifically as to the District the validity or enforceability of the Act or any

action of the District in any respect relating to the authorization for the issuance of the Bonds, or the authorization of the Series 2017 Project, the Bond Resolution, the Assessment Resolutions, the Financing Documents and Ancillary Agreements to which the District is a party; (iv) contesting the federal tax exempt status of the Bonds; or (v) contesting the completeness or accuracy of the Preliminary Limited Offering Memorandum or any supplement or amendment thereto.

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

(j) As of its date (unless an event occurs of the nature described in paragraph (1) of this Section 6) and at all times subsequent thereto, up to and including the Closing Date, the statements and information contained in the Preliminary Limited Offering Memorandum (other than "Permitted Omissions") and in the Limited Offering Memorandum are and will be accurate in all material respects for the purposes for which their use is authorized and do not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representation is made concerning information contained in the Limited Offering Memoranda under the captions "DESCRIPTION OF THE SERIES 2017 BONDS – Book-Entry System," ["THE DEVELOPMENT," "THE DISTRICT AND THE MAJORITY LANDOWNERS,"] "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer and Majority Landowners," and "UNDERWRITING."

(k) If the Limited Offering Memorandum is supplemented or amended pursuant to subsection (1) of this Section 6, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Limited Offering Memorandum as so supplemented or amended will be accurate in all material respects for the purposes for which their use is authorized and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representation is made concerning information contained in the Limited Offering Memoranda under the captions "DESCRIPTION OF THE SERIES 2017 BONDS – Book-Entry System," ["THE DEVELOPMENT," "THE DISTRICT AND THE MAJORITY LANDOWNERS,"] "TAX MATTERS,"

"SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer and the Majority Landowners," and "UNDERWRITING."

(l) If between the date of this Purchase Contract and the earlier of (i) the date that is ninety (90) days from the end of the "Underwriting Period" as defined in Rule 15c2-12 or (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB's Electronic Municipal Market Access system (but in no event less than twenty-five (25) days following the end of the Underwriting Period), any event shall occur, of which the District has actual knowledge, which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter thereof, and, if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the District will at its expense supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter. The end of the Underwriting Period shall be the next business day after the Closing Date.

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

(n) Except as may be expressly disclosed in the Preliminary Limited Offering Memorandum, the District has not and is not now in default in the payment of the principal of or the interest on any governmental security issued or guaranteed by it after December 31, 1975 which would require the disclosure pursuant to Section 517.051, Florida Statutes or Rule 3E- 400.003 of the Florida Department of Financial Services.

(o) Except as may be expressly disclosed in the Preliminary Limited Offering Memorandum, the District has never failed to comply with any continuing disclosure obligations undertaken by the District in accordance with the continuing disclosure requirements of the Rule.

(p) Any certificate signed by any official of the District and delivered to the Underwriter will be deemed to be a representation by the District to the Underwriter as to the statements made therein.

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

7. **Closing.** At 10:00 a.m. prevailing time on \_\_\_\_\_, 2017 (the "Closing Date") or at such later time as may be mutually agreed upon by the District and the Underwriter, the District will, subject to the terms and conditions hereof, deliver to the Underwriter, the Bonds in definitive book-entry-only form, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof, in federal or other immediately available funds to the order of the District. Delivery of the Bonds as aforesaid shall be made pursuant to the FAST system of delivery of The Depository Trust Company, New York, New York, or at such other place as may be mutually agreed upon by the District and the Underwriter. The Bonds shall be typewritten, shall be prepared and delivered as fully registered bonds in book-entry-only form, with one bond for each maturity, registered in the name of Cede & Co., and shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection and packaging, unless otherwise agreed by the District and the Underwriter.

8. **Closing Conditions.** The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the District contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds are conditioned upon the performance by the District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and are also subject to the following additional conditions:

(a) The representations and warranties of the District contained herein shall be true, complete and correct, on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

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

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

(1) The Limited Offering Memorandum and each supplement or amendment, if any, thereto, executed on behalf of the District by the Chairperson of the Board or such other authorized member of the Board;

(2) A copy of each of the Bond Resolution and the Assessment Resolutions certified by the Secretary or an Assistant Secretary of the Board under seal as having been duly adopted by the Board of the District and as being in full force and effect;

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

(4) The opinion, dated Foley & Lardner, LLP, Bond Counsel, in substantially the form included in the Preliminary Limited Offering Memorandum as APPENDIX F, together with a letter of such counsel, dated as of the Closing Date and addressed to the Underwriter and the Trustee, to the effect that the foregoing opinion addressed to the District may be relied upon by the Underwriter and the Trustee to the same extent as if such opinion were addressed to them;

(5) The supplemental opinion, dated as of the Closing Date and addressed to the District and the Underwriter, of Foley & Lardner, LLP, Bond Counsel, in the form annexed as Exhibit C hereto or in form and substance otherwise acceptable to the Underwriter and its counsel;

(6) The opinion, dated as of the Closing Date and addressed to the District, the Underwriter and the Trustee of Molloy & James, counsel to the District, in the form annexed as Exhibit D hereto or in form and substance otherwise acceptable to the Underwriter and its counsel;

(7) The opinion, dated as of the Closing Date and addressed to the District, the Trustee, the Underwriter, Bond Counsel and Underwriter's Counsel of Foley & Lardner LLP, counsel to the Developer and the Landowners, in the form annexed as Exhibit E hereto or in form and substance otherwise acceptable to the Underwriter and its counsel;

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

(9) A customary authorization and incumbency certificate, dated as of the Closing Date, signed by authorized officers of the Trustee;

(10) Certificate of the Developer and Landowners dated as of the Closing Date, in the form annexed as Exhibit F hereto or in such form and substance otherwise acceptable to the Underwriter and its counsel;

(11) A copy of the Ordinance;

(12) A certificate, dated as of the Closing Date, signed by the Chairperson or Vice-Chairperson and the Secretary or an Assistant Secretary of the Board, setting forth that: (i) each of the representations of the District contained herein was true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continues to be true and accurate in all material respects on the Closing Date as if made on such date; (ii) the District has performed all obligations to be performed



hereunder as of the Closing Date; (iii) except as may be disclosed in the Limited Offering Memoranda, the District has never been in default as to principal or interest with respect to any obligation issued or guaranteed by the District; (iv) the District agrees to take all reasonable action necessary to use the Uniform Method as the means of collecting the [Series 2017] Special Assessments as described in the Indenture; and (v) the Limited Offering Memoranda (other than the information under the captions "DESCRIPTION OF THE SERIES 2017 BONDS – Book-Entry System," ["THE DEVELOPMENT," "THE DISTRICT AND THE MAJORITY LANDOWNERS,"] "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer and the Majority Landowners," and "UNDERWRITING," as to which no view need be expressed) as of its date, and as of the date hereof, does not contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purposes for which the Limited Offering Memoranda is to be used, or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

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

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

(15) Executed copies of the District's certification as to arbitrage and other matters relative to the tax status of the Bonds under Section 148 of the Internal Revenue Code of 1986, as amended, and a copy of the District's Post Issuance Policies and Procedures;

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

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

(18) A certificate of the District manager and methodology consultant in the form annexed as Exhibit H hereto or in form and substance otherwise acceptable to the Underwriter and its counsel;

(19) A certificate of the CRA [and the City] in the form annexed as Exhibit I hereto or in form and substance otherwise acceptable to the Underwriter and its counsel;

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

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

(22) Certified copy of the final judgment of the Circuit Court in and for Hillsborough County, Florida (the "County"), validating the Bonds and certificate of no-appeal;

(23) Copies of the Master Assessment Methodology Report dated June 13, 2017 (the "Master Methodology"), as supplemented by the First Supplemental Assessment Methodology Report dated the date hereof (the "Supplemental Methodology" and, together with the Master Methodology, the "Assessment Methodology");

(24) A copy of the Master Engineer's Report for The Heights Community Development District dated June 2017 (the "Engineer's Report");

(25) A certificate of the District whereby the District has deemed the Preliminary Limited Offering Memorandum final as of its date, except for Permitted Omissions, in connection with the limited offering of the Bonds;

(26) Special Assessment Acknowledgements in recordable form from all mortgagees of District Lands owned by any of the Landowners, if any;

(27) A certificate of the Dissemination Agent (i) acknowledging its agreement to serve as the initial Dissemination Agent for the District and undertake the obligations of the Dissemination Agent as set forth in the Disclosure Agreement, (ii) representing that the Dissemination Agent is aware of the continuing disclosure requirements set forth in the Disclosure Agreement and Rule 15c2-12, and that it policies and procedures in place to ensure its compliance with its obligations under the Disclosure Agreement, and (iii) covenanting to comply with its obligations under the Disclosure Agreement;

(28) Such additional legal opinions, certificates, instruments and other documents as the Underwriter, Underwriter's Counsel, Bond Counsel or District Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the District's representations and warranties contained herein and of the statements and information contained in the Limited Offering Memoranda and the due performance or satisfaction by the District, the Developer and Landowners on or prior to the Closing of all the agreements then to be performed and conditions then to be satisfied by each.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Contract (unless waived by the Underwriter in its sole discretion), or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the District shall be under any further obligation hereunder, except

that the respective obligations of the District and the Underwriter set forth in Section 10 hereof shall continue in full force and effect.

**9. Termination.** The Underwriter shall have the right to terminate its obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the District of its election to do so if, after the execution hereof and prior to the Closing: (i) legislation shall have been introduced in or enacted by the Congress of the United States or enacted by the State, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairperson or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such committee, by any member thereof, or legislation shall have been favorably reported for passage to either House of Congress of the United States by a committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or the State, including the Tax Court of the United States, or a ruling shall have been made or a regulation shall have been proposed or made or a press release or other form of notice shall have been issued by the Treasury Department of the United States, or the Internal Revenue Service or other federal or State authority, with respect to federal or State taxation upon revenues or other income of the general character to be derived by the District or by any similar body, or upon interest on obligations of the general character of the Bonds, which may have the purpose or effect, directly or indirectly, of materially and adversely affecting the tax exempt status of the District, its property or income, its securities (including the Bonds) or the interest thereon, or any tax exemption granted or authorized by the State or, which in the reasonable opinion of the Underwriter, affects materially and adversely the market for the Bonds, or the market price generally of obligations of the general character of the Bonds; (ii) the District, the Developer or any of the Landowners have, without the prior written consent of the Underwriter, offered or issued any bonds, notes or other obligations for borrowed money, or incurred any material liabilities, direct or contingent, or there has been an adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District, the Developer or any of Landowners, other than in the ordinary course of their respective business; (iii) any event shall have occurred or shall exist which, in the reasonable opinion of the Underwriter, would or might cause the information contained in the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (iv) the District fails to adopt the Assessment Resolutions or fails to perform any action to be performed by it in connection with the levy of the [Series 2017] Special Assessments.

**10. Expenses.**

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

thereto, together with a reasonable number of copies which the Underwriter may request; (iii) the cost of registering the Bonds in the name of Cede & Co., as nominee of DTC, which will act as securities depository for such Bonds; (iv) the fees and disbursements of the counsel to the District, the District Manager, the Dissemination Agent, Bond Counsel, the Underwriter, Underwriter's Counsel, the District's methodology consultant, the Consulting Engineer, and any other experts or consultants retained by the District; and (v) the cost of recording in the Official Records of the County any Financing Documents, Ancillary Documents or other documents or certificates that are required to be recorded pursuant to the terms of this Purchase Contract. The District's obligations under this Section 10(a) shall survive any termination of the Purchase Contract pursuant to either Section 8 or 9 hereof. The District shall record all documents required to be provided in recordable form hereunder within one business day after the Closing Date, which obligation shall survive the Closing

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

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

**12. Notices.** Any notice or other communication to be given to the District under this Purchase Contract may be given by delivering the same in writing to the District Manager at District Management Services, LLC d/b/a Meritus Districts, 2005 Pan Am Cr., Ste. # 120, Tampa, Florida 33607, Attention: Brian Lamb, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to FMSbonds, Inc., 20660 W. Dixie Highway, North Miami Beach, Florida 33180, Attention: Jon Kessler.

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

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

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

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

**17. Governing Law.** This Purchase Contract shall be governed and construed in accordance with the laws of the State.

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

[Signature page follows.]

Very truly yours,

**FMSBONDS, INC.**

By: \_\_\_\_\_  
Theodore Swinarski,  
Senior Vice President – Trading

Accepted and agreed to this  
\_\_\_\_ day of \_\_\_\_\_, 2017.

**THE HEIGHTS COMMUNITY  
DEVELOPMENT DISTRICT**

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

## **EXHIBIT A**

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

\_\_\_\_\_, 2017

The Heights Community Development District  
Tampa, Florida

Re: \$\_\_\_\_\_ The Heights Community Development District Special Assessment and  
Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments)

Dear Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced bonds (the "Bonds"), FMSbonds, Inc. (the "Underwriter"), having purchased the Bonds pursuant to a Bond Purchase Contract dated \_\_\_\_\_, 2017 (the "Bond Purchase Contract"), by and between the Underwriter and The Heights Community Development District (the "District"), furnishes the following information in connection with the Limited Offering and sale of the Bonds:

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

The District is proposing to issue \$\_\_\_\_\_ aggregate amount of the Bonds for the purposes of providing funds for (i) the payment of a portion of the costs of the Series 2017 Project (as defined herein), (ii) the payment of interest on the Series 2017 Bonds through November 1, 2019, (iii) the funding of the Series 2017 Debt Service Reserve Account (as defined herein), and (iv) payment of the costs of issuance of the Series 2017 Bonds. This debt or

obligation is expected to be repaid over a period of approximately \_\_\_\_\_ (\_\_\_\_) years and \_\_\_\_\_ (\_\_\_\_) months. At a net interest cost of approximately \_\_\_\_\_% for the Bonds, total interest paid over the life of the Bonds will be \$\_\_\_\_\_.

The source of repayment for the Bonds is the Committed Tax Increment Revenues and the Series 2017 Special Assessments imposed and collected by the District. Based solely upon the assumptions set forth in the paragraph above, the issuance of the Bonds will result in approximately \$\_\_\_\_\_ of the District's special assessment revenues not being available to the District on an annual basis to finance other services of the District; provided however, that in the event that the Bonds were not issued, the District would not be entitled to impose and collect the Series 2017 Special Assessments in the amount of the principal of and interest to be paid on the Bonds.

The address of the Underwriter is:

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

[Signature page follows.]



Sincerely,

By: \_\_\_\_\_  
Theodore Swinarski,  
Senior Vice President – Trading

**SCHEDULE I**

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

## **EXHIBIT B**

### **TERMS OF BONDS**

1. **Purchase Price:** \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Bonds, [plus/less[ original issue [premium/discount] of \$\_\_\_\_\_ and less an underwriter's discount of \$\_\_\_\_\_).
2. **Principal Amounts, Maturities, Interest Rates and Prices:**

<u>Amount</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Price</u>
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3. **Redemption Provisions:**

#### **Optional Redemption**

[To come.]

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

[To come.]

#### **Extraordinary Mandatory Redemption**

[To come.]

## **EXHIBIT C**

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

\_\_\_\_\_, 2017

The Heights Community Development District  
Tampa, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

Re:     \$\_\_\_\_\_ The Heights Community Development District Special Assessment  
              and Revenue Bonds, Series 2017 (Committed Tax Increment and Special  
              Assessments)

Ladies and Gentlemen:

We have acted as Bond Counsel to The Heights Community Development District (the "District"), a community development district established and existing pursuant to Chapter 190 of the Florida Statutes, as amended (the "Act"), in connection with the issuance by the District of its \$\_\_\_\_\_ original aggregate principal amount of The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the "Bonds"). In such capacity, we have rendered our final approving opinion (the "Opinion") of even date herewith relating to the Bonds. The Bonds are secured pursuant to that certain Master Trust Indenture, dated \_\_\_\_\_ 1, 2017, as supplemented by that certain First Supplemental Trust Indenture, dated as of \_\_\_\_\_ 1, 2017, each by and between the District and U.S. Bank National Association, as trustee.

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

The District has entered into a Bond Purchase Contract dated \_\_\_\_\_, 2017 (the "Purchase Agreement"), for the purchase of the Bonds. Capitalized words used, but not defined, herein shall have the meanings ascribed thereto in the Purchase Agreement.

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

1.        The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

2. The information in the Limited Offering Memoranda under the captions ["INTRODUCTION," "DESCRIPTION OF THE SERIES 2017 BONDS," "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS, and "APPENDIX C: PROPOSED FORM OF INDENTURES" insofar as such statements constitute descriptions of the Bonds and the Indenture, are accurate as to the matters set forth or documents described therein, and the information under the captions "TAX MATTERS" and "AGREEMENT BY THE STATE," insofar as such information purports to describe or summarize certain provisions of the laws of the State of Florida (the "State") and the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), is accurate as to the matters set forth therein.

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

Very truly yours,

**EXHIBIT D**  
**ISSUER'S COUNSEL'S OPINION**

\_\_\_\_\_, 2017

The Heights Community Development District  
Tampa, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

Foley & Lardner, LLP  
Jacksonville, Florida

GrayRobinson, P.A.  
Tampa, Florida

Re:     \$\_\_\_\_\_ The Heights Community Development District (City of Tampa,  
Florida) Special Assessment and Revenue Bonds, Series 2017 (Committed Tax  
Increment and Special Assessments)

Ladies and Gentlemen:

[Customary introduction/qualifications]

The District has been established and validly exists as a community development district and independent local unit of special purpose government under applicable Florida law. The Bond Purchase Contract, the Indenture, the DTC Letter of Representations, and the Continuing Disclosure Agreement (collectively, the "Financing Documents") and the [the Funding and Completion Agreement by and between the District, the Landowners and Riverside Heights Holdings, LLC, a Florida limited liability company (the "Developer") dated as of the Closing Date (the "Completion Agreement"), the Development Acquisition Agreement by and between the District and the [Landowners and the Developer] dated as of the Closing Date (the "Acquisition Agreement"), the Agreement to Convey or Dedicate in recordable form by and between the District and the Landowners [and the Developer] dated as of the Closing Date (the "Agreement to Convey"), the Collateral Assignment and Assumption of Development Rights Relating to the [Series 2017 Project/the Development], in recordable form by and between the District and the Landowners dated as of the Closing Date (the "Collateral Assignment"), the True-Up Agreement in recordable form by and between the District and Landowners dated as of the Closing Date (the "True-Up Agreement") and the Declaration of Consent to Jurisdiction of the District and Imposition of Special Assessments (the "Declaration" and together with the Completion Agreement, the Acquisition Agreement, the Agreement to Convey, the Collateral Assignment and the True-Up Agreement, the "Ancillary Agreements")] regarding the levy and collection of the Series 2017 Assessments using the uniform method for the collection of non ad-valorem assessments pursuant to Section 197.3632, Florida Statutes, as amended, and the Bonds

have been duly authorized, executed and delivered, and assuming due execution by the other party(ies) thereto, if applicable, the Financing Documents, the Ancillary Agreements, the Bonds, Resolutions No. 2006-19 and No. 2017-\_\_ adopted by the Board of Supervisors (the "Board") of the District on July 26, 2006, and July \_\_, 2017, respectively (collectively, the "Bond Resolution"), Resolution No. 201\_\_-\_\_, Resolution No. 201\_\_-\_\_, and Resolution No. 201\_\_-\_\_, of the District adopted on \_\_\_\_, 20\_\_, \_\_\_\_, 20\_\_, and \_\_\_\_, 20\_\_ respectively (collectively, the "Assessment Resolutions"), constitute legal, valid and binding obligations of the District, enforceable in accordance with their respective terms, except to the extent that the enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency, and similar laws affecting creditors' rights generally and general principles of equity.

1. There is no litigation or other proceeding now pending of which the District or its registered agent has received notice or service of process, or to our best knowledge, threatened against the District: (a) contesting the existence or powers of the board or the titles of the respective officers of the Board to their respective offices; (b) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the application of the proceeds of the sale thereof for the purposes described in the Limited Offering Memoranda (as defined herein) or the collection of Series 2017 Assessments or the pledge of and lien on the 2017 Pledged Revenues pursuant to the Indenture; (c) contesting or affecting specifically as to the District the validity or enforceability of the Act or any action of the District relating to authorization for the issuance of the Bonds or the authorization of the Series 2017 Project, the Bond Resolution, the Assessment Resolutions, any of the Financing Documents, any of the Ancillary Agreements, or the application of the proceeds of the Bonds for the purposes set forth in the Limited Offering Memoranda; (d) specifically contesting the federal or state tax status of the Bonds; (e) contesting the completeness or accuracy of the Limited Offering Memoranda or any supplement or amendment thereto; or (f) [to come - contesting the validity of the Interlocal Agreement / District's right to receive the Committed Tax Increment Revenues thereunder, etc.].

2. The District has duly authorized and delivered the Preliminary Limited Offering Memorandum dated \_\_\_\_, 2017 (the "Preliminary Limited Offering Memorandum"), and duly authorized, execute and delivered the Limited Offering Memorandum dated \_\_\_\_, 2017 (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, collectively, the "Limited Offering Memoranda").

3. Based upon our representation of the District as its Counsel and our limited participation in the preparation of the Limited Offering Memoranda, we have no reason to believe that the statements and information contained in the Limited Offering Memoranda under the captions (including all subcaptions thereunder unless hereinafter excluded) ["INTRODUCTION," "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS," "THE DISTRICT" (excluding the subcaption "The District Manager and Other Consultants)," "AGREEMENT BY THE STATE," "CONTINUING DISCLOSURE," "LITIGATION – The District," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "VALIDATION," and "AUTHORIZATION AND APPROVAL"] are not true and accurate and as of their respective dates did not, and as of the date of Closing do not, contain any untrue statement of a material fact or omit to state a material fact necessary to make

the statements made therein, in light of the circumstances under which they were made, not misleading.

4. The District is not, in any manner material to the issuance of the Bonds, in breach of or default under any applicable provision of the Act or constitutional provision, statute, or administrative regulation of the State or the United States or the Interlocal Agreement, or to the best of our knowledge, any applicable judgment or decree, any loan agreement, indenture, bond, note, resolution, agreement, or any other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of our knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the District under any such instrument; provided, however, that no opinion is expressed as to compliance with any state or federal tax laws or with any state "Blue Sky" or other securities laws, as may be applicable.

5. The execution and delivery of the Bonds, the Financing Documents, the Ancillary Agreements, to which the District is a party, and the adoption of the Bond Resolution and the Assessment Resolutions and compliance with the provisions on the District's part contained therein will not conflict with or constitute a breach of or default under any applicable constitutional provision or law, or to the best of our knowledge, under any administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as expressly provided by the Bonds and the Indenture. To the best of our knowledge after due inquiry, the District has taken no action which, with the lapse of time or the giving of notice, or both would constitute a material default or event of default by the District under the Bonds, the Financing Documents or the Ancillary Agreements.

6. To the best of our knowledge after investigation, all consents, permits or licenses, and all notices to or filings with governmental authorities necessary for the consummation by the District of the transactions described in the Limited Offering Memoranda and contemplated by the Indenture required to be obtained or made, have been obtained or made or there is no reason to believe they will not be obtained or made when required, provided that no opinion is expressed as to the applicability of or compliance with tax laws, state "Blue Sky" laws or other securities laws.

7. The District has the right and authority under the Act and other state law to adopt the Bond Resolution and the Assessment Resolutions, to issue the Bonds, to undertake the Project, to issue the Bonds and to levy the Series 2017 Assessments that will secure the Bonds, and has duly adopted the Bond Resolution and the Assessment Resolutions.

8. All proceedings undertaken by the District with respect to the Series 2017 Assessments securing the Bonds, including adoption of the Assessment Resolutions, were undertaken in accordance with Florida law, and the District has taken all necessary action as of the date hereof to levy and impose the Series 2017 Assessments. The Series 2017 Assessments



constitute legal, valid, binding and enforceable first liens upon the property against which such Series 2017 Assessments are assessed, co-equal with the lien of all state, county, district and municipal taxes and assessments, and superior in dignity to all other liens, titles and claims, until paid.

9. [To come - Insert opinion with respect to Interlocal Agreement / CRA/TIF.]

10. The Bonds have been validated by a final judgment of the Circuit Court in and for Hillsborough County, Florida, of which no timely appeal was filed.

11. The District has the full power and authority to own and operate the Series 2017 Project.

All conditions prescribed in the Indenture and the Purchase Contract to be performed by the District as precedent to the issuance of the Bonds have been fulfilled.

Very truly yours,

**EXHIBIT E**

**LANDOWNERS' COUNSEL'S OPINION**

\_\_\_\_\_, 2017

The Heights Community Development District  
Tampa, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

U.S. Bank National Association  
Orlando, Florida

GrayRobinson, P.A.  
Tampa, Florida

Re:     \$\_\_\_\_\_ The Heights Community Development District (City of Tampa, Florida) Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments)

Ladies and Gentlemen:

I am counsel to Riverside Heights Holdings I, LLC, a Florida limited liability company, Riverside Heights Holdings II, LLC, a Florida limited liability company, Riverside Heights Holdings III, LLC, a Florida limited liability company, Riverside Heights Pearl LLC, a Florida limited liability company and RHH 220 7th Avenue, LLC, a Florida limited liability company (collectively, the "Landowners"), and Riverside Heights Holding, LLC, a Florida limited liability company (the "Developer") which are the owners and developer, respectively, of certain lands being redeveloped and located in the incorporated area of Tampa, Florida and commonly referred to as "The Heights", as such lands are described in the Limited Offering Memoranda (as hereinafter defined). This opinion is rendered at the request of the Landowners in connection with the issuance by The Heights Community Development District (the "District") of the Series 2017 Bonds as described in the District's Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2017 and the District's final Limited Offering Memorandum, dated \_\_\_\_\_, 2017, including the appendices attached thereto (collectively, the "Limiting Offering Memoranda"). It is my understanding that the Series 2017 Bonds for the purposes of providing funds for (i) the payment of a portion of the costs of the Series 2017 Project, (ii) the payment of interest on the Series 2017 Bonds through November 1, 2019, (iii) the funding of the Series 2017 Debt Service Reserve Account, and (iv) payment of the costs of issuance of the Series 2017 Bonds.

In my capacity as counsel to the Landowners, I have examined originals or copies identified to my satisfaction as being true copies of the Limiting Offering Memoranda, the

Funding and Completion Agreement by and between the District and Landowners dated as of the Closing Date (the "Completion Agreement"), the Development Acquisition Agreement by and between the District and Landowners dated as of the Closing Date (the "Acquisition Agreement"), the Agreement to Convey or Dedicate in recordable form by and between the District and the Landowners dated as of the Closing Date (the "Agreement to Convey"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2017 Project in recordable form by and between the District and Landowners dated as of the Closing Date (the "Collateral Assignment"), the True-Up Agreement in recordable form by and between the District and Landowners dated as of the Closing Date (the "True-Up Agreement"), the Declaration of Consent to Jurisdiction of The Heights Community Development District, and Imposition of Special Assessments, and Imposition of Lien of Record by the Landowners dated as of the Closing Date, and the Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District, the Landowners and the Landowners, and the District Manager, as dissemination agent (the "Dissemination Agent")(collectively, the "Documents") and have made such examination of law as I have deemed necessary or appropriate in rendering this opinion. In connection with the forgoing, I also have reviewed and examined the Developer's and Landowners' respective Operating Agreements dated: \_\_\_\_\_ and Developer's and Landowners' respective Articles of Organization filed on \_\_\_\_\_, with the Florida Division of Corporations, and certificates of good standing issued by the State of Florida on \_\_\_\_\_, 2017 (collectively, the "Organizational Documents").

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

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

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

1. Each of the Landowners is a limited liability company organized and existing under the laws of the State of Florida.
2. Each of the Landowners has the power to conduct its business and to undertake the development of the lands in the District as described in the Limited Offering Memoranda and to enter into the Documents.
3. The Documents have been duly authorized, executed and delivered by each of the Landowners and are in full force and effect. Assuming the due authorization, execution and delivery of such instruments by the other parties thereto and their authority to perform such instruments, the Documents constitute legal, valid and binding obligations of each of the Landowners, enforceable in accordance with their respective terms.

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

5. The execution, delivery and performance of the Documents by the Developer and the Landowners do not violate (i) their respective operating agreements, (ii) to my knowledge, any agreement, instrument or Federal or Florida law, rule or regulation known to me to which any of the Developer and Landowners is a party or by which any of the Developer or Landowners' assets are or may be bound; or (iii) to my knowledge, any judgment, decree or order of any administrative tribunal, which judgment, decree, or order is binding on any of the Developer or any of the Landowners or any of their assets.

6. Nothing has come to my attention that would lead me to believe that each of the Landowners and Developer are not in compliance in all material respects with all provisions of applicable law in all material matters relating to each of the Landowners and the Developer as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) I have no knowledge that each of the Landowners and the Developer has not received all government permits required in connection with the construction and completion of the development of the Series 2017 Project and the lands in the Development as described in the Limited Offering Memoranda, other than certain permits, which permits are expected to be received as needed, have been received; (b) I have no knowledge of any default of any zoning condition, land use permit or development agreement which would adversely affect any of the Landowners' or Developer's ability to complete development of the Series 2017 Project and the lands in the Development as described in the Limited Offering Memoranda and all appendices thereto; and (c) I have no knowledge and am not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the development of the Series 2017 Project and the lands in the District as described in the Limited Offering Memoranda will not be obtained in due course as required by the Landowners.

7. To the best of my knowledge after due inquiry, the levy of the Series 2017 Assessments on the lands within the District will not conflict with or constitute a breach of or default under any agreement, indenture or other instrument to which any of the Landowners or the Developer is a party or to which any of the Landowners or the Developer or any of their respective properties or assets are subject.

8. To the best of my knowledge after due inquiry, there is no litigation pending which would prevent or prohibit the development of the Series 2017 Project and the lands in the Development in accordance with the description thereof in the Limited Offering Memoranda and the Engineer's Report annexed thereto as Appendix A or which may result in any material adverse change in the respective business, properties, assets or financial condition of any of the Landowners or the Development.

9. To the best of my knowledge after due inquiry, there is no threatened litigation which would prevent or prohibit the development of the Series 2017 Project and the lands in the Development in accordance with the description thereof in the Limited Offering Memoranda and the Engineer's Report annexed thereto as Appendix A or which may result in any material adverse change in the respective business, properties, assets or financial condition of any of the Landowners or the Developer.

10. To the best of my knowledge after due inquiry, none of the Landowners nor the Developer has made an assignment for the benefit of creditors, filed a petition in bankruptcy, petitioned or applied to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction. To the best of my knowledge after due inquiry, none of the Landowners nor the Developer has indicated its consent to, or approval of, or failed to object timely to, any petition in bankruptcy, application or proceeding or order for relief or the appointment of a custodian, receiver or any trustee.

11. To the best of my knowledge after due inquiry, none of the Landowners nor the Developer is in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets is subject, which default would have a material adverse effect on the Series 2017 Bonds or the development of the Series 2017 Project and the lands in the Development

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

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

Very truly yours,

## **EXHIBIT F**

### **LANDOWNERS' AND DEVELOPER'S CERTIFICATE**

RIVERSIDE HEIGHTS HOLDINGS I, LLC, a Florida limited liability company, RIVERSIDE HEIGHTS HOLDINGS II, LLC, a Florida limited liability company, RIVERSIDE HEIGHTS HOLDINGS III, LLC, a Florida limited liability company, RIVERSIDE HEIGHTS PEARL LLC, a Florida limited liability company and RHH 220 7TH AVENUE, LLC, a Florida limited liability company (collectively, the "Landowners") and Riverside Heights Holding, LLC, a Florida limited liability company (the "Developer"), DO HEREBY CERTIFY, that:

1. This Certificate is furnished pursuant to Section 8(c)(10) of the Bond Purchase Contract dated \_\_\_\_\_, 2017 (the "Purchase Contract") between The Heights Community Development District (the "District") and FMSbonds, Inc. (the "Underwriter") relating to the sale by the District of its \$\_\_\_\_\_ original aggregate principal amount of The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the "Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract.

2. Each of the Landowners and the Developer is a limited liability company organized and existing under the laws of the State of Florida.

3. Representatives of each of the Landowners and the Developer have provided information to the District to be used in connection with the offering by the District of its Bonds, pursuant to a Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2017 (the "Preliminary Limited Offering Memorandum"), and a final Limited Offering Memorandum dated \_\_\_\_\_, 2017 (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda").

4. The Declaration of Consent to Jurisdiction of The Heights Community Development District and to Imposition of Special Assessments dated \_\_\_\_\_, 2017 executed by each of the Landowners and to be recorded in the public records of Hillsborough County, Florida (the "Declaration of Consent"), constitutes a valid and binding obligation of each of the Landowners, enforceable against each of the Landowners in accordance with its terms.

5. Each of the Landowners and the Developer has reviewed and approved the information contained in the Limited Offering Memoranda under the captions ["THE SERIES 2017 PROJECT," "THE DEVELOPMENT," "THE DEVELOPER AND THE MAJORITY LANDOWNERS," and "LITIGATION – The Developer and the Majority Landowners" and with respect to each of the Landowners and the Development (as defined in the Limited Offering Memoranda) under the caption "BONDOWNERS' RISKS" and warrants and represents that such information did not as of its date, and does not as of the date hereof, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.] In addition, none of the Landowners nor the Developer is aware of any other information in the Limited Offering Memoranda that contains an untrue statement of a material fact or omits to state a material fact

necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

6. Each of the Landowners represents and warrants that it has complied with and will continue to comply with Chapter 190.048, Florida Statutes, as amended.

7. As of the date hereof, there has been no material adverse change in the business, properties, assets or financial condition of any of the Landowners or the Developer which has not been disclosed in the Limited Offering Memoranda.

8. Each of the Landowners hereby consents to the levy of the Series 2017 Special Assessments on the lands in the District owned by each of the respective Landowners. The levy of the Series 2017 Special Assessments on the District lands will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which any of the Landowners is a party or to which its property or assets are subject.

9. None of the Landowners nor the Developer has made an assignment for the benefit of creditors, filed a petition in bankruptcy, petitioned or applied to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction. None of the Landowners nor the Developer has indicated its consent to, or approval of, or failed to object timely to, any petition in bankruptcy, application or proceeding or order for relief or the appointment of a custodian, receiver or any trustee.

10. Each of the Landowners and the Developer acknowledge that the Bonds have the debt service requirements set forth in the Limited Offering Memorandum and that the Series 2017 Special Assessments will be levied by the District at times, and in amounts sufficient, to enable the District to pay debt service on the Bonds when due.

11. To the best of our knowledge, none of the Landowners nor the Developer is in default under any resolution, ordinance, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which any of the Landowners or the Developer is subject or by which any of the Landowners or the Developer or any of their respective properties are or may be bound, which would have a material adverse effect on the consummation of the transactions contemplated by the Financing Documents, Ancillary Documents or on the Development and is not delinquent in the payment of all ad valorem, federal and state taxes associated with the Development.

12. Except as otherwise disclosed in the Limited Offering Memoranda, there is no action, suit or proceedings at law or in equity by or before any court or public board or body pending or, solely to the best of our knowledge, threatened against any of the Landowners or the Developer (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of Financing Documents, Declaration of Consent and/or Ancillary Documents to which any of the Landowners or the Developer is a party, (b) contesting or affecting the validity or enforceability of the Financing Documents, Declaration of Consent and/or Ancillary Documents, or any and all such other agreements or documents as may be required to be executed, or the transactions contemplated thereunder, (c) contesting or affecting the establishment or existence of any of the

Landowners or the Developer or of any of the Landowners' or Developer's respective business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of any of the Landowners or the Developer.

13. To the best of our knowledge after due inquiry, each of the Landowners and the Developer are in compliance in all material respects with all provisions of applicable law in all material matters relating to the Development as described in the Limited Offering Memoranda, including applying for all necessary permits. Except as otherwise described in the Limited Offering Memoranda, (a) the Development is zoned and properly designated for its intended use; (b) all government permits for the Development other than certain permits, which permits are expected to be received as needed, have been received; (c) none of the Landowners nor the Developer is aware of any default of any zoning condition, permit or development agreement which would adversely affect any of the Landowners' or the Developer's ability to complete or cause the completion of development of the Development as described in the Limited Offering Memoranda and all appendices thereto; and (d) there is no reason to believe that any permits, consents and licenses required to complete the Development as described in the Limited Offering Memoranda will not be obtained as required.

14. Each of the Landowners acknowledges that it will have no rights under Chapter 170, Florida Statutes, as amended, to prepay, without interest, the Series 2017 Special Assessments imposed on lands in the District owned by such Landowners within thirty (30) days following completion of the Series 2017 Project and acceptance thereof by the District.

15. Each of the Landowners and the Developer hereby represent and warrant that it has not previously entered into any continuing disclosure agreements entered into pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

16. None of the Landowners nor the Developer is in default of any obligations to pay special assessments, and none of the Landowners nor the Developer is insolvent.

17. There is no litigation pending or threatened which would prevent or prohibit the development of the Development in accordance with the description thereof in the Limited Offering Memorandum and the Engineer's Report or which may result in any material adverse change in the respective business, properties, assets or financial condition of any of the Landowners or the Development.

18. The execution, delivery and performance of the Ancillary Agreements by any of the Landowners or the Developer does not violate (i) any of the Landowners' or Developer's respective Operating Agreements or other Organizational Documents, (ii) to our knowledge, any agreement, instrument or Federal or Florida law, rule or regulation known to us to which any of the Landowners or the Developer is a party or by which any of the Landowners' or Developer's assets are or may be bound; or (iii) to our knowledge, any judgment, decree or order of any administrative tribunal, which judgment, decree, or order is binding on any of the Landowners or the Developer or their respective assets.



Dated: \_\_\_\_\_, 2017.

**RIVERSIDE HEIGHTS HOLDINGS I, LLC**

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

**RIVERSIDE HEIGHTS HOLDINGS II, LLC**

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

**RIVERSIDE HEIGHTS HOLDINGS III, LLC**

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

**RIVERSIDE HEIGHTS PEARL LLC**

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

**RHH 220 7TH AVENUE, LLC**

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

**RIVERSIDE HEIGHTS HOLDINGS, LLC**

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

## **EXHIBIT G**

### **CERTIFICATE OF DISTRICT ENGINEER**

LANDMARK ENGINEERING & SURVEYING CORP., a Florida corporation (the "Engineer"), DOES HEREBY CERTIFY, that:

1. This certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Contract dated \_\_\_\_\_, 2017 (the "Purchase Contract"), by and between The Heights Community Development District (the "District") and FMSbonds, Inc. with respect to the \$\_\_\_\_\_ The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the "Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2017 (the "Preliminary Limited Offering Memorandum") and the Limited Offering Memorandum dated \_\_\_\_\_, 2017 (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda"), as applicable.

2. The Engineer has been retained by the District to act as consulting engineer.

3. The plans and specifications for the Series 2017 Project (as described in the Limited Offering Memorandum) improvements were approved by all regulatory bodies required to approve them. All environmental and other regulatory permits and approvals required in connection with the construction of Series 2017 Project have been obtained.

4. The Engineer prepared reports entitled "Master Engineer's Report for The Heights Community Development District" dated June 2017, as revised on [\_\_\_\_\_] (as revised, the "Report"). The Report was prepared in accordance with generally accepted engineering principles. The Report is included as "APPENDIX A: ENGINEER'S REPORT" to the Limited Offering Memoranda, and a description of the Report and certain other information relating to the Series 2017 Project are included in the Limited Offering Memoranda under the captions "THE SERIES 2017 PROJECT." The Report and said information are true and complete in all material respects, contain no untrue statement of a material fact, and do not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. The Engineer hereby consents to the inclusion of the Report as "APPENDIX A: ENGINEER'S REPORT" to the Limited Offering Memoranda and to the references to the Engineer in the Limited Offering Memoranda.

6. The Series 2017 Project improvements that have been completed are constructed in sound workmanlike manner and in accordance with industry standards.

7. To the best of our knowledge, after due inquiry, each of the Landowners is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Development as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) we are not aware of any default of

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

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

Date: \_\_\_\_\_, 2017

**LANDMARK ENGINEERING &  
SURVEYING CORP.,** a Florida corporation

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

## **EXHIBIT H**

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

District Management Services, LLC d/b/a Meritus Districts, a Florida corporation ("Meritus"), DOES HEREBY CERTIFY:

1. This certificate is furnished pursuant to Section 8(c)(18) of the Bond Purchase Contract dated \_\_\_\_\_, 2017 (the "Purchase Contract"), by and between The Heights Community Development District (the "District") and FMSbonds, Inc. with respect to the \$\_\_\_\_\_ The Heights Community Development District Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the "Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2017 (the "Preliminary Limited Offering Memorandum") and the Limited Offering Memorandum dated \_\_\_\_\_, 2017 (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda") relating to the Bonds, as applicable.

2. Meritus has acted as district manager and methodology consultant to the District in connection with the sale and issuance by the District of its \$\_\_\_\_\_ aggregate principal amount of Bonds and have participated in the preparation of the Limited Offering Memoranda.

3. In connection with the issuance of the Bonds, we have been retained by the District to prepare the Master Assessment Methodology Report dated June 13, 2017 (the "Master Methodology"), as supplemented by the First Supplemental Assessment Methodology dated \_\_\_\_\_, 2017 including the special assessment tax roll included as part thereof (collectively, the "Assessment Report"), which Assessment Report has been included as an appendix to the Limited Offering Memoranda. We hereby consent to the use of such Assessment Report in the Limited Offering Memoranda and consent to the references to us therein.

4. As District Manager, nothing has come to our attention that would lead us to believe that the Limited Offering Memoranda, as they relate to the District, the Series 2017 Project, or any information provided by us, and the Assessment Report, as of their date and as of this date, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. The information set forth in the Limited Offering Memoranda under the subcaptions ["SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS," "THE DISTRICT," "LITIGATION – The District," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE," "APPENDIX D: ASSESSMENT METHODOLOGY," "APPENDIX E: [TAX INCREMENT REPORT]" and in "APPENDIX H: DISTRICT'S FINANCIAL STATEMENTS" did not as of the respective dates of the Limited Offering Memoranda and does not as of the date hereof contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

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

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

8. The Series 2017 Special Assessments, as initially levied, and as may be reallocated from time to time as permitted by resolutions adopted by the District with respect to the Series 2017 Special Assessments, are sufficient to enable the District to pay the debt service on the Bonds through the final maturity thereof.

Dated: \_\_\_\_\_, 2017.

**DISTRICT MANAGEMENT SERVICES,  
LLC D/B/A MERITUS DISTRICTS, a**  
Florida corporation

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

## **EXHIBIT I**

### **[CERTIFICATE OF THE CRA AND THE CITY]**

The undersigned duly authorized officers of the Community Redevelopment Agency of the City of Tampa (the "CRA") and the City of Tampa (the City") do hereby certify on behalf of the CRA and the City with respect to the issuance by The Heights Community Development District (the "District") of its Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Revenues)(the "Series 2017 Bonds") as follows:

1. The CRA and the City, and the undersigned officers of each of the same are authorized to deliver this Certificate in connection with the issuance of the Bonds.

2. The Interlocal Agreement dated May 1, 2015 (the "Interlocal Agreement"), by and among the City, the CRA, and the District, entered into pursuant to Section 163.01, Florida Statutes, is in full force and effect and the obligations of the City and the CRA under the Interlocal Agreement remain valid and binding.

3. [To be reviewed by Underwriter's Counsel - [The Interlocal Agreement has not been amended [except as set forth in the Interlocal Agreement between Hillsborough County, the City of Tampa and the City Community Redevelopment Agency of the City of Tampa, recorded on OR Book 22931 Page 1598 of the public records of Hillsborough County] which amendment does not impact any of the provisions of the Interlocal Agreement with respect to:\_\_\_\_\_].]

4. [Discuss.]

**PRELIMINARY LIMITED OFFERING MEMORANDUM DATED \_\_\_\_\_, 2017**

NEW ISSUE - BOOK-ENTRY ONLY  
LIMITED OFFERING

NOT RATED

*[To be updated/provided by Bond Counsel - In the opinion of Foley & Lardner, LLP, Bond Counsel, under existing statutes, regulations, rulings and court decisions, assuming continuing compliance with certain covenants and the accuracy of certain representations, (a) interest on the Series 2017 Bonds (as defined below) is excludable from gross income for federal income tax purposes, (b) interest on the Series 2017 Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (c) interest on the Series 2017 Bonds will, however, be taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on certain corporations, and (d) the Series 2017 Bonds and the income thereon will not be subject to taxation under the laws of the State of Florida, except estate taxes and taxes under Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined therein. For a more complete discussion of the tax aspects of the Series 2017 Bonds, see "TAX MATTERS."]*

\$ \_\_\_\_\_ \*

**THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT  
(CITY OF TAMPA, FLORIDA)  
SPECIAL ASSESSMENT AND REVENUE BONDS, SERIES 2017  
(COMMITTED TAX INCREMENT AND SPECIAL ASSESSMENTS)**

**Dated: Date of Delivery**

**Due Dates: As set forth below**

The Heights Community Development District (City of Tampa, Florida) Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the "Series 2017 Bonds") are being issued by The Heights Community Development District (the "District") in fully registered form, without coupons, [in authorized denominations of \$5,000] and integral multiples thereof. The Series 2017 Bonds will bear interest at the rates set forth below, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable semi-annually on each May 1 and November 1 commencing \_\_\_\_\_ 1, 201\_. The Series 2017 Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2017 Bonds will be made in book-entry-only form and purchasers of beneficial interests in the Series 2017 Bonds will not receive physical bond certificates. For so long as the book-entry only system is maintained, the principal of, premium, if any, and interest on the Series 2017 Bonds will be paid from the sources described herein by U.S. Bank National Association, as trustee (the "Trustee"), to DTC as the registered owner thereof. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein. Any purchaser, as a beneficial owner of a Series 2017 Bond, must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of the principal of, premium, if any, and interest on such Series 2017 Bond. See "DESCRIPTION OF THE SERIES 2017 BONDS – Book-Entry Only System" herein.

Proceeds of the Series 2017 Bonds will be used to provide funds for (i) the payment of a portion of the costs of the Series 2017 Project (as defined herein), (ii) the payment of interest on the Series 2017 Bonds through November 1, 2019, (iii) the funding of the Series 2017 Debt Service Reserve Account (as defined herein), and (iv) payment of the costs of issuance of the Series 2017 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "THE SERIES 2017 PROJECT" herein.

The District is a local unit of special-purpose government of the State of Florida (the "State"), created in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), Ordinance No. 2006-161 enacted by the City Council of the City of Tampa, Florida (the "City"), on and effective as of July 13, 2006 (the "Ordinance"). The Series 2017 Bonds are being issued pursuant to the Act and a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2017 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2017 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

The Series 2017 Bonds are secured by a pledge of the Pledged Revenues. "Pledged Revenues" shall mean with respect to the Series 2017 Bonds, (a) all Committed Tax Increment Revenues (as defined herein) received by the Issuer with respect to the Series 2017 Bonds, (b) all revenues received by the District from Series 2017 Special Assessments levied and collected on the District Lands benefited by the Series 2017 Project, including, without

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2017 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The District has deemed this Preliminary Limited Offering Memorandum "final," except for permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.



limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such [Series 2017] Special Assessments or from the issuance and sale of tax certificates with respect to such [Series 2017] Special Assessments, and (c) all moneys on deposit in the Funds and Accounts established under the Indenture in respect to the Series 2017 Bonds, including earnings thereon; provided, however, that Pledged Revenues shall not include (i) with respect to the Series 2017 Bonds, revenues received by the District from Special Assessments levied and collected with respect to one or more other Series of Bonds, including without limitation amounts received from any foreclosure proceeding for the enforcement of collection of such Special Assessments or from the issuance and sale of tax certificates with respect to such Special Assessments, (ii) any moneys transferred to the Rebate Fund, or investment earnings thereon and (iii) "special assessments" levied and collected by the District under Section 190.022 of the Act, as amended, or any other provision of the Act, for maintenance purposes or "maintenance special assessments" levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (i), (ii) and (iii) of this proviso). "Committed Tax Increment Revenues" shall mean that portion of the Tax Increment Revenues (as defined herein) which the Community Redevelopment Agency of the City of Tampa (the "CRA") is required to deposit with the Trustee for application under the Indenture (or the TIF Note Documents (as defined in the Interlocal Agreement)) in accordance with the Interlocal Agreement. "Interlocal Agreement" shall mean that certain Interlocal Agreement dated May 1, 2015, by and among the City, the CRA, and the District, entered into pursuant to Section 163.01, Florida Statutes. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS" herein.

The Series 2017 Bonds are subject to optional, mandatory sinking fund and extraordinary mandatory redemption at the times, in the amounts, and at the redemption prices more fully described herein under the caption "DESCRIPTION OF THE SERIES 2017 BONDS — Redemption Provisions."

THE SERIES 2017 BONDS DO NOT CONSTITUTE A DEBT OR OBLIGATION OF THE CRA, THE CITY, HILLSBOROUGH COUNTY, FLORIDA (THE "COUNTY"), THE STATE OR ANY OTHER GOVERNMENTAL OR TAXING ENTITY OTHER THAN THE DISTRICT EXCEPT AS TO THE OBLIGATION OF THE COMMUNITY REDEVELOPMENT AGENCY CONTAINED IN THE INTERLOCAL AGREEMENT TO DEPOSIT CERTAIN FUNDS IN THE REDEVELOPMENT TRUST FUND [(AS DEFINED IN THE INTERLOCAL AGREEMENT)] AND PAY A PORTION OF SUCH FUNDS TO THE DISTRICT AS PROVIDED IN, AND LIMITED BY, THE INTERLOCAL AGREEMENT. NO TAX INCREMENT REVENUES OTHER THAN "COMMITTED TAX INCREMENT REVENUES" [add .] OR OTHER REVENUES OF THE COMMUNITY REDEVELOPMENT AGENCY, THE CITY, THE COUNTY, THE STATE OR ANY OTHER TAXING ENTITY OTHER THAN THE DISTRICT ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF PREMIUM, IF ANY, OR INTEREST ON THE BONDS. [Indenture comment- revise 3 legends in STI/bond to 1 or 2 legends but include above as required by Interlocal Agreement.]

**The Series 2017 Bonds involve a degree of risk (see "BONDOWNERS' RISKS" herein) and are not suitable for all investors (see "SUITABILITY FOR INVESTMENT" herein). The Underwriter named below is limiting this offering to "Accredited Investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to Accredited Investors does not denote restrictions on transfer in any secondary market for the Series 2017 Bonds. The Series 2017 Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the Series 2017 Bonds.**

This cover page contains certain information for quick reference only. It is not a summary of the Series 2017 Bonds. Investors must read this entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

#### MATURITY SCHEDULE

\$ _____	– _____%	Series 2017 Term Bond due [May] 1, 20____,	Yield _____%	, Price _____	CUSIP # _____	**
\$ _____	– _____%	Series 2017 Term Bond due [May] 1, 20____,	Yield _____%	, Price _____	CUSIP # _____	**
\$ _____	– _____%	Series 2017 Term Bond due [May] 1, 20____,	Yield _____%	, Price _____	CUSIP # _____	**

The Series 2017 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to the receipt of the approving legal opinion of Foley & Lardner, LLP, Jacksonville, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Molloy & James, Tampa, Florida, for the Developer (as defined herein) and the Majority Landowners (as defined herein) by their counsel, Foley & Lardner LLP, Tampa, Florida, and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. It is expected that the Series 2017 Bonds will be delivered in book-entry form through the facilities of DTC on or about \_\_\_\_\_, 2017.

Dated: \_\_\_\_\_, 2017

## **FMSbonds, Inc.**

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\* Preliminary, subject to change.

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

## **THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT**

### **BOARD OF SUPERVISORS**

Adam Harden\*, Chairman  
Charles Bruck\*, Vice Chairman  
David Bruck\*, Supervisor  
Charles Harden\*, Supervisor  
I. Clay Thompson\*, Supervisor

\* Affiliated with the Developer and Majority Landowners

### **DISTRICT MANAGER**

District Management Services, LLC d/b/a Meritus Districts  
Tampa, Florida

### **DISTRICT COUNSEL**

Molloy & James  
Tampa, Florida

### **CONSULTING ENGINEER**

Landmark Engineering & Surveying Corporation  
Tampa, Florida

### **BOND COUNSEL**

Foley & Lardner, LLP  
Jacksonville, Florida

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE DISTRICT TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE DISTRICT. THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY OF THE SERIES 2017 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2017 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 DEVELOPER (AS HEREINAFTER DEFINED), THE DISTRICT, PUBLIC DOCUMENTS, RECORDS AND OTHER SOURCES, WHICH SOURCES ARE BELIEVED TO BE RELIABLE BUT WHICH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, THE UNDERWRITER NAMED ON THE COVER PAGE OF THIS LIMITED OFFERING MEMORANDUM. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN CONTAINED ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS LIMITED OFFERING MEMORANDUM, NOR ANY SALE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT, THE CRA, THE DEVELOPER OR THE MAJORITY LANDOWNERS OR IN THE STATUS OF THE DISTRICT, THE DEVELOPMENT, OR THE SERIES 2017 PROJECT (AS SUCH TERMS ARE DEFINED HEREIN) SINCE THE DATE HEREOF.

THE SERIES 2017 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 2017 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE DISTRICT, THE CITY, THE CRA, THE COUNTY, THE STATE OF FLORIDA NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2017 BONDS, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS LIMITED OFFERING MEMORANDUM.

"FORWARD-LOOKING STATEMENTS" ARE USED IN THIS DOCUMENT BY USING FORWARD LOOKING WORDS SUCH AS "MAY," "WILL," "SHOULD," "INTENDS," "EXPECTS," "BELIEVES," "ANTICIPATES," "ESTIMATES," OR OTHERS. THE READER IS CAUTIONED THAT FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A VARIETY OF UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER FROM THE PROJECTED RESULTS. THOSE RISKS AND UNCERTAINTIES INCLUDE GENERAL ECONOMIC AND BUSINESS CONDITIONS, CONDITIONS IN THE FINANCIAL MARKETS AND REAL ESTATE MARKET, THE DISTRICT'S COLLECTION OF ASSESSMENTS, AND VARIOUS OTHER FACTORS WHICH MAY BE BEYOND THE DISTRICT'S OR THE DEVELOPER'S CONTROL. BECAUSE THE DISTRICT AND THE DEVELOPER CANNOT PREDICT ALL FACTORS THAT MAY AFFECT FUTURE DECISIONS, ACTIONS, EVENTS, OR FINANCIAL CIRCUMSTANCES, WHAT ACTUALLY HAPPENS MAY BE DIFFERENT FROM WHAT IS INCLUDED IN FORWARD-LOOKING STATEMENTS.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT AND THE DEVELOPER DO 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.

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: [WWW.MUNIOS.COM](http://WWW.MUNIOS.COM) AND [WWW.EMMA.MSRB.ORG](http://WWW.EMMA.MSRB.ORG). THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

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

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APPENDIX G	PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT
APPENDIX H	DISTRICT'S FINANCIAL STATEMENTS



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**THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT  
(CITY OF TAMPA, FLORIDA)  
SPECIAL ASSESSMENT AND REVENUE BONDS, SERIES 2017  
(COMMITTED TAX INCREMENT AND SPECIAL ASSESSMENTS)**

**INTRODUCTION**

The purpose of this Limited Offering Memorandum, including the cover page, inside cover and appendices hereto, is to provide certain information concerning The Heights Community Development District (the "District"), in connection with the issuance of its \$\_\_\_\_\_ \* aggregate principal amount of Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the "Series 2017 Bonds").

PROSPECTIVE INVESTORS SHOULD BE AWARE OF CERTAIN RISK FACTORS, ANY OF WHICH, IF MATERIALIZED TO A SUFFICIENT DEGREE, COULD DELAY OR PREVENT PAYMENT OF PRINCIPAL OF AND/OR INTEREST ON THE SERIES 2017 BONDS. THE SERIES 2017 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2017 BONDS TO ONLY "ACCREDITED INVESTORS" WITHIN THE MEANING OF CHAPTER 517, FLORIDA STATUTES, AND THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES PROMULGATED THEREUNDER. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFER IN ANY SECONDARY MARKET FOR THE SERIES 2017 BONDS. See "SUITABILITY FOR INVESTMENT" and "BONDOWNERS' RISKS" herein.

The District is a local unit of special-purpose government of the State of Florida (the "State"), created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), by Ordinance No. 2006-161 enacted by the City Council of the City of Tampa, Florida (the "City"), on and effective as of July 13, 2006 (the "Ordinance"). [The District was established for the purpose of financing the acquisition and construction of and managing the maintenance and operation of certain community development services and facilities within and without its boundaries. The Act authorizes the District to issue bonds for purposes, among others, of financing the cost of acquisition and construction of certain district facilities, including, without limitation, a stormwater management system, water and wastewater (on and off site) facilities, roadways (on and off site) and landscaping and recreational facilities.]

The District encompasses approximately 49.188 gross acres of land (the "District Lands"), of which approximately 36.88 acres are developable or have been developed, and are located entirely within the larger Community Redevelopment Agency of the City of Tampa (the "CRA") and the incorporated area of the City. The District Lands are located in one of the oldest neighborhoods of the City, Tampa Heights, which is located immediately north of downtown

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\* Preliminary, subject to change.

Tampa. For more complete information about the District, including, without limitation, its Board of Supervisors and the District Manager, see "THE DISTRICT" herein.

The District Lands along with approximately 2.212 gross acres, 1.01 net acres, outside of the District, but within the CRA ,are being redeveloped into a mixed-use project referred to herein as the "The Heights" or the "Development." The Development is in various stages of redevelopment. [Insert one sentence summary from Development - General once finalized.] See "THE DEVELOPMENT" herein for more information.

Riverside Heights Holdings, LLC, a Florida limited liability company (the "Developer") is the developer of the District Lands. Several affiliates of the Developer comprised of the following own approximately 31.3 of the 36.88 acres in the District: Riverside Heights Holdings I, LLC, Riverside Heights Holdings II, LLC, Riverside Heights Holdings III, LLC, Riverside Heights Pearl LLC and RHH 220 7<sup>th</sup> Avenue, LLC (collectively, the "Majority Landowners"). The remaining land in the District is owned by the City. See "THE DEVELOPMENT" for more information regarding land ownership in the District and the CRA.

The Series 2017 Bonds are being issued pursuant to the Act and a Master Trust Indenture dated as of July 1, 2017 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of July 1, 2017 (the "First Supplemental Indenture" and together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"). Reference is made to the Indenture for a full statement of the authority for, and the terms and provisions of, the Series 2017 Bonds. All capitalized terms used in this Limited Offering Memorandum that are not defined herein shall have the respective meanings set forth in the Indenture. See "APPENDIX C: PROPOSED FORM OF INDENTURES" herein.

Proceeds of the Series 2017 Bonds will be used to provide funds for (i) the payment of a portion of the costs of the Series 2017 Project (as defined herein), (ii) the payment of interest on the Series 2017 Bonds through November 1, 2019, (iii) the funding of the Series 2017 Debt Service Reserve Account (as defined herein), and (iv) payment of the costs of issuance of the Series 2017 Bonds. See "ESTIMATED SOURCES AND USES OF SERIES 2017 BOND PROCEEDS" and "THE SERIES 2017 PROJECT" herein.

The Series 2017 Bonds are secured by a pledge of the Pledged Revenues. "Pledged Revenues" shall mean with respect to the Series 2017 Bonds, (a) all Committed Tax Increment Revenues (as defined herein) received by the Issuer with respect to the Series 2017 Bonds, (b) all revenues received by the District from Series 2017 Special Assessments levied and collected on the District Lands benefited by the Series 2017 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such [Series 2017] Special Assessments or from the issuance and sale of tax certificates with respect to such [Series 2017] Special Assessments, and (c) all moneys on deposit in the Funds and Accounts established under the Indenture in respect to the Series 2017 Bonds, including earning thereon; provided, however, that Pledged Revenues shall not include (i) with respect to the Series 2017 Bonds, revenues received by the District from Special Assessments levied and collected with respect to one or more other Series of Bonds, including without limitation amounts received from any foreclosure proceeding for the enforcement of collection of such Special Assessments or from

the issuance and sale of tax certificates with respect to such Special Assessments, (ii) any moneys transferred to the Rebate Fund, or investment earnings thereon and (iii) "special assessments" levied and collected by the District under Section 190.022 of the Act, as amended, or any other provision of the Act, for maintenance purposes or "maintenance special assessments" levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (i), (ii) and (iii) of this proviso). "Committed Tax Increment Revenues" shall mean that portion of the Tax Increment Revenues (as defined herein) which the CRA is required to deposit with the Trustee for application under the Indenture (or the TIF Note Documents (as defined in the Interlocal Agreement)) in accordance with the Interlocal Agreement. "Interlocal Agreement" shall mean that certain Interlocal Agreement dated May 1, 2015, by and among the City, the CRA, and the District, entered into pursuant to Section 163.01, Florida Statutes. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS" herein.

THE SERIES 2017 BONDS DO NOT CONSTITUTE A DEBT OR OBLIGATION OF THE CRA, THE CITY, HILLSBOROUGH COUNTY, FLORIDA (THE "COUNTY"), THE STATE OR ANY OTHER GOVERNMENTAL OR TAXING ENTITY OTHER THAN THE DISTRICT EXCEPT AS TO THE OBLIGATION OF THE COMMUNITY REDEVELOPMENT AGENCY CONTAINED IN THE INTERLOCAL AGREEMENT TO DEPOSIT CERTAIN FUNDS IN THE REDEVELOPMENT TRUST FUND AND PAY A PORTION OF SUCH FUNDS TO THE DISTRICT AS PROVIDED IN, AND LIMITED BY, THE INTERLOCAL AGREEMENT. NO TAX INCREMENT REVENUES OTHER THAN "COMMITTED TAX INCREMENT REVENUES" [add .] OR OTHER REVENUES OF THE COMMUNITY REDEVELOPMENT AGENCY, THE CITY, THE COUNTY, THE STATE OR ANY OTHER TAXING ENTITY OTHER THAN THE DISTRICT ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF PREMIUM, IF ANY, OR INTEREST ON THE BONDS. [Indenture comment- revise 3 legends in STI/bond to 1 or 2 legends but include above as required by Interlocal Agreement.]

There follow in this Limited Offering Memorandum brief descriptions of the District, the Development, the Series 2017 Project, the Developer and the Majority Landowners and summaries of the Series 2017 Bonds, the Indenture and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and the Act and all references to the Series 2017 Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. See "APPENDIX C: PROPOSED FORM OF INDENTURES " attached hereto.

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

## **DESCRIPTION OF THE SERIES 2017 BONDS**

### **General Description**

The Series 2017 Bonds will be dated, will bear interest at the rates per annum (computed on the basis of a 360-day year comprised of twelve 30-day months) and, subject to the

redemption provisions set forth below, will mature on the dates and in the amounts set forth on the cover page of this Limited Offering Memorandum. Interest on the Series 2017 Bonds will be payable semi-annually on each May 1 and November 1, commencing [November 1, 2017] until maturity or prior redemption. U.S. Bank National Association is the initial Trustee, Paying Agent and Registrar for the Series 2017 Bonds.

The Series 2017 Bonds will be issued in fully registered form, without coupons, in [authorized denominations of \$5,000 and any integral multiple thereof, except as otherwise provided in the Indenture.]

The Series 2017 Bonds will initially be offered and sold only to "Accredited Investors," within the meaning of Chapter 517, Florida Statutes, as amended, and the rules promulgated thereunder by the Florida Department of Financial Services. The limitation of the initial offering to Accredited Investors does not denote restrictions on transfer in any secondary market for the Series 2017 Bonds. See "SUITABILITY FOR INVESTMENT" below.

## **Redemption Provisions**

### **Optional Redemption**

The Series 2017 Bonds may, at the option of the District, be called for redemption prior to maturity as a whole or in part at any time on or after [May] 1, [fix "2017" in indenture to "\_\_"] (less than all Series 2017 Bonds to be selected by lot), at a Redemption Price equal to 100% of the principal amount to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date. [revise indenture to following? - If such optional redemption shall be in part, the District shall select such principal amount of Series 2017 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2017 Bonds is substantially level.]

### **Mandatory Sinking Fund Redemption**

The Series 2017 Bonds [maturing on \_\_\_\_\_, 20\_\_\_\_] are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2017 Sinking Fund Account established under the Indenture in satisfaction of applicable Amortization 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><b>Year</b></u>	<u><b>Amortization Installment</b></u>
	\$

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\*Maturity

The Series 2017 Bonds [maturing on \_\_\_\_\_, 20\_\_\_\_] are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2017 Sinking Fund Account established under the Indenture in satisfaction of applicable Amortization 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>Amortization Installment</u>
	\$

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\*Maturity

The Series 2017 Bonds [maturing on \_\_\_\_\_, 20\_\_\_\_] are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2017 Sinking Fund Account established under the Indenture in satisfaction of applicable Amortization 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>Amortization Installment</u>
	\$

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\*Maturity

Upon any redemption of Series 2017 Bonds other than in accordance with scheduled Sinking Fund installments, the District shall cause to be recalculated and delivered to the Trustee revised Sinking Fund installments recalculated so as to amortize the Outstanding principal amount of Bonds of such Series in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Bonds of such Series. The Sinking Fund installments as so recalculated shall not result in an increase in the aggregate of the Sinking Fund installments for all Bonds of such Series in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a Sinking Fund installment is due, the foregoing recalculation shall not be made to Sinking Fund installments due in the year in which such redemption or purchase occurs, but shall be made to Sinking Fund installments for the immediately succeeding and subsequent years.

### **Extraordinary Mandatory Redemption**

The Series 2017 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole, on any date, or in part, on any Interest Payment Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2017 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2017 Prepayment Principal deposited into the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund following the payment in whole or in part of Special Assessments on any portion of the District Lands specially benefited by the Series 2017 Project in accordance with the provisions of the First Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2017 Accounts and Subaccounts in the Series 2017 Funds and Accounts (other than the Rebate Fund) sufficient to pay and redeem all Series 2017 Outstanding Bonds, as the case may be, and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the [Master] Indenture.

(iii) on or after the Completion Date of the Series 2017 Project, by application of moneys remaining in the Series 2017 Acquisition and Construction Account not reserved by the District for the payment of any remaining part of the Cost of the Series 2017 Project, all of which shall be transferred to the Series 2017 General Account of the Series 2017 Bond Redemption Fund credited toward extinguishment of the Special Assessments and applied toward the redemption of the Series 2017 Bonds; [and on or after November 1, 2019 by application of any moneys remaining in the Series 2017 Capitalized Interest Subaccount representing Capitalized Interest in excess of the amount required to pay interest on the Series 2017 Bonds through November 1, 2019], all of which shall be transferred first, prior to the Completion Date of the Series 2017 Project, to the Series 2017 Acquisition and Construction Account, as appropriate, and thereafter to the Series 2017 General Account of the Series 2017 Bond Redemption Fund pursuant to the Indenture, and applied by the District toward the redemption of the Series 2017 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Special Assessments which the District shall describe to the Trustee in writing.

(iv) from excess moneys transferred from the Series 2017 Revenue Subaccount to the Series 2017 Bond Redemption Fund, respectively, in accordance with the First Supplemental Indenture.

(v) [following condemnation or the sale of any portion of the Series 2017 Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys by such governmental entity to the Trustee for deposit into the Series 2017 General Account of the Series 2017 Bond Redemption Fund in order to effectuate such redemption and which are not

to be used to rebuild, replace or restore the taken portion of the Series 2017 Project.]

(vi) [following the damage or destruction of all or substantially all of the Series 2017 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 Issuer to the Trustee for deposit to the Series 2017 General Account of the Series 2017 Bond Redemption Fund; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the Issuer shall cause to be delivered to the Trustee (x) notice setting forth the redemption date and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Series 2017 Project would not be economical or would be impracticable].

(vii) [from amounts on deposit in the Series 2017 Debt Service Reserve Account in excess of the Series 2017 Debt Service Reserve Requirement and transferred to the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund in accordance with the First Supplemental Indenture to be used, together with any Special Assessment prepayments on deposit in the Series 2017 Prepayment Account of the Series 2017 Bond Redemption Fund, as the case may be, for the Extraordinary Mandatory Redemption of the Series 2017 Bonds.]

### **Notice of Redemption**

The Trustee shall cause notice of redemption to be mailed at least thirty but not more than sixty days prior to the date of redemption to all registered owners of Series 2017 Bonds to be redeemed (as such owners appear on the books of the Registrar on the fifth (5th) day prior to such mailing) and to certain additional parties as set forth in the Indenture; provided, however, that failure to mail any such notice or any defect in the notice or the mailing thereof shall not affect the validity of the redemption of the Series 2017 Bonds for which such notice was duly mailed in accordance with the Indenture. If less than all of the Series 2017 Bonds shall be called for redemption, the notice of redemption shall specify the Series 2017 Bonds to be redeemed. On the redemption date, the Series 2017 Bonds called for redemption will be payable at the designated corporate trust office of the Paying Agent and on such date interest shall cease to accrue, such Series 2017 Bonds shall cease to be entitled to any benefit under the Indenture and such Series 2017 Bonds shall not be deemed to be outstanding under the provisions of the Indenture and the owners of such Series 2017 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof. If the amount of funds so deposited with the Trustee, or otherwise available, is insufficient to pay the redemption price and interest on all Series 2017 Bonds so called for redemption on such date, the Trustee shall redeem and pay on such date an amount of such Series 2017 Bonds for which such funds are sufficient, selecting the Series 2017 Bonds to be redeemed by lot from among all such Series 2017 Bonds called for redemption on such date, and interest on any Series 2017 Bonds not paid shall continue to accrue, as provided in the Indenture. [ 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 Series 2017 Bonds called for redemption or purchase, such notice shall be entitled "CONDITIONAL NOTICE OF REDEMPTION" or

"CONDITIONAL NOTICE OF PURCHASE", as appropriate, and shall expressly state that the redemption or purchase, as appropriate, is conditional and is subject to the deposit of the redemption or purchase moneys with the Trustee or Paying Agent, as the case may be, not later than the opening on the redemption or purchase date, and such notice shall be of no effect unless such moneys are so deposited.]

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

*The information in this caption concerning DTC and DTC's book entry system has been obtained from DTC and neither the District nor the Underwriter make any representation or warranty or take any responsibility for the accuracy or completeness of such information.*

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2017 Bonds. The Series 2017 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2017 Bond certificate will be issued for each maturity of Series 2017 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

Purchases of Series 2017 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2017 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 2017 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2017 Bonds, except in the event that use of the book-entry system for the Series 2017 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2017 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 the Series 2017 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2017 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2017 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017 Bond documents. For example, Beneficial Owners of Series 2017 Bonds may wish to ascertain that the nominee holding the Series 2017 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2017 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2017 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 2017 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 2017 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary

practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2017 Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Series 2017 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2017 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Series 2017 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2017 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2017 Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Series 2017 Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2017 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository) pursuant to the procedures of DTC. In that event, Series 2017 Bond certificates will be printed and delivered to DTC.

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

## **SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS**

### **General**

THE SERIES 2017 BONDS DO NOT CONSTITUTE A DEBT OR OBLIGATION OF THE CRA, THE CITY, HILLSBOROUGH COUNTY, FLORIDA (THE "COUNTY"), THE STATE OR ANY OTHER GOVERNMENTAL OR TAXING ENTITY OTHER THAN THE DISTRICT EXCEPT AS TO THE OBLIGATION OF THE COMMUNITY REDEVELOPMENT AGENCY CONTAINED IN THE INTERLOCAL AGREEMENT TO DEPOSIT CERTAIN FUNDS IN THE REDEVELOPMENT TRUST FUND AND PAY A PORTION OF SUCH FUNDS TO THE DISTRICT AS PROVIDED IN, AND LIMITED BY, THE INTERLOCAL AGREEMENT. NO TAX INCREMENT REVENUES OTHER THAN "COMMITTED TAX INCREMENT REVENUES" [add .] OR OTHER REVENUES OF THE COMMUNITY REDEVELOPMENT AGENCY, THE CITY, THE COUNTY, THE STATE OR ANY OTHER TAXING ENTITY OTHER THAN THE DISTRICT ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

[Indenture comment- revise 3 legends in STI/bond to 1 or 2 legends but include above as required by Interlocal Agreement.]

The Series 2017 Bonds are secured by a pledge of the Pledged Revenues. "Pledged Revenues" shall mean with respect to the Series 2017 Bonds, (a) all Committed Tax Increment Revenues (as defined herein) received by the Issuer with respect to the Series 2017 Bonds, (b) all revenues received by the District from Series 2017 Special Assessments levied and collected on the District Lands benefited by the Series 2017 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such [Series 2017] Special Assessments or from the issuance and sale of tax certificates with respect to such [Series 2017] Special Assessments, and (c) all moneys on deposit in the Funds and Accounts established under the Indenture in respect to the Series 2017 Bonds, including earnings thereon; provided, however, that Pledged Revenues shall not include (i) with respect to the Series 2017 Bonds, revenues received by the District from Special Assessments levied and collected with respect to one or more other Series of Bonds, including without limitation amounts received from any foreclosure proceeding for the enforcement of collection of such Special Assessments or from the issuance and sale of tax certificates with respect to such Special Assessments, (ii) any moneys transferred to the Rebate Fund, or investment earnings thereon and (iii) "special assessments" levied and collected by the District under Section 190.022 of the Act, as amended, or any other provision of the Act, for maintenance purposes or "maintenance special assessments" levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (i), (ii) and (iii) of this proviso). "Committed Tax Increment Revenues" shall mean that portion of the Tax Increment Revenues (as defined herein) which the Community Redevelopment Agency of the City of Tampa (the "CRA") is required to deposit with the Trustee for application under the Indenture (or the TIF Note Documents (as defined in the Interlocal Agreement)) in accordance with the Interlocal Agreement. "Interlocal Agreement" shall mean that certain Interlocal Agreement dated May 1, 2015, by and among the City, the CRA, and the District, entered into pursuant to Section 163.01, Florida Statutes.

In connection with the issuance of the Series 2017 Bonds, the District approved the levy of the Series 2017 Special Assessments to provide for the payment of the Series 2017 Project. The amount of Special Assessments relating to the Series 2017 Bonds collected by the District in each year will be offset by the Committed Tax Revenues received by the District pursuant to the Interlocal Agreement. For certain risks inherent in an investment in bonds secured by the Pledged Revenues, see "- Committed Tax Increment Revenues," below, "- Special Assessments" and "BONDHOLDERS' RISKS" herein.

### **Committed Tax Increment Revenues**

#### **Indenture Provisions**

[Confirm following Interlocal Agreement cites to the Indenture picked up in the MTI - The Interlocal Agreement provides that pursuant to the terms of the Indenture, the District will issue the Series 2017 Bonds [delete following if no add bonds: (and any other Qualified Debt)] to pay a portion of the costs of the Series 2017 Project (and any additional projects constituting a portion of the Public Project), and may levy the Series 2017 Special Assessments (and any

additional Special Assessments) pursuant to the District Act and Chapters 170 and/or 197, Florida Statutes, to the extent and in the amount necessary to pay outstanding debt service on the Series 2017 Bonds (and any other Qualified Debt). As provided in the Indenture, for each Bond Year (as defined in the Indenture), if collecting pursuant to Chapter 197, Florida Statutes, the District shall evidence and certify to the tax collector or cause the property appraiser to certify to the tax collector for collection pursuant to Chapter 197, Florida Statutes, or any successor statutes, as applicable, an amount equal to the Series 2017 Special Assessments (and any additional Special Assessments) levied by the District corresponding to the Series 2017 Bonds (and any additional Qualified Debt) less the amount of Committed Tax Increment Revenues received by the District and available for payment of Annual Debt Service on the Series 2017 Bonds (and any additional Qualified Debt) in such fiscal year. All Committed Tax Increment Revenues received by the District will be held by the Trustee in the funds and accounts established under the Indenture and disbursed by the Trustee in accordance with the terms and conditions of the Indenture only to pay Annual Debt Service on the Series 2017 Bonds (and any additional Qualified Debt).]

### **The CRA, the Interlocal Agreement and the Redevelopment Trust Fund**

In 1999, the City approved the establishment of the Old Tampa Police Department Site Community Redevelopment Area (which is now known as the Community Redevelopment Agency of the City of Tampa and defined herein as the "CRA"). The CRA covers approximately 77 acres in east central Tampa which is located in or near the Tampa Heights neighborhood of the City and whose approximate boundaries are 1-275 and the Hillsborough River to the south, Tampa Street to the east, Ross Street to the north, and North Boulevard and the Hillsborough River to the west ([the "Redevelopment Area" or the "CRA Lands"]). The CRA was created for the purpose of redeveloping such lands.

Under the Interlocal Agreement and Chapter 163, Part III, Florida Statutes (the "Redevelopment Act"), the CRA is authorized to receive tax increment revenues each year, for as long as the CRA's redevelopment plan is in effect, from each non-exempt taxing authority having jurisdiction within the CRA redevelopment area and deposit such revenues into a redevelopment trust fund created under and pursuant to the Redevelopment Act (as defined in the Interlocal Agreement, the "Redevelopment Trust Fund").

The Interlocal Agreement requires the CRA to annually deposit with the Trustee the Committed Tax Increment Revenues annually through September 30, 2043. The term "Committed Tax Increment Revenues" shall mean the Tax Increment Revenues deposited into the Redevelopment Trust Fund from within the Redevelopment Area in an amount not to exceed the lesser of: (X) seventy-four percent (74%) of the Tax Increment Revenues from within the Redevelopment Area; or (Y) the Annual Debt Service on the Series 2017 Bonds [(and other Qualified Notes and the Qualified Debt)] in the ensuing Bond Year. [If this applies, let's shorten the following; otherwise delete: "With respect to Notwithstanding (Y) above, the term "Committed Tax Increment Revenues" shall mean the amount described in (X) above during any period for which interest is capitalized on the Qualified Debt for deposit into a stabilization or similar fund or account to be used to pay interest first coming due on the Qualified Debt without reduction as the result of the application of (Y) above in each Bond Year in which such stabilization amount is to be applied.] Notwithstanding anything to the contrary herein, the CRA

shall not be obligated to contribute Tax Increment Revenues to the District after September 30, 2043.

In the Interlocal Agreement, the City agreed not take any action to reduce the rate of ad valorem taxation by the City within the boundaries of the Redevelopment Area which reduction is not also applicable to the residents and taxpayers of the City in general; provided, however, that the City did not covenant or agree that it will maintain generally applicable ad valorem tax rates at current levels or at levels sufficient in order for Committed Tax Increment Revenues to be sufficient in order to pay the Annual Debt Service on the Series 2017 Bonds (or any other Qualified Debt as defined in the Interlocal Agreement); provided, however, that the City and the CRA each covenanted and agreed, as to themselves, not to enter any agreement (other than as described herein) pursuant to which any "taxing authority" (as defined in the CRA Act), including the City, may appropriate less than 95% of the difference between the amounts set forth in Section 163.387(1) of the CRA Act, as in effect on the date of the Interlocal Agreement.

The Redevelopment Trust Fund was established pursuant to City Ordinance 2005-137, enacted on May 19, 2005 and the Base Year (as defined herein) in the case of the District and the Interlocal Agreement is [2004 or 2005] and the base value for such year is \$8,464,415; however, the County's obligation to pay the tax increment was reduced at such time from 80% to 50% commencing on January 1, 2030. The CRA for the entirety of the period provided below shall be paid into the Redevelopment Trust Fund for the CRA in accordance with the following:

**Existing [Increment] from:**

- (a) City - 100% (by each January 1 of 2000 through 2029);
- (b) all other taxing authorities subject to the Increment payment requirement, except the County - 100% (by each January 1 of 2000 through 2029);
- (c) County - 100% (by each January 1 of 2000 through 2009) (0% retained by County)- 80% (by each January 1 of 2010 through 2029) (20% retained by County).

The CRA shall provide that the Increment attributable to the CRA resulting from the extension of the duration of the Trust Fund pursuant to the Interlocal Agreement shall be paid into the Trust Fund for the CRA in accordance with the following:

**Extended [Increment] from:**

- (a) City - 100% (by each January 1 of 2030 through 2043);
- (b) all other taxing authorities subject to the increment payment requirement, except the County - 100% (by each January 1 of 2030 through 2043);
- (c) County - 50% (by each January 1 of 2030 through 2043) (50% retained by County).

[BC/DC – "Increment" note defined in Indenture or Interlocal Agreement. We need to tie the definitions down better. Perhaps existing resos cover this.] For more information on calculation of the [Increment / tax increment] see "- Florida Law Requirements for Tax Increment" below. ]

In the event that the amount of Committed Tax Increment Revenues are insufficient to pay annual debt service on the Series 2017 Bonds, such annual debt service shall be paid from the proceeds of the Series 2017 Special Assessments. [Discuss - Cross reference or insert ability of City to issue additional bonds – presumably secured by up to 21% of Tax Increment Revenues?] The amount of payments of Committed Tax Increment Revenues contributed to the District will not exceed the annual debt service requirement on the Series 2017 Bonds. Any Tax Increment Revenues on deposit in the Redevelopment Trust Fund in any calendar year in excess of the amounts due and transferred to the District under this Agreement in such year shall be paid or applied in accordance with the CRA Act.

The City has further covenanted in the Interlocal Agreement not to take any action to cause the Redevelopment Area and the CRA to cease to remain in existence and the Tax Increment Revenues to cease to remain unencumbered (except as contemplated by the Interlocal Agreement) for so long as the Series 2017 Bonds (or any other Qualified Notes or Qualified Debt, as such terms are defined in the Interlocal Agreement) are Outstanding under, and as defined in, the Indenture. See "APPENDIX B: INTERLOCAL AGREEMENT" for all of the relative provisions of the Interlocal Agreement.

#### **Florida Law Requirements for Tax Increment**

[The Redevelopment Act sets forth the requirements and conditions for the establishment of a community redevelopment agency, such as the CRA, and the calculation of the tax increment.

Under Section 163.387, Florida Statutes, as amended, the tax increment will be determined annually and will be the amount equal to 95 percent of the difference between:

the amount of ad valorem taxes levied each year by each taxing authority, exclusive of any debt service levy, on taxable property within the boundaries of the redevelopment area; and

the amount of ad valorem taxes that would have been produced by the rate upon which the tax is levied each year by or for each taxing authority, exclusive of any debt service millage, upon the total of the assessed value of the taxable property in the redevelopment area as shown upon the most recent assessment roll used prior to the effective date of the ordinance providing for the funding of the redevelopment trust fund (the "Base Year").

The incremental increase in ad valorem taxes previously described is used to measure the amount of the contribution which must be appropriated and contributed by each taxing authority which is required to make payments. The taxing authorities cannot be compelled to levy ad valorem taxes to make such payments. [District Council, please look at - The statutory obligation of a taxing authority to make the required payments to a community redevelopment trust fund continues for so long as a community redevelopment agency has indebtedness pledging Tax Increment Revenues to the payment thereof outstanding, but not to exceed forty (40) years from the date the redevelopment plan is last amended.] In the case of the CRA, this

obligation is expected to continue until the September 30, 2043. Any outstanding Series 2017 Bonds after such date will be secured solely by the Series 2017 Special Assessments.

To understand the method of measuring and calculating the contribution required to be made by the taxing authorities, the general method of fixing millage must be considered.

Florida law currently mandates the following procedures in fixing millage rates\* :

January 1 of each year is the statutory measurement date used by the County Property Appraiser for establishing just value of real property within the County. Improvements on real property not substantially completed on January 1 are deemed to have no value (other than the land value) and substantially completed improvements on real property as of January 1 are assessed by the County Property Appraiser based on just value.

On or before July 1 of each year, the County Property Appraiser is required to complete the assessment of the value of all property located within the County (unless extended for good cause by the Florida Department of Revenue). Upon completion of this assessment the County Property Appraiser is required to certify to each taxing authority the taxable value within the jurisdiction of the taxing authority. This certification includes the just value of new construction, additions to structures, deletions, and property added due to geographic boundary changes substantially complete as of January 1 of such year.

Each taxing authority is required to compute the millage known as the "rolled back rate." That rate is the rate which, exclusive of (i) any increase in the assessed value of taxable real property by which a tax increment is measured for such taxing authority pursuant to Section 163.387, (ii) new construction, (iii) additions to structures, (iv) deletions, and (v) property added due to geographic boundary changes, will provide the same ad valorem tax revenue for each taxing authority as was levied during the prior year.

Upon preparation of a tentative budget, but prior to adoption thereof, each taxing authority in addition to computing the "rolled back rate" is required to compute the proposed millage rate which would be necessary to fund the tentative budget, other than the portion of the budget to be funded from other than ad valorem taxes. In computing proposed millage rates, each taxing authority will utilize not less than 95% of the taxable value certified by the County Property Appraiser. In establishing the tentative budget and proposed millage rate the taxing authority is not bound by the "rolled back rate" and in accordance with Florida law may exceed the "rolled back rate" or may even adopt a tentative budget and proposed millage rate which would be less than the "rolled back rate."

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\* It should be noted that this synopsis of the procedure for establishing millage rates is for the purpose of providing a general overview of the procedure and that there may be exceptions, statutory appeals and extensions which are not set forth herein. For more specific detail, one should refer to Chapters 129, 193, 194, and 200 of Florida Statutes.

Within 30 days of the County Property Appraiser's certification, each taxing authority is required to advise the County Property Appraiser of its proposed millage rate and the date and time at which a public hearing will be held to consider the proposed millage rate and the tentative budget. The County Property Appraiser utilizes this information in preparing the notice of proposed property taxes required to be mailed to property owners. Additionally, if this information is not provided in a timely fashion as required by statute, the taxing authority is prohibited from levying a millage rate greater than the "rolled back rate" for the upcoming fiscal year.

Each taxing authority is statutorily required to hold a minimum of two public hearings on the proposed millage rate and tentative budget prior to adopting a final millage rate and a final budget. At the first public hearing the taxing authority may amend the tentative budget and proposed millage rate as it sees fit and adopt a tentative budget and proposed millage rate. At the second public hearing the taxing authority may adopt the final budget and final millage rate. The final budget and final millage rate adopted at the second hearing cannot exceed the tentative budget and tentative millage rate adopted at the first public hearing, unless a separate hearing is held after due notice. Except as otherwise provided by statute, no millage rate (exclusive of ad valorem debt service millage) for the County and the City can annually exceed 10 mills each without voter approval.

The final millage rate is that millage rate used to calculate the tax increment payments required to be made to the specific Redevelopment Trust Fund on or before January 1 of the next year. Final millage rates generally should have been adopted by October 1 of each year to allow sufficient time for taxing authorities to calculate the required payment to the specific Redevelopment Trust Fund and submit same on or before January 1. Pursuant to statute, unless otherwise permitted by law, final budgets must be adopted by taxing authorities prior to the beginning of a taxing authority's fiscal year, which is October 1. Typically, property tax statements are mailed on or about November 1, with collection through November 30 providing a maximum discount of 4% and descending to 0% as of March 1 of the following year. Taxes are delinquent as of April 1. It should be noted that pursuant to the Redevelopment Act, tax increment payments are to be made to the Redevelopment Trust Fund in January of each year based on the statutory calculation without regard to the actual collections or adjustments made by the taxing authority.

#### **Factors Affecting Tax Increment Revenues.**

Neither the City, the County nor any other taxing authority levying ad valorem taxes within the District has covenanted or pledged to levy ad valorem taxes on taxable real property within the District at a level sufficient to generate Tax Increment Revenues in any amount or at all. The payment of Committed Tax Increment Revenues to the District does not constitute a pledge of the ad valorem taxing power of the City or the County.

Consequently, the amount of Committed Tax Increment Revenues to be deposited in the Redevelopment Trust Fund and paid to the District is dependent upon, among other things, (i) the millage rates, if any, established by each taxing authority levying ad valorem taxes in the District and (ii) growth in the assessed valuation of taxable real property in the District, which



increase will be affected by the annual appraisal at one hundred percent (100%) of the "just value" of taxable real property, including new construction completed, within the District.

Over the last several years, there have been several legislative and constitutional developments which have had an impact on the levy and collection of ad valorem taxes in the State.

[To be updated - Enacted in 2007, Chapter 2007-321, Laws of Florida, has had a significant impact on the amount and rate of ad valorem taxes levied by local governments. Among other things, Chapter 2007-321 statutorily required each county, municipality, and special district to roll back their millage rates for Fiscal Year 2007-2008 to a level that, with certain adjustments and exceptions, would generate the same level of ad valorem tax revenue as in Fiscal Year 2006-2007. Chapter 2007-321 also limited the growth of ad valorem tax levies in future years (except those levied by school districts) based upon the growth in a jurisdiction's population, as measured by new construction, and the statewide growth in per capita personal income. Notwithstanding the foregoing, the governing body of a county, municipality, or special district may levy a millage rate in excess of the then applicable rolled back millage rate upon a two-thirds or unanimous vote of such governing body (or three-fourths vote for jurisdictions that have a governing body comprised of nine or more members) depending on the level of the proposed increase. The rolled back millage rate may also be exceeded based on an affirmative vote of the voters in such jurisdiction.

In January 2008, Florida voters approved amendments to the State constitution that: (i) effective January 1, 2008, granted an additional homestead exemption of \$25,000 to the assessed property value above \$50,000; (ii) effective January 1, 2009, capped annual increases on non-homestead residential and commercial property at 10%; (iii) effective January 1, 2008, provided for the portability of the three percent cap on homestead residential property, up to \$500,000, when relocating to a new home in the state; and (iv) effective January 1, 2008, granted a \$25,000 exemption from the tangible personal property tax.

In November 2008, Florida voters approved additional amendments to the State constitution impacting the levy and collection of ad valorem taxes. These amendments: (a) allow the Florida Legislature, by general law, to exempt from assessed value of residential homes, improvements made to protect property from wind damage and installation of a new renewable energy source device; (b) provide for the assessment of specified working waterfront properties based on current use rather than highest and best use; and (c) provide a property tax exemption for real property that is perpetually used for conservation; and, for land not perpetually encumbered.

In November 2010, Florida voters approved additional homestead exemption for deployed military personnel, which became effective January 1, 2011, and is calculated to equal the percentage of days during the prior calendar year that the military homeowner was deployed outside of the United States in support of military operations designated by the legislature.

In recent years, various other legislative proposals and constitutional amendments relating to ad valorem taxation and restrictions on local government revenues and expenditures have been introduced in the State. Many of these proposals sought to limit local government

revenues and expenditures, provide for new or increased exemptions to ad valorem taxation, limit the amount of revenues that local governments could generate from ad valorem taxation or otherwise restrict the ability of local governments in the State to levy ad valorem taxes at recent historical levels. There can be no assurance that legislation introduced to date, or any additional legislative proposals introduced in the future will be enacted, or might apply to, or have a material adverse effect upon, the CRA, Tax Increment Revenues or the taxing authorities. Additionally, from time to time there are various citizen petition drives within the State calling for constitutional amendments that may further affect ad valorem assessment and tax collection procedures.]

**Historical Interlocal Agreement Payments**

[To be updated upon receipt of TIF Report.] The table below sets forth the payments received by the District under the Interlocal Agreement since 2006.

<b>Fiscal Year</b>	<b>Growth Rate</b>	<b>New Construction</b>	<b>Ad Valorem Base</b>	<b>TIF Increment</b>	<b>Total Mills</b>	<b>Tampa</b>	<b>Hillsborough County</b>	<b>Port Authority</b>	<b>TIF Revenue</b>
					10.4634	5.7326	4.5858	0.145	
2005	N/A	Base Year	\$ 4,758,623						
2006	141.60%	Invoice Amount	\$11,498,521	\$ 6,739,898	13.7247	\$41,869	\$44,345.00	\$1,665	\$ 87,878
2005(Rev)	N/A	Base Year	\$ 8,464,415	\$ -					
2007	81.80%	Invoice Amount	\$20,908,747	\$12,444,332	13.1480	\$75,756	\$77,080.00	\$2,601	\$155,437
2008	25.20%	Invoice Amount	\$26,186,412	\$17,721,997	11.6754	\$96,513	\$96,715.00	\$3,337	\$196,566
2009	-6.10%	Invoice Amount	\$24,588,344	\$16,123,929	11.6715	\$87,810	\$87,984.00	\$2,987	\$178,781
2010	-2.30%	Invoice Amount	\$24,029,000	\$15,564,585	10.5189	\$84,764	\$67,925.56	\$2,846	\$155,536
2011	-23.30%	Invoice Amount	\$18,437,313	\$ 9,972,898	10.5152	\$54,312	\$43,511.45	\$1,800	\$ 99,624
2012	-2.10%	Invoice Amount	\$18,054,674	\$ 9,590,259	10.5139	\$52,228	\$41,830.17	\$1,731	\$ 95,789
2013	-14.20%	Invoice Amount	\$15,497,626	\$ 7,033,211	10.5075	\$38,303	\$30,667.65	\$1,236	\$ 70,206
2014	-8.40%	Invoice Amount	\$14,196,698	\$ 5,732,283	10.4961	\$31,218	\$24,987.45	\$ 953	\$ 57,158
2015	2.40%	Invoice Amount	\$14,543,697	\$ 6,079,282	10.4847	\$33,108	\$26,491.96	\$ 953	\$ 60,552
2016	9.80%	Invoice Amount	\$15,965,183	\$ 7,500,768	10.4734	\$40,849	\$32,677.17	\$1,104	\$ 74,631
2017	3.10%	Invoice Amount	\$16,465,102	\$ 8,000,687	10.4634	\$43,572	\$34,855.07	\$1,102	\$ 79,529

**NOTES:**

- (1) Property tax receipts are estimated at 95% of tax levy. Millage rates reflect adopted FY 2011 rates.
- (2) [Children's Board excluded by Legislation after 1992 – Relevant for chart?]
- (3) In FY10, the County began to retain 20% of the TIF Increment (Ordinance 2005-137). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS – Committed Tax Increment – The CRA, the Interlocal Agreement and the Redevelopment Trust Fund" herein for more information.

## **Special Assessments**

### **Generally**

The District is authorized by the Act and other applicable law to finance the cost of the Series 2017 Project by levying the Series 2017 Special Assessments upon District Lands benefited thereby. As set forth in the Indenture, "Series 2017 Special Assessments" shall mean a portion of the Special Assessments levied, corresponding in amount to the debt service on the Series 2017 Bonds. "Special Assessments" shall mean (a) the net proceeds derived from the levy and collection of "special assessments," as provided for in Sections 190.011(14) and 190.022 of the Act (except for any such special assessments levied and collected for maintenance purposes), against the District Lands 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 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 include the Series 2017 Special Assessments, but shall not include "maintenance special assessments" levied and collected by the Issuer under Section 190.021(3) of the Act.

The determination, order, levy and collection of Series 2017 Special Assessments must be undertaken in compliance with procedural requirements and guidelines provided by State law. Failure by the District to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2017 Special Assessments during any year. Such delays in the collection of, or complete inability to collect, Series 2017 Special Assessments would have a material adverse effect on the ability of the District to make full or punctual payment of the principal of, premium, if any, and interest on the Series 2017 Bonds. See "BONDOWNERS' RISKS" herein.

The District has covenanted in the Indenture to levy the Special Assessments, and evidence and certify to the Tax Collector or cause the Property Appraiser to certify on the tax roll to the Tax Collector for collection by the Tax Collector and enforcement by the Tax Collector or the District pursuant to the Act, Chapter 170 or Chapter 197, Florida Statutes, or any successor statutes, as applicable, and the Indenture, [an amount equal to the amount of Special Assessments levied by the District less the amount of Committed Tax Increment Revenues expected to be on deposit in the Revenue Fund as of April 1 in the following year.]

[add to STI - In the Indenture, the District will covenant to comply with the terms of the proceedings theretofore adopted with respect to the Series 2017 Special Assessments, including

the Assessment Resolutions and the Assessment Methodology, and to levy and collect the Series 2017 Special Assessments and any required true-up payments set forth in the Assessment Methodology, in such manner as will generate funds sufficient to pay Debt Service on the Series 2017 Bonds, when due. Furthermore, the Indenture will provide that the Assessment Methodology shall not be amended without the written consent of the Majority Owners.]

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

#### **Assessment Methodology and the Allocation of Assessments**

The Master Assessment Methodology Report dated June 13, 2017 (the "Master Assessment Methodology"), as supplemented by the First Supplemental Assessment Methodology Report dated June \_\_, 2017 (the "Supplemental Methodology" and, together with the Master Assessment Methodology, the "Assessment Methodology"), allocate the Series 2017 Special Assessments to the assessable lands within the District and describes the methodology for such allocation, have been prepared by District Management Services, LLC d/b/a Meritus Districts, as methodology consultant to the District (the "Methodology Consultant"). The Assessment Methodology is included herein as APPENDIX D. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein. Once the final terms of the Series 2017 Bonds are determined, the Supplemental Methodology will be amended to reflect such final terms. Once levied and imposed, the Series 2017 Special Assessments are a first lien on the assessable land in the District until paid or barred by operation of law, co-equal with other taxes and assessments levied by the District and other units of government.

The amount of Series 2017 Special Assessments relating to the Series 2017 Bonds collected by the District in each year will be offset by the Committed Tax Revenues received by the District pursuant to the Interlocal Agreement. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS - General" and "- Committed Tax Increment Revenues" above for more information.

[To be updated upon receipt of revised methods. Master Method has some debt being assigned on equal acreage and some allocated existing debt. What is expected lot levy v. equal acreage levy at close?] The Series 2017 Special Assessments will initially be levied on approximately \_\_ units consisting of \_\_\_\_\_ and on equal assessment per acre basis over the remaining approximately \_\_ acres within The District. As parcels are re-platted, the debt will be transferred from the remaining land to re-platted parcels in accordance with the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto. [Upon completion of the redevelopment and re-platting of the undeveloped District Lands,] the

proposed annual Series 2017 Special Assessments to be allocated to platted lots to pay debt service on the Series 2017 Bonds and the total Series 2017 Bonds par per unit are as follows:

[Following Table to be inserted/updated after receipt of Supplemental Method.]

<b>Product</b>	<b>Per Unit <u>EAU</u></b>	<b>Number of <u>Units/SF</u></b>	<b>% of <u>EAUs</u></b>	<b><u>Annual Debt</u> <u>Assessment**/**</u></b>	<b><u>Series 2017</u> <u>Bonds Total</u> <u>Par Per Unit*</u></b>
Apartments	1.00	900 units	36.06%	\$629	\$11,665
Condominiums	1.25	620 units	31.05	\$787	\$14,581
Retail/Commercial (per 1,000 sq. ft.)	1.25	212 SF	10.62	\$787	\$14,581
Office (per 1,000 sq. ft.)	2.00	278 SF	<u>22.28</u>	\$1,259	\$23,329
Total			100.00%		

\* Preliminary, subject to change.

\*\* Annual Assessments are based on the maximum annual debt service for the Series 2017 Bonds, with administration fees and early payment discounts totaling 6%. See "- Estimated Special Assessments and Committed Tax Increment Revenue" below for projected Commitment Tax Increment Revenues and the expected estimated Series 2017 Special Assessments as reduced thereby.

In addition to the anticipated Series 2017 Special Assessments set forth in the table above, it is anticipated that each unit will pay an annual operation and maintenance assessment of approximately \$\_\_\_\_ per apartment unit, \$\_\_\_\_ per condominium unit, \$\_\_\_\_ per 1,000 square feet of retail or commercial space, and \$\_\_\_\_ per 1,000 square feet of office space, all of which amounts are subject to change. The land within the District have been and will continue to be subject to taxes and assessments imposed by taxing authorities other than the District. These taxes would be payable in addition to the Series 2017 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the City, the County, [the Port Authority] and the School Board of Hillsborough County each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. See "THE DEVELOPMENT – Taxes, Assessments and Fees" for more information.

### **Prepayment of Special Assessments**

[The Assessment Resolutions will provide that the owner of property subject to the Series 2017 Special Assessments may prepay all or a portion of the entire remaining balance of the Series 2017 Special Assessments at any time, if there is also paid, in addition to the prepaid principal balance of the Series 2017 Special Assessments, an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding [Quarterly Redemption Date] for the Series 2017 Bonds, or, if prepaid during the forty-five (45) day period preceding such [Quarterly Redemption Date], to the interest payment date following such next succeeding [Quarterly Redemption Date].]

Pursuant to the Assessment Resolutions and the Act, an owner of property subject to the levy of Series 2017 Special Assessments may pay the entire balance of the Series 2017 Special Assessments remaining due, without interest, within thirty (30) days after the Series 2017 Project has been completed or acquired by the District, and the Board has adopted a resolution accepting the Series 2017 Project pursuant to Chapter 170.09, Florida Statutes. The Majority Landowners, as the sole owners of the property within the District subject to the levy of the Series 2017 Special Assessments at the time of issuance of the Series 2017 Bonds, will covenant to waive this right on behalf of themselves and their respective successors and assigns in connection with the issuance of the Series 2017 Bonds.

The Series 2017 Bonds are subject to extraordinary redemption as indicated under "DESCRIPTION OF THE SERIES 2017 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" from optional or required prepayments of Series 2017 Special Assessments by property owners. The prepayment of Series 2017 Special Assessments does not entitle the owner of the property to a discount for early payment.

### **Levy and Collection**

The imposition, levy, and collection of Series 2017 Special Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Hillsborough County Tax Collector (the "Tax Collector") or the Hillsborough 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, some or all of the Series 2017 Special Assessments during any year. Such delays in the collection of Series 2017 Special Assessments, or complete inability to collect the Series 2017 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 2017 Bonds. To the extent that landowners fail to pay the Series 2017 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 2017 Bonds. The Act provides for various methods of collection of delinquent Series 2017 Special Assessments by reference to other provisions of the Florida Statutes. [Insert any indenture limitations.] See "BONDOWNERS' RISKS."

The Series 2017 Special Assessments must meet two requirements to be valid: (1) the benefit from the Series 2017 Project to the lands subject to the Series 2017 Special Assessments must exceed or equal the amount of the Series 2017 Special Assessments, and (2) the Series 2017 Special Assessments must be fairly and reasonably allocated across all benefitted properties in Series 2017.

Pursuant to the Act and the Assessment Proceedings, the District may collect the Series 2017 Special Assessments through a variety of methods. [Insert any indenture limitations.] The following is a description of certain statutory provisions relating to each of these collection methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

### **Direct Billing & Foreclosure Procedure**

The following discussion regarding foreclosure is not applicable if the Series 2017 Special Assessments are being collected pursuant to the Uniform Method (described below). Pursuant to Chapters 170 and 190 of the Florida Statutes, the District may directly levy, collect, and enforce the Series 2017 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 2017 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 the 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 2017 Special Assessments and the ability to foreclose the lien of such Series 2017 Special Assessments upon the failure to pay such Series 2017 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 2017 Special Assessments.

Certain mortgage lenders have, in recent foreclosure suits brought by community development districts under Chapter 170, Florida Statutes, pled a defense stating that a foreclosing district must abide by the same one-year prescribed in Chapter 173, Florida Statutes, in order to begin foreclosure proceedings. The defense is, apparently, based on recent amendments to Section 190.026, Florida Statutes, where, in an apparent attempt to clarify that not only Chapter 173, Florida Statutes, was available to districts for foreclosure, but that also Chapter 170, Florida Statutes, was available, that statute's language became less clear regarding the inapplicability of the one-year waiting period for districts employing Chapter 170, Florida Statutes. To the extent that community development districts have taken a position on this, they have generally asserted that the one-year waiting period does not apply to Chapter 170, and at least one Circuit Court has agreed. See "BONDOWNERS' RISKS" herein.

### **Uniform Method Procedure**

[Subject to certain conditions, and for developed lands, the District may alternatively elect to collect the Series 2017 Special Assessments using the Uniform Method, as set forth in Chapter 197, Florida Statutes.] The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2017 Special Assessments to be levied and then collected in this manner. [Please provide copies of all existing collection



agreements covering District Lands.] The District's election to use a certain collection method with respect to the Series 2017 Special Assessments does not preclude it from electing to use another collection method in the future.

If the Uniform Method of collection is utilized, the Series 2017 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 2017 Special Assessments – are to be billed, and landowners in the District are required to pay all such Taxes and Assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2017 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 2017 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item would cause the Series 2017 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 2017 Bonds.

Under the Uniform Method, if the Series 2017 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 2017 Bonds that: (1) the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2017 Special Assessments, (2) future landowners and taxpayers in the District will pay such Series 2017 Special Assessments, (3) 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) 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 2017 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2017 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 2017 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 the cost of advertising and the applicable interest charge on the amount of such delinquent Taxes and Assessments. 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, penalties and interest thereon and certain costs, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

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 a fee. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Series 2017 Special Assessments), interest, costs and charges on the real property described in the certificate.

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

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. 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 the amount paid by such holder in applying for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, and all other amounts paid by such person in applying for a tax deed, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other 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.

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

If there are no bidders at the public sale, the County may, at any time within ninety (90) days from the date of offering for public sale, purchase the land without further notice or advertising for a statutorily prescribed opening bid. After ninety (90) days have passed, any person or governmental unit may purchase the land by paying the amount of the opening bid. 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 of delinquency, unsold lands escheat to the County in which they are located and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of Series 2017 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 2017 Special Assessments, which are the primary source of payment of the Series 2017 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."

## **Estimated Special Assessments and Committed Tax Increment Revenue**

[To come upon receipt of TIF Report.] [The following table sets forth the estimated debt service, Committed Tax Increment Revenues and Series 2017 Special Assessment requirements regarding the Series 2017 Bonds. The amount shown for Tax Increment Revenues is based upon the amount received in 201\_\_ and assumes a [\_\_%] annual growth rate thereafter.

<b><u>Year</u></b> <b><u>Ending</u></b>	<b><u>Series 2017</u></b> <b><u>Debt Service</u></b>	<b><u>Committed Tax</u></b> <b><u>Increment Revenues</u></b>	<b><u>Net Series 2017</u></b> <b><u>Special Assessments</u></b>	<b><u>Total Net Special</u></b> <b><u>Assessments</u></b>
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## **Covenant Against Sale or Encumbrance**

In the Indenture, the District will covenant that (a) except for those improvements comprising the Series 2017 Project that are to be conveyed or dedicated by the District to the County, the State Department of Transportation or another governmental entity and (b) except as otherwise permitted in the Indenture, it will not sell, lease or otherwise dispose of or encumber the Series 2017 Project or any part thereof except as set forth in the Indenture. See "APPENDIX C: PROPOSED FORM OF INDENTURES " herein.

## **Series 2017 Debt Service Reserve Account**

[A Series 2017 Debt Service Reserve Account will be created under the Indenture within the Reserve Fund for the benefit of the Series 2017 Bonds. Pursuant to the Indenture, "Debt Service Reserve Requirement" shall initially mean an amount calculated as of the date of original issuance and delivery of the Series 2017 Bonds equal to the maximum annual debt service with respect to the initial principal amount of the Series 2017 Bonds. The Debt Service Reserve Requirement shall be recalculated upon an extraordinary mandatory redemption of the Series 2017 Bonds as described in the Indenture (but not upon the optional or mandatory sinking fund redemption thereof). Amounts on deposit in the Series 2017 Debt Service Reserve Account may, upon final maturity or redemption of all Outstanding Series 2017 Bonds, be used to pay principal of and interest on the Series 2017 Bonds at that time. Initially, the Debt Service Reserve Requirement shall be equal to \$\_\_\_\_\_.

Notwithstanding any provisions in the Master Indenture to the contrary, the District will covenant in the First Supplemental Indenture not to substitute the cash and Investment Obligations on deposit in the Series 2017 Debt Service Reserve Account with a Debt Service Reserve Insurance Policy or a Debt Service Reserve Letter of Credit. Except as provided in the

next paragraph, all investment earnings on moneys in the Series 2017 Debt Service Reserve Account shall remain on deposit therein.

In the event of a prepayment of Series 2017 Special Assessments in accordance with the First Supplemental Indenture, forty-five (45) days before each Quarterly Redemption Date, the Trustee shall recalculate the Debt Service Reserve Requirement taking into account the amount of Series 2017 Bonds that will be outstanding as result of such prepayment of Series 2017 Special Assessments, and cause the amount on deposit in the Series 2017 Debt Service Reserve Account in excess of the Debt Service Reserve Requirement to be transferred to the Series 2017 Prepayment Account to be applied toward the extraordinary redemption of Series 2017 Bonds in accordance with the First Supplemental Indenture, as a credit against the Series 2017 Prepayment Principal otherwise required to be made by the owner of such property subject to Series 2017 Special Assessments.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2017 Debt Service Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by a majority of the Holders of the Series 2017 Bonds to the Series 2017 General Account, if as a result of the application of Article X of the Master Indenture, the proceeds received from lands sold subject to the Series 2017 Special Assessments and applied to redeem a portion of the Series 2017 Bonds is less than the principal amount of Series 2017 Bonds indebtedness attributable to such lands].

#### **Series 2017 Acquisition and Construction Account**

The Indenture directs the Trustee to establish a separate account within the Acquisition and Construction Fund designated as the "Series 2017 Acquisition and Construction Account." Proceeds of the Series 2017 Bonds shall be deposited into the Series 2017 Acquisition and Construction Account in the amount set forth in the Indenture, together with any excess moneys transferred thereto, and such moneys shall be applied as set forth in the Indenture [and the Acquisition Agreement]. [Funds on deposit in the Series 2017 Acquisition and Construction Account shall only be applied to the Costs of the Series 2017 Project. Any moneys remaining in the Series 2017 Acquisition and Construction Account on the Completion Date, as evidenced in writing from the District or from the District Manager, on behalf of the District to the Trustee, shall be transferred to the Series 2017 General Account and used to redeem Series 2017 Bonds. Except as provided in immediately preceding sentence, or upon an Event of Default or as provided in the First Supplemental Indenture, upon presentment to the Trustee of a properly signed requisition in substantially the form attached to the Indenture, the Trustee shall withdraw moneys from the Series 2017 Acquisition and Construction Account.]

#### **Application of Pledged Revenues**

The Trustee shall transfer from amounts on deposit in the Series 2017 Revenue [sub]Account to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

[FIRST, upon receipt but no later than the Business Day next preceding each Interest Payment Date, commencing November 1, 2017 to the Series 2017 Interest Account, an amount

from the Series 2017 Revenue Account equal to the interest on the Series 2017 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Series 2017 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each November 1, commencing May 1, 20\_\_, to the Series 2017 Sinking Fund Account, an amount from the Series 2017 Revenue Account equal to the principal amount of Series 2017 Bonds subject to sinking fund redemption on such November 1, less any amount on deposit in the Series 2017 Sinking Fund Account not previously credited;

THIRD, no later than the Business Day next preceding the November 1, which is the principal payment date for any Series 2017 Bonds, to the Series 2017 Principal Account, an amount from the Series 2017 Revenue Account equal to the principal amount of Series 2017 Bonds Outstanding maturing on such November 1, less any amounts on deposit in the Series 2017 Principal Account not previously credited;

FOURTH, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2017 Bonds remain Outstanding, to the Series 2017 Debt Service Reserve Account, an amount from the Series 2017 Revenue Account equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Debt Service Reserve Requirement for the Series 2017 Bonds; and

FIFTH, notwithstanding the foregoing, at any time the Series 2017 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer from the Series 2017 Revenue Account to the Series 2017 Interest Account, the amount necessary to pay interest on the Series 2017 Bonds subject to redemption on such date; and

SIXTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Series 2017 Costs of Issuance Account to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2017 Bonds and next, any balance in the Series 2017 Revenue Account shall remain on deposit in such Series 2017 Revenue Account, unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2017 Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.]

#### **[Limitation on Additional Bonds]**

[In the Indenture, the District will covenant not to issue any other Bonds or other debt obligations secured by the Series 2017 Special Assessments [or the Pledged Revenues]. [If no add bonds limit see relevant Interlocal Agreement provisions]. Such covenant shall not prohibit the District from issuing refunding Bonds. In addition, the District will covenant not to issue any other Bonds or other debt obligations secured by Special Assessments on assessable lands within the District for any capital project until the Series 2017 Special Assessments are Substantially Absorbed. "Substantially Absorbed" means the date ninety percent (90%) of the principal portion of the Series 2017 Special Assessments has been assigned units within the District that have received certificates of occupancy. The Trustee and the District may rely on a

certificate from the District Manager regarding such status of the residential units and that the Series 2017 Special Assessments have been Substantially Absorbed. [insert any carve outs to add bonds.] See "BONDOWNERS' RISKS" and "THE DEVELOPMENT – Taxes, Fees and Assessments," herein regarding taxes, operation and maintenance assessments and other obligations of equal dignity and status with the Series 2017 Special Assessments that are and may be in the future levied on the District Lands.]

### **Collateral Assignment and Assumption of Development and Contract Rights**

As a condition precedent to the issuance of the Series 2017 Bonds, and as an inducement for the Bondholders to purchase the Series 2017 Bonds, the Developer and the Majority Landowners will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment"), pursuant to which the Developer and the Majority Landowners will collaterally assign to the District, to the extent assignable, to the extent accepted by the District in its sole discretion and to the extent that they are solely owned or controlled by the Developer or any of the Majority Landowners or subsequently acquired by the Developer or any of the Majority Landowners, and subject to the limitations set forth below, certain of its development rights relating to the development of the Series 2017 Project [and the Development] (collectively, the "Development Rights"). The Development Rights include the following as they pertain to the development of the Series 2017 Project [or the Development]: (a) engineering and construction plans and specifications for grading, roadways, site drainage, stormwater drainage, signage, water distribution, waste water collection, and other improvements; (b) preliminary and final site plans; (c) architectural plans and specifications for other improvements to the developable property within the District [and the Development; (d) permits, approvals, resolutions, variances, licenses and franchises granted by governmental authorities, or any of their respective agencies, for or affecting the Series 2017 Project [and the construction of improvements in the Development]; (e) contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the construction of [the Development] or the construction of improvements thereon; and (f) all future creations, changes, extensions, revisions, modifications, substitutions, and replacements of any of the foregoing. The Development Rights specifically exclude any portion of the Development Rights listed above which relate solely to [individual Units (as defined in the Collateral Assignment) or] any property which has been or is in the future conveyed to the City, the County, the District, any utility provider, any unaffiliated homebuilder, any governmental or quasi-governmental entity, [any applicable neighborhood associations or other governing entity or association] as may be required by applicable permits, approvals, plats, entitlements or regulations affecting the District, if any, or to end user residents.

[If any previous assignments, insert description.] Notwithstanding the above provisions to the contrary, in the event the District forecloses on the lands subject to the Series 2017 Special Assessments as a result of one or more of the Majority Landowners, or subsequent landowner's, failure to pay such assessments, there is a risk that the District will not have all permits and entitlements necessary to complete the Series 2017 Project or the development of the District Lands or Development. See "BONDOWNERS' RISKS" and "THE DEVELOPMENT" herein.

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

[For purposes of this section, (a) each Series of Bonds secured by and payable from Special Assessments levied against property owned by any Insolvent Taxpayer (defined below) are collectively referred to herein as the "Affected Bonds" and (b) the Special Assessments levied against any Insolvent Taxpayer's property and pledged under one or more Supplemental Indentures as security for the Affected Bonds are collectively referred to herein as the "Affected Special Assessments".

The Indenture contains the following provisions which, pursuant to the Indenture, shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to the Affected Special Assessments (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). For as long as any Affected Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments, the District shall be obligated to act in accordance with any direction from the Trustee with regard to all matters directly or indirectly affecting at least [three percent (3%)] of the Outstanding aggregate principal amount of the Affected Bonds or for as long as any Affected Bonds remain Outstanding, in any proceeding involving the District, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments or the Trustee. The District agrees that it shall not be a defense to a breach of the foregoing covenant that it has acted upon advice of counsel in not complying with this covenant.

The District acknowledges and agrees that, although the Affected Bonds were issued by the District, the Owners of the Affected Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer: (a) the District agrees that it shall follow the direction of the Trustee in making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture; (b) the 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 Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee; (c) the Trustee shall have the right, but is not obligated to, (i) vote in any such Proceeding any and all claims of the District, or (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the District, including without limitation, motions seeking relief from the automatic stay, dismissal the Proceeding, valuation of the property belonging to the Insolvent Taxpayer, termination of exclusivity, and objections to disclosure statements, plans of liquidation or reorganization, and motions for use of cash collateral, seeking approval of sales or post-petition financing. If the Trustee chooses to exercise any such rights, the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to



the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute any claims, to propose and prosecute a plan, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the Bankruptcy Code and (d) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of the lands owned by any Insolvent Taxpayer submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District claim and rights with respect to the Affected Special Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the Affected Special Assessments, (ii) to deliver to the 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.]

### **Investment or Deposit of Funds**

The Trustee shall, as directed by the District in writing, invest moneys held in the Series 2017 Debt Service Fund and the Series 2017 Bond Redemption Fund only in Government Obligations and certain securities described in the definition of Investment Securities, as set forth in the Indenture. See "APPENDIX C: PROPOSED FORM OF INDENTURES " herein. The Trustee shall, as directed by the District in writing, invest moneys held in the Debt Service Reserve Fund in Investment Securities. All deposits in time accounts shall be subject to withdrawal without penalty and all investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for purposes set forth in the Indenture. All securities securing investments under the Indenture shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee, as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000. The interest and income received upon such investments and any interest paid by the Trustee or any other depository of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund or Account for which such investments are made; provided, however, that if the amount in any Fund or Account equals or exceeds the amount required to be on deposit therein, subject to the Indenture, any interest and other income so received shall be deposited in the Series 2017 Revenue Account. [From STI - As long as there exists no default under the Indenture and the amounts in the Series 2017 Debt Service Reserve Account and is not reduced below the Series 2017 Debt Service Reserve Requirement, earnings on investments in the Series 2017 Debt Service Reserve Account shall be transferred to the applicable Capitalized Interest Subaccount of the Series 2017 Interest Account through November 1, 2019 and be transferred to the Series 2017 Revenue Subaccount, thereafter.] Upon request of the District, or on its own initiative whenever payment is to be made out of any Fund or Account, the Trustee shall sell such securities as may be requested to make the payment and restore the proceeds to the Fund or Account in which the securities were held. The Trustee shall not be accountable for any depreciation in the value of any such security or for any loss resulting from the sale thereof, except as provided in the Indenture. If net proceeds from the sale of securities held in any Fund or Account shall be less than the amount invested and, as a result, the amount on deposit in such Fund or Account is less than the amount required to be on deposit in such Fund or Account, the amount of such deficit shall be transferred to such Fund or Account from the Series 2017

Revenue Account. The Trustee shall not be liable or responsible for any loss or entitled to any gain resulting from any investment or sale upon the investment instructions of the District or otherwise. See "APPENDIX C: PROPOSED FORM OF INDENTURES " herein.

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

Under the Indenture, each of the following events is an Event of Default with respect to the Series 2017 Bonds:

(a) if payment of any installment of interest on any Series 2017 Bond is not made when it becomes due and payable; or

(b) if payment of the principal or Redemption Price of any Series 2017 Bond is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or

(c) if the District, for any reason, fails in, or is rendered incapable of fulfilling its obligations under the Indenture or under the Act[, which may be determined solely by the Majority Holders of the Series 2017 Bonds]; or

(d) if the District proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the District or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debtors, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the District and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or

(e) The District defaults in the due and punctual performance of any other covenant in the Indenture or in the Series 2017 Bonds and such default continues for sixty (60) days after written notice requiring the same to be remedied shall have been given to the District by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than a majority in aggregate principal amount of the Outstanding Series 2017 Bonds; provided, however that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the District shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) written notice shall have been received by the Trustee from a Credit Facility Issuer securing the Series 2017 Bonds that an event of default has occurred under the Credit Facility Agreement, or there shall have been a failure by said Credit Facility Issuer to make said Credit Facility available or to reinstate the interest component of said Credit Facility in accordance with the terms of said Credit Facility, to the extent said notice or failure is established as an event of default under the terms of the Indenture; or

[(g) if at any time the amount in the Debt Service Reserve Fund or any account therein is less than the Debt Service Reserve Requirement on the Series 2017 Bonds and such amount has not been restored within ninety (90) days of such withdrawal; or

(h) if on an Interest Payment Date the amount in the Series 2017 Interest Account, the Series 2017 Principal Account or the Series 2017 Sinking Fund Account, as the case may be, is insufficient to pay all amounts payable on the Series 2017 Bonds therefrom on such Interest Payment Date (without regard to any amount available for such purpose in the Series 2017 Debt Service Reserve Account); or

(i) if, at any time after eighteen months following issuance of the Series 2017 Bonds, more than twenty percent (20%) of the "maintenance special assessments" levied by the District on the Series 2017 lands pursuant to Section 190.021(3), Florida Statutes, as amended, and collected directly by the District have become due and payable and have not been paid when due.]

Pursuant to the Indenture, if any Event of Default with respect to the Series 2017 Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of Holders of not less than a majority of the aggregate principal amount of the Outstanding Series 2017 Bonds and receipt of indemnity to the Trustee's satisfaction shall, in its own name:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Series 2017 Bonds, including, without limitation, the right to require the District to carry out any agreements with, or for the benefit of, the Bondholders of the Series 2017 Bonds and to perform its or their duties under the Act;

(b) bring suit upon the Series 2017 Bonds;

(c) by action or suit in equity require the District to account as if it were the trustee of an express trust for the Holders of the Series 2017 Bonds;

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Series 2017 Bonds; and

(e) by other proceeding in law or equity, exercise all rights and remedies provided for by any other document or instrument securing the Series 2017 Bonds.

The Series 2017 Bonds are not subject to acceleration.

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

The Holders of a majority in aggregate principal amount of the Outstanding Series 2017 Bonds then subject to remedial proceedings under the Indenture shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee under the Indenture,

provided that such directions shall not be otherwise than in accordance with law or the provisions of the Indenture.

See "APPENDIX C: PROPOSED FORM OF INDENTURES " attached hereto for more information regarding Events of Default and Remedies.

## **BONDOWNERS' RISKS**

There are certain risks inherent in an investment in bonds issued by a public authority or governmental body in the State and secured by special assessments or tax increment revenues. Certain of these risks are described in other sections of this Limited Offering Memorandum. Certain additional risks are associated with the Series 2017 Bonds offered hereby and are set forth below. Prospective investors in the Series 2017 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 2017 Bonds and have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2017 Bonds, and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety for a more complete description of investment considerations relating to the Series 2017 Bonds.

### **Concentration of Land Ownership**

As of the date of delivery of the Series 2017 Bonds, the Majority Landowners own all of the lands within the District, except for a few parcels owned by the City, which are the lands that will be subject to the Series 2017 Special Assessments securing the Series 2017 Bonds. The [Majority Landowners also own [the majority of the lands] in the CRA that will pay property taxes, a portion of which taxes are expected to be remitted to the District as Committed Tax Revenues which also secure the Series 2017 Bonds.] Payment of the Series 2017 Special Assessments [and property taxes in the CRA] is primarily dependent upon their timely payment by the Majority Landowners and the other future landowners in the District. Non-payment of the Series 2017 Special Assessments by any of the Majority Landowners or other future landowners, would have a substantial adverse impact upon the District's ability to pay debt service on the Series 2017 Bonds. See "THE DEVELOPER AND THE MAJORITY LANDOWNERS" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS" herein.

### **Bankruptcy Risks**

In the event of the institution of bankruptcy or similar proceedings with respect to any of the Majority Landowners or any other owner of property subject to the Series 2017 Special Assessments, delays and impairment could occur in the payment of debt service on the Series 2017 Bonds as such bankruptcy could negatively impact the ability of: (i) a Majority Landowner and any other subsequent landowner to pay the Series 2017 Special Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2017 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2017 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2017 Bonds,

the Trustee and the District under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Indenture and the Series 2017 Bonds, including, without limitation, enforcement of the obligation to pay Series 2017 Special Assessments and the ability of the District to foreclose the lien of the Series 2017 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 2017 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the Series 2017 Bonds could have a material adverse impact on the interest of the Owners thereof. Beyond legal delays that could result from bankruptcy, the ability of the County to sell tax certificates 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.

A 2011 bankruptcy court decision in Florida held that the governing body of a community development district, and not the bondholders or indenture trustee, was the creditor of the landowners/debtors in bankruptcy with respect to claims for special assessments, and thus only the district could vote to approve or disapprove a reorganization plan submitted by the debtors in the case. The district voted in favor of the plan. The governing body of the district was at that time elected by the landowners rather than qualified electors. Under the reorganization plan that was approved, a two-year moratorium was placed on the debtor landowners' payment of special assessments. As a result of this non-payment of assessments, debt service payments on the district's bonds were delayed for two years or longer. The Indenture provides for the delegation of certain rights from the District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an Insolvent Taxpayer (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of Landowner." The District cannot express any view whether such delegation would be enforceable.

### **Series 2017 Special Assessments Are Non-Recourse**

The principal security for the payment of the principal and interest on the Series 2017 Bonds is the timely collection of the Series 2017 Special Assessments. The Series 2017 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 any of the Majority Landowners or subsequent landowners will be able to pay the Series 2017 Special Assessments or that they will pay such Series 2017 Special Assessments even though financially able to do so. Neither the Majority Landowners nor any other subsequent landowners are guarantors of payment of any Series 2017 Special Assessment, and the recourse for the failure of any of the Majority Landowners or any other subsequent landowner to pay the Series 2017 Special Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2017 Special Assessments, as described herein. Therefore the likelihood of collection of the Series 2017 Special Assessments may ultimately depend on the market value of the land subject to taxation. However, the assessment of the benefits to be received by the lands in the

District as a result of implementation of the Series 2017 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. To the extent that the realizable or market value of the land benefited by the Series 2017 Project is lower than the assessment of benefits, the ability of the District to realize sufficient value from a foreclosure action to pay debt service on the Series 2017 Bonds may be adversely affected. Such adverse effect could render the District unable to collect delinquent Series 2017 Special Assessments, if any, and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of debt service on the Series 2017 Bonds.

### **Regulatory and Environmental Risks**

The redevelopment of 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 of the District Lands.] See "THE DEVELOPMENT – Development Approvals," herein for more information.

The value of the land within the District, the success of the Development, and the likelihood of timely payment of principal and interest on the Series 2017 Bonds could be affected by environmental factors with respect to the land in the District. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the land in the District, which could materially and adversely affect the success of the development of the lands within the District and the likelihood of the timely payment of the Series 2017 Bonds. [The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for information on certain environmental site assessments and the status of certain soil remediation work on the Armature Works property.] Nevertheless, it is possible that additional hazardous environmental conditions could exist within the District, the CRA or in the vicinity of the District or CRA and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District and the value of the lands in the CRA. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the District Lands.

### **Economic Conditions and Changes in Development Plans**

The successful redevelopment of the District Lands and the sale and lease of mixed-use units therein, as such units are constructed, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Developer and the Majority Landowners. Moreover, the Developer and the Majority Landowners may modify or change their plans for development of the District Lands from time

to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of the District. See "THE DISTRICT" for information regarding the District's expectation to increase the District by [approximately \_\_\_ acres.]

### **Other Taxes and Assessments**

The willingness and/or ability of an owner of benefited land to pay the Series 2017 Special Assessments and property owners in the CRA to pay property taxes could be affected by the existence of other taxes and assessments imposed upon such property by the District, the County or any other local special purpose or general purpose governmental entities. City, county, school, special district taxes and special assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on debt, including the Series 2017 Special Assessments, collected pursuant to the Uniform Method are payable at one time. Public entities whose boundaries overlap those of the District or the CRA, could, without the consent of the owners of the land within the District or the CRA, as applicable, impose additional taxes on the property within the District or the CRA, as applicable. The District anticipates [continuing to impose / imposing] operation and maintenance assessments encumbering the same property encumbered by the Series 2017 Special Assessments. [In addition, lands within the District and the CRA may also be subject to assessments by property associations. See "THE DEVELOPMENT – Taxes, Assessments and Fees" for additional information.

### **Limited Secondary Market for Series 2017 Bonds**

There is no assurance that a liquid secondary market will exist for the Series 2017 Bonds in the event a Beneficial Owner thereof determines to solicit purchasers of the Series 2017 Bonds. Even if a liquid secondary market exists, as with any marketable securities, there can be no assurance as to the price for which the Series 2017 Bonds may be sold. Such price may be lower than that paid by the current Beneficial Owner of the Series 2017 Bonds, depending on the progress of development of Series 2017 and the Development, existing real estate and financial market conditions and other factors.

### **Inadequacy of Series 2017 Debt Service Reserve Account**

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2017 Special Assessments, may not adversely affect the timely payment of debt service on the Series 2017 Bonds because of the Series 2017 Debt Service Reserve Account. The ability of the Series 2017 Debt Service Reserve Account to fund deficiencies caused by delinquent Series 2017 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2017 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 in the Series 2017 Debt Service Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2017 Special Assessments, the Series 2017 Debt Service Reserve Account could be rapidly depleted and the ability of the District to pay debt service could be materially adversely affected. [In addition, during an Event of Default under the Indenture, the

Trustee may withdraw moneys from the Series 2017 Debt Service Reserve Account and such other Funds, Accounts and subaccounts created under the Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Series 2017 Debt Service Reserve Account is accessed for any purpose,] the District does not have a designated revenue source for replenishing such account. Moreover, the District may not be permitted to re-assess real property then burdened by the Series 2017 Special Assessments in order to provide for the replenishment of the Series 2017 Debt Service Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS – Series 2017 Debt Service Reserve Account" herein for more information about the Series 2017 Debt Service Reserve Account.

### **Legal Delays**

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2017 Special Assessments, such landowners may raise affirmative defenses to such foreclosure action. Although the District expects that such affirmative defenses would likely be proven to be without merit, they could result in delays in completing the foreclosure action. In addition, the District is required under the Indenture to fund the costs of such foreclosure. It is possible that the District will not have sufficient funds and will be compelled to request the Series 2017 Bondholders to allow funds on deposit under the Indenture to be used to pay the costs of the foreclosure action. Under the Code, there are limitations on the amounts of Series 2017 Bond proceeds that can be used for such purpose.

Owners should note that several mortgage lenders have, in the past, raised legal challenges to the primacy of the liens similar to those of the Series 2017 Special Assessments in relation to the liens of mortgages burdening the same real property. Further, certain mortgage lenders have, in recent foreclosure proceedings initiated pursuant to Section 170.10, Florida Statutes, alleged in defense that a community development district foreclosing on land subject to an assessment lien must wait a minimum of one year from the date that any assessment or installment thereof, becomes delinquent. Multiple Circuit Courts are known to have concluded that a community development district is authorized to foreclose pursuant to Chapter 170, Florida Statutes, and, therefore, is not required to wait a minimum of one year; however, the District cannot guarantee the outcome of any legal proceeding in which a similar defense is pled.

### **Special Considerations Concerning Committed Tax Increment Revenues Received from the CRA**

The following factors relate to risks associated with the Committed Tax Increment Revenues:

*Stagnated Property Values.* Numerous events could occur that might reduce or cause stagnation in the value of real property within the CRA, including natural disasters, public acquisition of property within the CRA by the State or political subdivisions exercising their respective rights of eminent domain, or social, economic or demographic factors (or adverse public perceptions thereto) beyond the control of the District, the CRA, the City, the County or the taxpayers in the District. Any or all of such events could adversely affect the realization and



collection of Tax Increment Revenues, a portion of which (i.e., the Committed Tax Increment Revenues) is to be remitted to the District.

*Reduction in Millage Rates.* The addition of significant numbers of new taxpayers or an increase of property values outside the CRA could result in an environment favorable to the reduction of the County and/or City millage rates that would, in turn, reduce the amount of Tax Increment Revenues, and therefore, the Committed Tax Increment Revenues.

*Assessment Disputes.* State law allows taxpayers to dispute assessment valuations. Various state, local, national and international economic conditions may influence a taxpayer's willingness to make or forego such an appeal. The statutory method for determining Tax Increment Revenues payments uses a factor of 95%, due in part to an expectation of some such appeals. Any volume of appeals which are successful in reducing the overall assessed value of the CRA in excess of such a margin of error could result in reduced amounts of Tax Increment Revenues, and therefore, the Committed Tax Increment Revenues.

*Change in Law.* State legislature, the courts or an administrative agency with jurisdiction in the matter could enact new laws or regulations or interpret, amend, alter, change or modify the laws or regulations governing the collection, distribution, definition or accumulation of ad valorem tax revenues generally, or Tax Increment Revenues payments specifically, in a fashion that could adversely affect the ability of the District to pay debt service on the Series 2017 Bonds.

See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS – Committed Tax Revenues" for more information and risks associated with the Committed Tax Increment Revenues."

### **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. The IRS recently concluded its lengthy examination of certain issues of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District (the "Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local government body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes. Village Center CDD received a second TAM dated June 17, 2015, which granted relief to Village Center CDD from retroactive application of the IRS's conclusion regarding its failure to qualify as a political subdivision. Prior to the conclusion of the audits, the Audited Bonds were all refunded with taxable bonds. The audit of the Audited Bonds that were issued for utility improvements were closed without change to the tax exempt status of those Audited Bonds on April 25, 2016, and the audit of the remainder of the Audited Bonds (which funded recreational amenity acquisitions

from entities related to the principal landowner in the Village Center CDD) was closed on July 14, 2016, without the IRS making a final determination that the interest on the Audited Bonds in question was required to be included in gross income. However, the IRS letter to the Village Center CDD with respect to this second set of Audited Bonds noted that the Agency found that the Village Center CDD was not a "proper issuer of tax-exempt bonds" and that those Audited Bonds were private-activity bonds that did not fall in any of the categories that qualify for tax-exemption. Although the TAMs and the letters to the Village Center CDD from the IRS referred to above are addressed to, and binding only on, the IRS and Village Center CDD in connection with the Audited Bonds, they reflect the audit position of the IRS, and there can be no assurance that the IRS would not commence additional audits of bonds issued by other community development districts raising issues similar to the issues raised in the case of the Audited Bonds based on the analysis set forth in the first TAM or on the related concerns addressed in the July 14, 2016 letter to the Village Center CDD.

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the interest on which is excluded from gross income for federal tax purposes. The proposed regulations require that a political subdivision (i) have the power to exercise at least one sovereign power, (ii) be formed and operated for a governmental purpose, and (iii) have a governing body controlled by or have significant uses of its fund or assets otherwise controlled by a government unit with all three sovereign powers or by an electorate that is not controlled by an unreasonably small number of unrelated electors. On March 9, 2016, the IRS released corrections to the transition rules in the proposed regulations providing that the new definition of political subdivision will not apply to bonds issued prior to the general applicability date, which is a date ninety (90) days after the proposed regulations are published in final form in the Federal Register. Accordingly, the proposed regulations, if finalized in their current form, would not be applicable to the Series 2017 Bonds, but may impact future series of bonds planned for the District.

It has been reported that the IRS has closed audits of other community development districts in Florida with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within five years of the issuance of tax-exempt bonds or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general elections are not held until the later of six years and there are 250 qualified electors in the district. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. Currently, none of the five members of the Board of the District were elected by qualified electors and all were elected by the Developer or other landowners in the District. There can be no assurance that an audit by the IRS of the Series 2017 Bonds will not be commenced or that, in the event of an audit, the IRS would determine that the District is a political subdivision for purposes of Section 103(a) of the Code. 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 2017 Bonds are advised that, if the IRS does audit the Series 2017 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 2017 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 2017 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 2017 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 2017 Bonds would adversely affect the availability of any secondary market for the Series 2017 Bonds. Should interest on the Series 2017 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2017 Bonds be required to pay income taxes on the interest received on such Series 2017 Bonds and related penalties, but because the interest rate on such Series 2017 Bonds will not be adequate to compensate Owners of the Series 2017 Bonds for the income taxes due on such interest, the value of the Series 2017 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATE ON THE SERIES 2017 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2017 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2017 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2017 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2017 BONDS BECOMES TAXABLE AND/OR THE DISTRICT IS EVER DETERMINED TO NOT BE A POLITICAL SUBDIVISION FOR PURPOSES OF THE CODE AND/OR SECURITIES ACT (AS HEREINAFTER DEFINED).

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

Since the Series 2017 Bonds have not been and will not be registered under the Securities Act of 1933, as amended, or any state securities laws, if the District is ever deemed, by the IRS, judicially or otherwise, not to be a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could also determine that the District is not a political subdivision for purposes of the federal and state securities laws. Accordingly, the District and purchasers of Series 2017 Bonds may not be able to rely on the exemption from registration under the Securities Act of 1933, as amended (the "Securities Act"), relating to securities issued by political subdivisions. In that event the Owners of the Series 2017 Bonds would need to ensure that subsequent transfers of the Series 2017 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act.

### **Federal Tax Reform**

Various proposals are mentioned from time to time by members of the Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. In addition, the Service may, in the future, issue rulings that have the effect of changing the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations of states and their political subdivisions, such as the Series 2017 Bonds, by eliminating or changing the tax-exempt status of interest on certain of such bonds. Whether any of such proposals will

ultimately become or be upheld as law, and if so, the effect such proposals could have upon the value of bonds such as the Series 2017 Bonds, cannot be predicted. However, it is possible that any such law or interpretation could have a material and adverse effect upon the availability of a liquid secondary market and/or the value of the Series 2017 Bonds. See also "TAX MATTERS."

### **State Tax Reform**

It is impossible to predict what new proposals may be presented regarding ad valorem tax reform and/or community development districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. On October 31, 2014, the Auditor General of the State released a 31-page report which requests legislative action to establish parameters on the amount of bonds a community development district may issue and provide additional oversight for community development district bonds. This report renews requests made by the Auditor General in 2011 that led to the Governor of the State issuing an Executive Order on January 11, 2012 (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor ("OPB") to examine the role of special districts in the State. As of the date hereof, the OPB has not made any recommendations pursuant to the Executive Order nor has the Florida legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for the Series 2017 Bonds. It should be noted that Section 190.16(14) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under the Act that it will not limit or alter the rights of the district to levy and collect the ... assessments... and to fulfill the terms of any agreement made with the holders of such bonds ... and that it will not impair the rights or remedies of such holders."

### **Insufficient Resources or Other Factors Causing Failure to Complete the Series 2017 Project or the Completion of the Mixed-Use Projects in the Development**

There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the Series 2017 Project, that the District will be able to raise through the issuance of bonds, or otherwise, the moneys necessary to complete the Series 2017 Project. [Further, pursuant to the Indenture, the District will covenant and agree that so long as the Series 2017 Special Assessments have not been Substantially Absorbed, it shall not issue Bonds or other debt obligations, other than refunding bonds, secured by Special Assessments for capital projects on lands subject to the Series 2017 Special Assessments. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS – Limitation on Additional Bonds" for more information.]

Further, it is possible that the cost to finish the Series 2017 Project may exceed the net proceeds from the Series 2017 Bonds. Although the Developer and Majority Landowners will agree to fund or cause to be funded the completion of the Series 2017 Project regardless of the insufficiency of proceeds from the Series 2017 Bonds and will enter into a Funding and Completion Agreement with the District as evidence thereof, there can be no assurance that the Developer and Majority Landowners will have sufficient resources to do so. The Developer is a special purpose entity whose primary assets are [its contract and development rights in the

District Lands]. Each of the Majority Landowners are also all special purpose entities whose primary assets are their respective interests in the lands they own in the Development. The completion obligation is an unsecured obligation.

In addition, even if the Development is fully redeveloped, there is no guarantee that sufficient units will be constructed and sold in the Development.

#### **Payment of Series 2017 Special Assessments after Bank Foreclosure**

In the event a bank forecloses on property because of a default on the mortgage 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 2017 Special Assessments [or property taxes]. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.

[Remainder of page intentionally left blank.]

## ESTIMATED SOURCES AND USES OF FUNDS

The table that follows summarizes the estimated sources and uses of proceeds of the Series 2017 Bonds:

### Sources of Funds:

Principal Amount of Series 2017 Bonds	\$ _____
[Less Original Issue Discount]	_____

Total Sources	\$ _____
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### Use of Funds:

Deposit to Series 2017 Acquisition and Construction Account	\$ _____
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Deposit to Series 2017 Debt Service Reserve Account	_____
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Deposit to Series 2017 Interest Account <sup>(1)</sup>	_____
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Costs of Issuance, including Underwriter's Discount <sup>(2)</sup>	_____
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Total Uses	\$ _____
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(1) Capitalized interest through \_\_\_\_\_ 1, 201\_.

(2) Costs of issuance includes, without limitation, legal fees and other costs associated with the issuance of the Series 2017 Bonds.

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## DEBT SERVICE REQUIREMENTS

The following table sets forth the approximate debt service requirements for the Series 2017 Bonds:

<u>Year Ending</u> <u>November 1</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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Total

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## **THE DISTRICT**

### **General**

The District is an independent local unit of special-purpose government of the State created in accordance with the Act by Ordinance No. 2006-161 enacted by the City Council of the City of Tampa, Florida (the "City"), on and effective as of July 13, 2006 (the "Ordinance"). The District Lands are comprised of approximately 49.118 gross acres, of which approximately 36.88 acres are developable or have been developed, and are located entirely within the larger CRA and incorporated area of the City.

The District Lands are located in one of the oldest neighborhoods of the City, Tampa Heights, which is located immediately north of downtown Tampa. A map showing the location of the District is set forth in the "- Map of the District" below.

### **Governance**

The governing body of the District is its Board of Supervisors (the "Board"), which is composed of five Supervisors (the "Supervisors"). The Act provides that, at the initial meeting of the landowners, Supervisors must be elected by the landowners with the two Supervisors receiving the highest number of votes to serve for four years and the remaining Supervisors to serve for a two-year term. Three of the five Supervisors are elected to the Board every two years in November. At such election the two Supervisors receiving the highest number of votes are elected to four-year terms and the remaining Supervisor is elected to a two-year term. Until the later of six (6) years after the initial appointment of Supervisors or the year in which there are at least 250 qualified electors in the District, or such earlier time as the Board may decide to exercise its ad valorem taxing power, the Supervisors are elected by vote of the landowners of the District. Ownership of the land within the District entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number and, for purposes of determining voting interests, platted lots shall be counted individually and rounded up to the nearest whole acre and shall not be aggregated for determining the number of voting units held). Upon the later of six (6) years after the initial appointment of Supervisors or the year in which there are at least 250 qualified electors in the District, the Supervisors whose terms are expiring will be elected (as their terms expire) by qualified electors of the District, except as described below. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the District and the State of Florida and a citizen of the United States. At the election where Supervisors are first elected by qualified electors, two Supervisors must be qualified electors and be elected by qualified electors, each elected to four-year terms. The seat of the remaining Supervisor whose term is expiring at such election shall be filled by a Supervisor who is elected by the landowners for a four-year term and who is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and must be elected by qualified electors to serve staggered four-year terms. If there is a vacancy on the Board, whether as a result of the resignation or removal of a Supervisor or because no elector qualifies for a seat to be filled in an election, the remaining Board members are to fill such vacancy for the unexpired term.



Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be elected by qualified electors in the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

The Act provides that it shall not be an impermissible conflict of interest under State law governing public officials for a Supervisor to be a stockholder, officer or employee of an owner of the land within the District (which includes the Developer).

The current members of the Board and the date of expiration of the term of each member are set forth below:

<b><u>Name</u></b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
Adam Harden <sup>(1)</sup>	Chairman	November 2016
Charles Bruck <sup>(1)</sup>	Vice Chairman	November 2016
David Bruck <sup>(1)</sup>	Supervisor	November 2018
Charles Harden <sup>(1)</sup>	Supervisor	November 2018
I. Clay Thompson <sup>(1)</sup>	Supervisor	November 2016

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(1) Affiliated with the [Developer and the Majority Landowners]

A majority of the Supervisors constitutes a quorum for the purposes of conducting the business of the District and exercising its powers and for all other purposes. Action taken by the District shall be upon a vote of the majority of the Supervisors present unless general law or a rule of the District requires a greater number. All meetings of the Board are open to the public under the State's "sunshine" or open meetings law.

### **Legal Powers and Authority**

The District is an independent unit of local government created pursuant to and established in accordance with the Act. The Act was enacted in 1980 to provide a uniform method for the establishment of independent districts to manage and finance basic community development services, including capital infrastructure required for community developments throughout the State of Florida. The Act provides legal authority for community development districts (such as the District) to finance the acquisition, construction, operation and maintenance of the major infrastructure for community development pursuant to its general law charter.

Among other provisions, the Act gives the District's Board of Supervisors the authority to, among other things, (a) plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for, among other things: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and waste-water management, reclamation and reuse systems or any combination thereof and to construct and operate connecting intercept or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) District roads equal to or exceeding the specifications of the county in which such district roads are located and street lights, landscaping,

hardscaping, and undergrounding of electric utility lines; and (iv) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses and security; (b) borrow money and issue bonds of the District; (c) impose and foreclose special assessments liens as provided in the Act; and (d) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District stated in the Act.

The Act does not empower the District to adopt and enforce any land use plans or zoning ordinances and the Act does not empower the District to grant building permits. These functions are to be performed by general purpose local governments having jurisdiction over the lands within the District.

The Act exempts all property owned by the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of bondholders to pursue any remedy for enforcement of any lien or pledge of the District in connection with its bonds, including the Series 2017 Bonds.

### **[Funding of District Operations]**

[The District's operations are funded primarily through operation and maintenance assessments levied on District Lands, the majority of which (close to \_\_%) are collected through bi-annual funding agreements with the Majority Landowners. The funding agreements provide for quarterly billing and payment of operation and maintenance assessments to the landowners and semi-annual payments for debt service, in lieu of direct billing of annual assessments to the landowner. The agreements are executed bi-annually. A default by a landowner under a funding agreement could result in that landowner's future annual assessments being collected by either direct billing or the "uniform method" as described above under "SECURITY FOR THE SERIES 2017 BONDS - Special Assessments" for more information.]

### **The District Manager and Other Consultants**

The chief administrative official of the District is the District Manager (as hereinafter defined). The Act provides that a district manager has charge and supervision of the works of the District and is responsible for preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, for maintaining and operating the equipment owned by the District, and for performing such other duties as may be prescribed by the Board.

The District has retained District Management Services, LLC d/b/a Meritus Districts, to serve as District Manager. District Management Services, LLC d/b/a Meritus Districts' office is located at 2005 Pan Am Cr., Ste. # 120, Tampa, Florida 33607, telephone number (813) 873-7300.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Foley & Lardner, LLP, Jacksonville, Florida, as Bond Counsel; Landmark Engineering & Surveying Corp, Tampa, Florida, as Consulting Engineer; and Molloy & James, Tampa, Florida, as District Counsel. The Board has

also retained District Management Services, LLC d/b/a Meritus Districts, Tampa, Florida, to serve as Methodology Consultant and to prepare the Assessment Methodology.

### **No Outstanding Bonds**

The District has not previously issued any bonds [or other debt obligations].

### **Map of the District**

Set forth below is a map of the District. The white shaded areas within the black outline are not part of the District, but are included as part of the CRA. For point of reference, the interstate shown is I-275 and the river is the Hillsborough River.



## THE SERIES 2017 PROJECT

The Master Engineer's Report dated June 2017 (the "Engineer's Report") was prepared by Landmark Engineering & Surveying Corporation (the "District Engineer") and sets forth the District's proposed improvements for the District Lands. The Engineer's Report supersedes and replaces the District's previous engineering report adopted in 2006. The District Lands are comprised of approximately 49.118 gross acres, of which approximately 36.88 acres are developable or have been developed, and are located entirely within the approximately 77 gross acre CRA.

The District Lands along with approximately 2.212 gross acres, 1.01 net acres, outside of the District but within the CRA are being redeveloped into a mixed-use project referred to herein as the "The Heights" or the "Development." The Heights is located immediately north of downtown Tampa. The District has filed boundary amendments to add an additional \_\_ acres of lands into the District, which lands are already in the Development and owned by the Majority Landowners. See "THE DEVELOPMENT" for more information.

The Series 2017 Project consists of certain public infrastructure for the planned mixed-use development in the District, including a roadway system, water and wastewater utilities, stormwater management, recreational facilities (including parks, improvements to extend the City's "Riverwalk" and public docks on the Hillsborough River), landscaping and hardscaping. The Engineer's Report provided the following summary of the estimated costs of the Series 2017 Project:

<b><u>Infrastructure</u></b>	<b><u>Total</u></b>
Roadway System	\$5,300,000
Water & Wastewater Utilities	2,200,000
Stormwater Management	4,500,000
Recreational Facilities	4,100,000
Electrical Distribution	3,500,000
Landscaping and Hardscaping	<u>3,900,000</u>
<b>TOTAL*</b>	<b>\$23,500,000</b>

\* Estimate includes 15% cost contingency and 10% allowance for professional fees

Construction of the Series 2017 Project commenced on \_\_\_\_\_, 201\_ and is expected to be completed on \_\_\_\_\_, 2017. [As of \_\_\_\_\_, approximately \$\_\_\_\_\_ has been spent/incurred by the Developer constructing the Series 2017 Project.] [Portions of the Series 2017 Project will be acquired by the District simultaneously with, or shortly after, the closing on the Series 2017 Bonds.] See the Engineer's Report attached as APPENDIX A for more information regarding the Series 2017 Project. See "THE DEVELOPMENT" for more information regarding the Development.

Proceeds from the Series 2017 Bonds in the amount of approximately \$\_\_\_\_ million will be used to finance the acquisition of the Series 2017 Project from the Developer. The Developer and the Majority Landowners will enter into a Funding and Completion Agreement to fund or cause to be funded the completion of the Series 2017 Project to the extent that net proceeds of

the Series 2017 Bonds are not sufficient to pay for the entire Series 2017 Project. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors causing Failure to Complete the Series 2017 Project or the Completion of the Mixed-Use Projects in the Development."

*The following information appearing below under the captions "THE DEVELOPMENT" and "THE DEVELOPER AND THE MAJORITY LANDOWNERS" has been furnished by the Developer and the Majority Landowners for inclusion in this Limited Offering Memorandum 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 persons other than the Developer and the Majority Landowners make any representation or warranty as to the accuracy or completeness of such information supplied by it.*

*The following information is provided by the Developer and the Majority Landowners as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the development of the Development. The Majority Landowners' respective obligations to pay the Series 2017 Special Assessments with respect to their respective lands owned within the District [and property taxes with respect to their respective lands owned in the CRA] are no greater than the obligation of any other landowners within such lands. Neither the Developer nor any of the Majority Landowners are guarantors of payment as to any land within the District or the CRA, and the recourse for any of the Majority Landowner's failure to pay Series 2017 Special Assessments or property taxes is limited to its respective ownership interests in the land subject to such unpaid Series 2017 Special Assessments or property taxes.*

## **THE DEVELOPMENT [AND THE CRA LANDS]**

### **Overview**

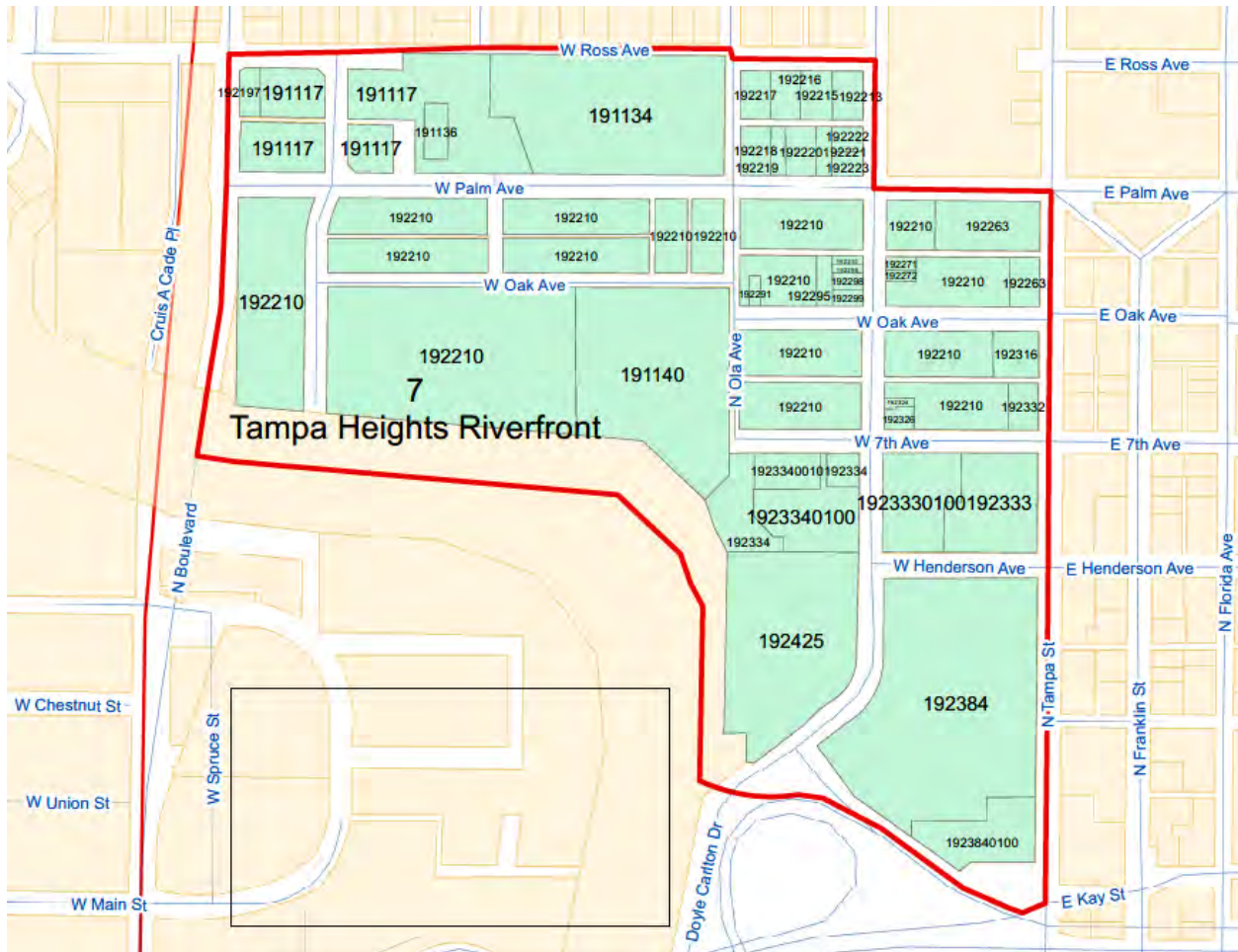
The District Lands are comprised of approximately 49 gross acres, of which approximately 36.88 acres are developable or have been developed, and are located entirely within the approximately 77 gross acre CRA. The District Lands along with approximately 2.212 gross acres, 1.01 net acres, outside of the District, but within the CRA ,are being redeveloped into a mixed-use project referred to herein as the "The Heights" or the "Development."

The Heights is located immediately north of downtown Tampa. The District has filed boundary amendments to add an additional \_\_ acres of lands into the District, which lands are already in the Development and owned by the Majority Landowners.

The Development is in various stages of redevelopment. [Insert summary of below once below is revised.]

Set forth below is a map of the Development. For another point of reference, see "THE DISTRICT – Map of the District" to see the location of the Hillsborough River, which is shown below and abuts folios 199210, 192210, 191140, 192334 and 192425 and the location of I-275 which runs east west immediately south of the Development.





## District Lands

The Majority Landowners own approximately 31.3 of the 36.88 developable or developed acres in the District. The only other landowner in the District is the City which owns approximately 5.28 acres. [The District has filed boundary amendments to add an additional \_\_\_ acres of lands to the District owned by certain of the Majority Landowners, which lands are already in the CRA].

***The Pearl Apartments Project*** – The "Pearl Apartments" are under construction and will contain 314 single family apartments, approximately 28,500 square feet of retail space and a structured parking garage with 497 parking stalls on an approximately 4.143 acre site at 350 West Palm Avenue. The Pearl Apartments will consist of two buildings of four and seven stories. Construction commenced in [August 2016] and is expected to be completed in [September 2017]. The retail portion is approximately 50% complete with the first occupancy expected in December 2017.

***Armature Works Project*** – The "Armature Works" property consists of multiple parcels of land along the Hillsborough River that in the aggregate contain approximately \_\_\_ acres upon which the Armature Works building was originally constructed in 1911 and is being renovated into an approximately [61,290 / 68,000] rentable square foot multi-use building. The renovation

commenced in 2016 and is expected to be completed by [September 2017]. As renovated, the Armature Works buildings are expected to contain [\_\_\_\_\_]. See "- Environmental" below for information regarding this project's previous designation as a Brownfield Area within the City and the current status of environmental remediation.

***Existing Three Story Office Building*** – One of the Majority Landowners owns the existing three story office building at [200] South 7<sup>th</sup> Avenue (approximately 0.39 acres) which contains approximately 31,075 square feet of office space. This building has an appraised/taxable value of approximately \$5,010,200. [More to come.]

***Vacant Commercial Lands*** – Certain of the Majority Landowners own the approximately 22.38 developable acres planned for \_\_\_\_\_. Approximately 18.49 of these acres are vacant land on the Hillsborough River waterfront. [More to come.]

***City Lands*** - On the remaining 5.58 acres within the District, approximately 3.71 acres consist of a City park [(known as the "Waterworks Park")] that are exempt from both property taxes and special assessments, and the remaining acreage consists of an approximate 7,100 square foot municipal office building that is exempt from both property taxes and special assessments and an approximately 9,000 square feet of retail space which [includes / is comprised of] the existing restaurant known as "Ulele". [As of \_\_\_\_\_, this retail space had an assessed value of a \$1,653,963 and a taxable value of \$810,079. Insert whether any of these lands will pay special assessments.]

#### **Development and CRA Lands Outside of the District:**

The lands set forth below are located in the remaining portion of the Development and/or the CRA Lands. Such lands are not subject to the Series 2017 Special Assessments but due pay property taxes that are eligible to be Committed Tax Increment Revenues.

***The Beck Building*** – The "Beck Building" refers to the existing approximately 29,034 rentable square foot office building located on approximately 0.85 acres at 220 West 7<sup>th</sup> Avenue. The Beck Building is currently a single tenant office building owned by Pemberton Development Co., LLC according to the County Tax Collector website and occupied by The Beck Group. The Beck Group is a [national design/build company based in Tampa that has been in operation since 1913.] [The Beck Building includes 103 off-site parking spaces.] In \_\_\_\_\_, 201\_, the Beck Building paid property taxes of \$5,283,900.

***Stetson Law School*** – Approximately 6.62 acres in the CRA consist of the Stetson Law School satellite campus building[s] which was [constructed/opened] in 20\_\_\_. As of \_\_\_\_\_, the building had an assessed value of \$12,010,314; however, the property is currently owned by a not for profit and is exempt from property taxes and special assessments.

***Hillsborough County Bar Association Building*** - Approximately 0.96 acres in the CRA consist of the Hillsborough County Bar Association Building which was [constructed/opened] in 20\_\_\_. As of \_\_\_\_\_, the building had an assessed value of \$2,707,000; however, the property is currently owned by a not for profit and is exempt from property taxes and special assessments.

***Bush Ross Law Office Building*** – [to come.]



***Other Lands*** – [The remaining lands in the CRA are older single family homes or mom and pop run businesses that have existed in the Tampa Heights section of the City for several decades.] [ \_\_\_\_ currently existing single family homes with an average assessed value of \$\_\_\_\_\_ which pay an aggregate of \$\_\_\_\_\_ in property taxes per year. \_\_\_\_ currently existing commercial properties with an average assessed value of \$\_\_\_\_\_ which pay an aggregate of \$\_\_\_\_\_ in property taxes per year.]

### **Land Acquisition by the Majority Landowners**

[The Majority Landowners acquired their approximate 31.3 net acres of lands in the District through a series of transactions from \_\_\_\_\_, 201\_ to \_\_\_\_\_, 201\_ for an aggregate purchase price of \$\_\_\_\_\_.]

The remaining lands owned by the Majority Landowners [that are in the Development and being annexed into the District] consist of approximately \_\_\_\_ net acres of land that were purchased through a series of transactions from \_\_\_\_\_, 201\_ to \_\_\_\_\_, 201\_ for an aggregate purchase price of \$\_\_\_\_\_.]

[Insert summary of any mortgages.]

### **Development Plan and Status**

The Developer is in the process of installing the infrastructure associated with the Series 2017 Project [and additional infrastructure necessary to develop the undeveloped portions of the Development.] The redevelopment work in the Development commenced in \_\_\_\_\_, 201\_\_ and is expected to be completed by \_\_\_\_\_, 201\_\_. The total expected cost of land development for the Development is approximately \$\_\_ million, of which the Developer has spent approximately \$\_\_ million as of the date hereof.

The District is expected to acquire the Series 2017 Project from the Developer from the net proceeds of the Series 2017 Bonds which are estimated to be approximately \$\_\_ million. The Developer and the Majority Landowners will enter into a Funding and Completion Agreement to fund or cause to be funded the completion of the Series 2017 Project to the extent that net proceeds of the Series 2017 Bonds are not sufficient to pay for the entire Series 2017 Project. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors causing Failure to Complete the Series 2017 Project or the Completion of the Mixed-Use Projects in the Development." See also "THE SERIES 2017 PROJECT" for more information on the Series 2017 Project.

Set forth below is a recent aerial of the lands in the Development:

[insert aerial]

## **[Product Offerings within the Development]**

[The following table reflects the Developer's current expectations for the Development [below units/sf is from master method district numbers so needs to be updated upon receipt of supplemental method and include additional numbers from non-District Development lands]

<b>Product</b>	<b>Number of Units or Square feet</b>	<b>Expected Absorption Date*</b>	<b>Estimated Average Lease Price</b>	<b>Estimated Average Sale Price</b>
Apartments	900 units			
Condominiums	620 units			
Retail/Commercial	212,000 sf			
Office	278,000 sf			
Total				

\* The anticipated absorption rates are based on estimates and assumptions made by the Developer that are inherently uncertain, though considered reasonable by the Developer, and are subject to significant business, economic, and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the control of the Developer. As a result, there can be no assurance such absorption rate will occur or be realized in the timeframes anticipated. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors causing Failure to Complete the Series 2017 Project or the Completion of the Mixed-Use Projects in the Development " above.

## **Development Approvals**

[To come.]

See "BONDOWNERS' RISK – Regulatory and Environmental Risks" herein for more information regarding related development risks.

## **Environmental**

[To come.]

See "BONDOWNERS' RISK – Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

## **Utilities**

[The City provides water and sewer service to the Development. Tampa Electric Company provides electrical service to the Development.]

## **Schools**

[To come.]

## Competition

[For discussion - The Development is expected to compete with other mixed-use projects in the [downtown Tampa area]. The foregoing does not purport to summarize all of the existing or planned communities in the area of the Development.]

## Taxes, Assessments and Fees

The amount of Series 2017 Special Assessments relating to the Series 2017 Bonds collected by the District in each year will be offset by the Committed Tax Revenues received by the District pursuant to the Interlocal Agreement. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2017 BONDS - General" and "- Committed Tax Increment Revenues" above for more information.

[To be updated upon receipt of revised methods. Master Method has some debt being assigned on equal acreage and some allocated existing debt. What is expected lot levy v. equal acreage levy at close?] The Series 2017 Special Assessments will initially be levied on approximately \_\_\_ units consisting of \_\_\_\_\_ and on equal assessment per acre basis over the remaining approximately \_\_\_ acres within The District. As parcels are re-platted, the debt will be transferred from the remaining land to re-platted parcels in accordance with the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto. [Upon completion of the redevelopment and re-platting of the undeveloped District Lands,] the proposed annual Series 2017 Special Assessments to be allocated to platted lots to pay debt service on the Series 2017 Bonds and the total Series 2017 Bonds par per unit are as follows:

[Following Table to be inserted/updated after receipt of Supplemental Method.]

<b>Product</b>	<b>Per Unit EAU</b>	<b>Number of Units/SF</b>	<b>% of EAUs</b>	<b>Annual Debt Assessment**/**</b>	<b>Series 2017 Bonds Total Par Per Unit*</b>
Apartments	1.00	900 units	36.06%	\$629	\$11,665
Condominiums	1.25	620 units	31.05	\$787	\$14,581
Retail/Commercial (per 1,000 sq. ft.)	1.25	212 SF	10.62	\$787	\$14,581
Office (per 1,000 sq. ft.)	2.00	278 SF	22.28	\$1,259	\$23,329
Total			100.00%		

\* Preliminary, subject to change.

\*\* Annual Assessments are based on the maximum annual debt service for the Series 2017 Bonds, with administration fees and early payment discounts totaling 6%. See "- Estimated Special Assessments and Committed Tax Increment Revenue" below for projected Commitment Tax Increment Revenues and the expected estimated Series 2017 Special Assessments as reduced thereby.

In addition to the anticipated Series 2017 Special Assessments set forth in the table above, it is anticipated that each unit will pay an annual operation and maintenance assessment of approximately \$\_\_\_ per apartment unit, \$\_\_\_ per condominium unit, \$\_\_\_ per 1,000 square feet of retail or commercial space, and \$\_\_\_ per 1,000 square feet of office space, all of which amounts are subject to change. The land within the District have been and will continue to be

subject to taxes and assessments imposed by taxing authorities other than the District. These taxes would be payable in addition to the Series 2017 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the City, the County, [the Port Authority] and the School Board of Hillsborough County each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. The millage rate for lands in the District in 2017 was approximately [10.4634] mills.

The land within the District has been and will continue to be subject to taxes and assessments imposed by taxing authorities other than the District. These taxes would be payable in addition to the Series 2017 Special Assessments and other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School Board of Hillsborough County each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year.

## **THE DEVELOPER AND THE MAJORITY LANDOWNERS**

### **General**

The District Lands are comprised of approximately 49.118 gross acres, of which approximately 36.88 acres are developable or have been developed, and are located entirely within the approximately 77 gross acre CRA. The District Lands along with approximately 2.212 gross acres, 1.01 net acres, outside of the District but within the CRA are being redeveloped into a mixed-use project referred to herein as the "The Heights" or the "Development." See "THE DEVELOPMENT" above for more information.

[The District Lands that will be subject to the Series 2017 Special Assessments are owned by the Majority Landowners (as defined below). See "- The Developer and the Majority Landowners" below and "THE DEVELOPMENT" herein for more information. The remaining 5.58 acres in the District are owned by the City. The remaining 2.212 gross acres, of which 1.01 are developed, that are in the Development that are not in the District are owned by \_\_\_\_\_. See "- Remaining Landowners in the Development" below and "THE DEVELOPMENT" herein for more information for more information.]

### **The Developer and the Majority Landowners**

Riverside Heights Holdings, LLC, a Florida limited liability company (the "Developer") is the developer of the District Lands. The Developer was formed on December 6, 2012. The Developer is a special purpose entity whose primary asset is its interest in the [contract/permit rights] [and/or lands it owns in the District.]

[The Majority Landowners acquired their approximate 31.3 net acres of lands in the District through a series of transactions from \_\_\_\_\_, 201\_ to \_\_\_\_\_, 201\_ for an aggregate purchase price of \$\_\_\_\_\_.]

Riverside Heights, LLC, a Florida limited liability company ("Riverside Heights") is the manager of the Developer and all of the Majority Landowners [except Riverside Heights Pearl, LLC which is managed by RH Pearl Development LLC which is managed by Chas and Adam] and was formed on December 16, 2010. Riverside Heights [sunbiz - Charles "Chas" J. Bruck serves as the managing member of Riverside Heights and Adam Harden is its manager]. Riverside Heights is owned by [\_\_\_\_\_].

The remaining lands owned by the Majority Landowners [that are in the Development and being annexed into the District] consist of approximately \_\_\_\_ net acres of land that were purchased through a series of transactions from \_\_\_\_\_, 201\_ to \_\_\_\_\_, 201\_ for an aggregate purchase price of \$\_\_\_\_\_.]

[Insert cross reference to "THE DEVELOPMENT – Land Acquisition" if any mortgages.]

Set forth below are brief bios of Charles Bruck and Adam Harden:

Charles J. Bruck is a founding principal of SoHo Capital, LLC, a Florida limited liability company founded in 2006, which is a full service real estate investment and development firm currently overseeing over \$80 million in real estate assets owned by its principals and a small group of qualified investors. Mr. Bruck received his Bachelor of Science degree in Urban Planning and Real Estate from University of Arizona. He has been involved in the acquisition, planning, entitlement, development and/or disposition of over 4.5 million square feet of industrial projects, 1.5 million square feet of office space, over 500,000 square feet of retail space and over 3,000 residential units.

Adam Harden serves as a Manager of the Developer and is also a founding principal of SoHo Capital, LLC. Mr. Harden is a certified and licensed general contractor with experience in acquisition, development and operations, including construction, contracts, product design, quality control and sales. Prior to founding SoHo Capital, LLC in 2006, Mr. Harden served as Director of Operations for a homebuilding division at US Home/Lennar.

### **Remaining Landowners in the CRA**

The remaining lands in the CRA are owned by various landowners not affiliated with the Majority Landowners. The lands within the Development but not in the District include approximately 2.212 acres that are exempt from property taxes and owned by the City, Stetson Law School, the Hillsborough County Bar Foundation and approximately \_\_\_\_ acres that pay property taxes and are owned by [Bush Ross Law Office Building] and [Beck Building]. [The remaining lands in the CRA are older single family homes or mom and pop run businesses that have existed in the Tampa Heights section of the City for several decades.] See "THE DEVELOPMENT – Development and CRA Lands Outside the District" for information regarding the assessed values and most recent property taxes of such parcels, if any None of these lands are subject to the Series 2017 Special Assessments or See "THE DEVELOPMENT – \_\_\_\_\_" for more information.

## **TAX MATTERS**

### **General**

[To be provided by Bond Counsel - In the opinion of Foley & Lardner, LLP, Bond Counsel, under existing statutes, regulations, rulings and court decisions and assuming continuing compliance with certain covenants and the accuracy of certain representations, (1) interest on the Series 2017 Bonds will be excludable from gross income for federal income tax purposes, (2) interest on the Series 2017 Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (3) interest on the Series 2017 Bonds will be taken into account in determining adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations, and (4) the Series 2017 Bonds and the interest thereon will not be subject to taxation under the laws of the State, except estate taxes and taxes under Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined therein.

The above opinion on federal tax matters with respect to the Series 2017 Bonds will be based on and will assume the accuracy of certain representations and certifications of the District and the Developer, and compliance with certain covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2017 Bonds will be and will remain obligations, the interest on which is excludable from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2017 Bonds.

The Internal Revenue Code of 1986, as amended (the "Code") prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excludable from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations in order for the interest to be and to continue to be so excludable from the date of issuance. Noncompliance with these requirements by the District may cause the interest on the Series 2017 Bonds to be included in gross income for federal income tax purposes and thus to be subject to federal income tax retroactively to the date of issuance of the Series 2017 Bonds. The District has covenanted to take the actions required by the Code for the interest on the Series 2017 Bonds to be and to remain excludable from gross income for federal income tax purposes.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt of interest on, or disposition of the Series 2017 Bonds. Prospective purchasers of the Series 2017 Bonds should be aware that the ownership of the Series 2017 Bonds may result in other collateral federal tax consequences, including, without limitation, (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2017 Bonds or, in the case of a financial institution, that portion of an owner's interest expense allocable to interest on the Series 2017 Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by a percentage of certain items, including interest on the Series 2017 Bonds; (iii) the inclusion of interest on the Series 2017 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax; (iv) the inclusion of interest on the

Series 2017 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on the Series 2017 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2017 Bonds. Prospective purchasers of the Series 2017 Bonds should consult their own tax advisors as to the impact of these other tax consequences.

Bond Counsel's opinions will be based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its respective opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, the opinions of Bond Counsel are not guarantees of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinions.

**[Premium]**

[Bond Counsel to provide.]

**[Original Issue Discount]**

[Under the Code, the difference between the principal amount of the Series 2017 Bonds maturing on or after \_\_\_\_\_, 20\_\_ (the "Discount Bonds") and the initial offering price to the public, excluding bond houses and brokers, at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount. Original issue discount represents interest which is excluded from gross income; however, such interest is taken into account for purposes of determining the alternative minimum tax on corporations. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded actuarially. A purchaser who acquires a Discount Bond in the initial offering at a price equal to the initial offering price thereof as set forth on the cover page of the Official Statement for the Series 2017 Bonds will be treated as receiving an amount of interest excludable from gross income equal to the original issue discount accruing during the period he holds the Discount Bond, and will increase his adjusted basis in such Discount Bond by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bond. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Discount Bonds, which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of Discount Bonds and with respect to the state and local tax consequences of owning and disposing of Discount Bonds.]

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such bonds for a price that is higher or lower than the "adjusted issue price" of the bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.]

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

Interest paid on tax-exempt obligations such as the Series 2017 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 2017 Bonds from gross income for federal income tax purposes. However, in connection with that information reporting requirement, the Code subjects certain noncorporate owners of Series 2017 Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2017 Bonds and proceeds from the sale of Series 2017 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2017 Bonds. This withholding generally applies if the owner of Series 2017 Bonds (a) fails to furnish the payor such owner's social security number or other taxpayer identification number, (b) furnishes the payor an incorrect taxpayer identification number, (c) fails to properly report interest, dividends or other "reportable payments" as defined in the Code or, (d) 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 taxpayer identification number provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2017 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.

### **Changes in Federal and State Tax Law**

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX MATTERS" or adversely affect the market value of the Series 2017 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to obligations issued or executed and delivered prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2017 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2017 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2017 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2017 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.



PROSPECTIVE PURCHASERS OF THE SERIES 2017 BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2017 BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2017 BONDS.]

### **AGREEMENT BY THE STATE**

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2017 Bonds, that it will not limit or alter the rights of the issuer of such bonds, including the District, to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

### **LEGALITY FOR INVESTMENT**

The Act provides that bonds issued by community development districts are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State, and constitute securities that may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required or voluntary statutory deposits.

### **SUITABILITY FOR INVESTMENT**

In accordance with applicable provisions of Florida law, the Series 2017 Bonds may initially be sold by the District only to "Accredited Investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to Accredited Investors does not denote restrictions on transfer in any secondary market for the Series 2017 Bonds. Investment in the Series 2017 Bonds poses certain economic risks. No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing.

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the owners of the Series 2017 Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Series 2017 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2017 Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed

by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors and enacted before or after such delivery.

## **FINANCIAL INFORMATION**

This District has covenanted in the proposed form of Continuing Disclosure Agreement set forth in APPENDIX G hereto to provide its annual audited financial statements to certain information repositories as described in APPENDIX G, commencing with the audit for the District fiscal year ended September 30, 2017. [Requested confirmation the District has no existing audit.] [Attached hereto as APPENDIX H is a copy of the District's most recent unaudited financial statements dated \_\_\_\_\_, 2017.] The Series 2017 Bonds are not general obligation bonds of the District or any other entity and are payable solely from the Series 2017 Pledged Revenues.

Beginning October 1, 2015, or by the end of the first full fiscal year after its creation, each community development district in Florida must have a separate website with certain information as set forth in Section 189.069, F.S., including, without limitation, the district's proposed and final budgets and audit. The District currently has such a website which is located at [http://www.\\_\\_\\_\\_\\_.com](http://www._____.com).

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

Rule 69W-400.003, Rules of Government Securities under Section 517.051(1), *Florida Statutes*, promulgated by the Florida Department of Financial Services, Office of Financial Regulation, Division of Securities and Finance ("Rule 69W-400.003"), requires the District to disclose each and every default as to the payment of principal and interest with respect to obligations issued or guaranteed by the District after December 31, 1975. Rule 69W-400.003 further provides, however, that if the District, in good faith, believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted. [The District is not and has not since December 31, 1975 been in default as to principal and interest on its bonds or other debt obligations.]

## **LITIGATION**

### **The District**

There is no litigation of any nature now pending or, to the knowledge of the District threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2017 Bonds, or in any way contesting or affecting (i) the validity of the Series 2017 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, (ii) the pledge or application of any moneys or security provided for the payment of the Series 2017 Bonds, (iii) the existence or powers of the District, (iv) the validity of the Assessment Proceedings, [or (v) the validity of the Interlocal Agreement].

### **The Developer and the Majority Landowners**

The Developer and the Majority Landowners have represented to the District that there is no litigation of any nature now pending or, to the knowledge of the any of the Majority

Landowners or the Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of any of the Majority Landowners or the Developer to complete the redevelopment of the lands within the Development as described herein, materially and adversely affect the ability of any of the Majority Landowners or the Developer to pay the Series 2017 Special Assessments imposed against the land within the District owned by the them or materially and adversely affect the ability of any of the Majority Landowners or the Developer to perform their respective obligations described in this Limited Offering Memorandum.

### **NO RATING**

No application for a rating of the Series 2017 Bonds has been made to any rating agency, nor is there any reason to believe that the District would have been successful in obtaining an investment grade rating for the Series 2017 Bonds had application been made.

### **CONTINUING DISCLOSURE**

The District and the Majority Landowners will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement") for the benefit of the Series 2017 Bondholders (including owners of beneficial interests in the Series 2017 Bonds) to provide certain financial information and operating data relating to the District, the Pledged Revenues, and the Majority Landowners by certain dates prescribed in the Disclosure Agreement (the "Reports"), as well as notice of certain material events with the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system ("EMMA"). The specific nature of the information to be contained in the Reports and the list of material events is set forth in "APPENDIX G: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or the Majority Landowners to comply with their respective obligations under the Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement would allow the Bondholders (including owners of beneficial interests in the Series 2017 Bonds) to bring an action for specific performance.

The District and the Majority Landowners have not previously entered into any continuing disclosure undertakings. The District will appoint the District Manager to serve as the Dissemination Agent under the Disclosure Agreement.

### **UNDERWRITING**

FMSbonds, Inc. (the "Underwriter") has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2017 Bonds from the District at a purchase price of \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Series 2017 Bonds less [original issue discount and] an underwriter's discount of \$\_\_\_\_\_). The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all of the Series 2017 Bonds if any are purchased. The Series 2017 Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial offering prices may be changed from time to time by the Underwriter.

## **EXPERTS**

Landmark Engineering & Surveying Corporation, as the District's Consulting Engineer, has prepared the Engineer's Report included herein as APPENDIX A, which report should be read in its entirety. District Management Services, LLC d/b/a Meritus Districts, as the Methodology Consultant, has prepared the Assessment Methodology Reports included herein as APPENDIX D, [and the Tax Increment Report included herein as APPENDIX E], which reports should be read in its entirety. As a condition to closing on the Series 2017 Bonds, both the Consulting Engineer and the Methodology Consultant will consent to the inclusion of their reports in this Limited Offering Memorandum.

## **CONTINGENT FEES**

The District has retained Bond Counsel, District Counsel, the District Engineer, the District Manager, the Methodology Consultant, the Underwriter (who have retained Underwriter's Counsel) and the Trustee (who has retained Trustee's Counsel), with respect to the authorization, sale, execution and delivery of the Series 2017 Bonds. Except for the payment of fees to [District Counsel, the District Engineer and the District Manager,] the payment of fees of the other professionals is each contingent upon the issuance of the Series 2017 Bonds.

## **VALIDATION**

Seventy Million (\$70,000,000.00) special assessment bonds sand special assessment and revenue bonds were validated and confirmed by final judgment of the Thirteenth Judicial Circuit Court in and for Hillsborough County, Florida, rendered on November 20, 2006. The period of time during which an appeal could be taken from such final judgments has expired with no appeals having been taken.

## **LEGAL MATTERS**

Certain legal matters related to the authorization, sale and delivery of the Series 2017 Bonds are subject to the approval of Foley & Lardner, LLP, Jacksonville, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Molloy & James, Tampa, Florida. Certain legal matters will be passed upon for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida Florida. Certain legal matters will be passed upon for the Developer and the Majority Landowners by their counsel, Foley & Lardner LLP, Tampa, Florida.

Bond Counsel's opinions included herein are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date hereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

## **MISCELLANEOUS**

Any statements made in this Limited Offering Memorandum involving matters of opinion or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representations are made that any of the estimates will be realized.

The references herein to the Series 2017 Bonds and other documents referred to herein are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such documents for full and complete statements of such provisions.

This Limited Offering Memorandum is submitted in connection with the limited offering of the Series 2017 Bonds and may not be reproduced or used, as a whole or in part, for any purpose. This Limited Offering Memorandum is not to be construed as a contract with the purchaser or the Beneficial Owners of any of the Series 2017 Bonds.

## **AUTHORIZATION AND APPROVAL**

The execution and delivery of this Limited Offering Memorandum has been duly authorized by the Board of Supervisors of The Heights Community Development District.

### **THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT**

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

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

**APPENDIX B**  
**INTERLOCAL AGREEMENT**

**APPENDIX C**  
**PROPOSED FORM OF INDENTURES**



**APPENDIX D**

**ASSESSMENT METHODOLOGY**

**APPENDIX E**  
**[TAX INCREMENT REPORT]**

## **APPENDIX F**

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

## **APPENDIX G**

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

**APPENDIX H**  
**DISTRICT'S FINANCIAL STATEMENTS**

## **EXHIBIT E**

### **FORM OF RULE 15c2-12 CERTIFICATE**

**The Heights Community Development District**  
**\$\_\_\_\_\_ \* Special Assessment and Revenue Bonds, Series 2017**  
**(Committed Tax Increment and Special Assessments)**

### **RULE 15c2-12 CERTIFICATE**

The undersigned hereby certifies and represents to FMSbonds, Inc. (the “Underwriter”) that he is the Chairman of the Board of Supervisors of The Heights Community Development District (the “District”) is authorized to execute and deliver this Certificate, and further certifies on behalf of the District to the Underwriter as follows:

1. This Certificate is delivered to enable the Underwriter to comply with Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) in connection with the offering and sale of the above captioned bonds (the “Series 2017 Bonds”).

2. In connection with the offering and sale of the Series 2017 Bonds, there has been prepared a Preliminary Limited Offering Memorandum, dated the date hereof, setting forth information concerning the Series 2017 Bonds and the District (the “Preliminary Limited Offering Memorandum”).

3. As used herein, “Permitted Omissions” shall mean the offering price, interest rate, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, the identity of the Underwriter and other terms of the Series 2017 Bonds depending on such matters.

4. The undersigned hereby deems the Preliminary Limited Offering Memorandum “final” as of its date, within the meaning of the Rule, except for the Permitted Omissions, and the information therein is accurate and complete except for the Permitted Omissions.

5. If, at any time prior to the execution of a Bond Purchase Contract, any event occurs as a result of which the Preliminary Limited Offering Memorandum might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the District will promptly notify the Underwriter thereof.

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\* Preliminary, subject to change.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this \_\_ day of \_\_\_\_\_, 2017.

THE HEIGHTS COMMUNITY  
DEVELOPMENT DISTRICT

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Chairman

## **CONTINUING DISCLOSURE AGREEMENT**

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of July \_\_, 2017 is executed and delivered by The Heights Community Development District (the "District" or the "District"), Riverside Heights Holdings I, LLC, a Florida limited liability company, Riverside Heights Holdings II, LLC, a Florida limited liability company, Riverside Heights Holdings III, LLC, a Florida limited liability company, Riverside Heights Pearl LLC, a Florida limited liability company and RHH 220 7th Avenue, LLC, a Florida limited liability company (collectively, the "Landowners"), and \_\_\_\_\_, as dissemination agent (the "Dissemination Agent") in connection with District's Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments) (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of July 1, 2017 (the "Master Indenture") and a First Supplemental Trust Indenture dated as of July 1, 2017 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each entered into by and between the District and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Orlando, Florida, as trustee (the "Trustee"). For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in consideration of the mutual promises and other considerations contained herein, the District, the Landowners and the Dissemination Agent covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the District, Landowners and the Dissemination Agent for the benefit of the Beneficial Owners (as defined herein) of the Bonds and to assist the Participating Underwriter (as defined herein) of the Bonds in complying with the Rule (as defined herein). The District has no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction, a governmental regulatory agency, or an attorney specializing in federal securities law, that the Rule requires the District or other Obligated Person to provide additional information, the District and each Obligated Person agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the 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.** Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Indenture. The following capitalized terms as used in this Disclosure Agreement shall have the following meanings:

"Annual Filing Date" means the date set forth in Section 3(a) hereof by which the Annual Report is to be filed with each Repository.



"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Audited Financial Statements" means 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) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Audited Financial Statements Filing Date" means the date set forth in Section 3(a) hereof by which the Audited Financial Statements are to be filed with each Repository if the same are not included as part of the Annual Report.

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

"Business Day" means any day other than (a) a Saturday, Sunday or a day on which banks located in the city in which the designated corporate trust office of the Trustee is located are required or authorized by law or executive order to close for business, and (b) a day on which the New York Stock Exchange is closed.

"Committed Tax Increment Revenues" shall have the meaning set forth in the Interlocal Agreement (as defined herein).

"CRA" shall mean the Community Redevelopment Agency of the City of Tampa

"Disclosure Representative" shall mean (i) as to the Issuer, the District Manager or its designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing information pursuant to this Disclosure Agreement to the Dissemination Agent; and (ii) as to each entity comprising an Obligated Person (other than the Issuer), the individuals executing this Disclosure Agreement on behalf of such entity or such person(s) as such entity shall designate in writing to the Dissemination Agent from time to time as the person(s) responsible for providing information pursuant to this Disclosure Agreement to the Dissemination Agent. To the extent multiple affiliated entities are Obligated Persons hereunder, such Obligated Persons shall designate one of the Obligated Persons as their Disclosure Representative hereunder.

"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. \_\_\_\_\_ 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.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures located at <http://emma.msrb.org/>.

"EMMA Compliant Format" shall mean a format for any document provided to the MSRB (as hereinafter defined) which is in an electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

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

"Interlocal Agreement" shall mean that certain Interlocal Agreement dated May 1, 2015, by and among the City, the CRA, and the District, entered into pursuant to Section 163.01, Florida Statutes.

"Limited Offering Memorandum" shall mean that Limited Offering Memorandum dated July \_\_, 2017, prepared in connection with the issuance of the Bonds.

"Listed Event" shall mean any of the events listed in Section 6(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

["Obligated Person(s)" shall mean, with respect to the Bonds, those person(s) who either generally or through an enterprise fund or account of such persons are committed by contract or other arrangement to support payment of all or a part of the obligations on such Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the Issuer, and for the purposes of this Disclosure Agreement, the Landowners for so long as the Landowners or any of their respective affiliates, successors or assigns (excluding third party end users) are, in the aggregate, the owners of District Lands responsible for payment of at least 20% of the Special Assessments.]

"Participating Underwriter" shall mean FMSbonds, Inc.

"Quarterly Filing Date" shall mean for the quarter ending: (i) March 31, each May 1; (ii) June 30, each August 1; (iii) September 30, each November 1; and (iv) December 31, each February 1 of the following year. The first Quarterly Filing Date shall be February 1, 2018.

"Quarterly Report" shall mean any Quarterly Report provided by any Obligated Person (other than the District) pursuant to, and as described in, Section 5 of this Disclosure Agreement.

"Repository" shall mean each entity authorized and approved by the SEC (as hereinafter defined) from time to time to act as a repository for purposes of complying with the Rule. The Repositories approved by the SEC may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure submissions through its EMMA web portal. As used herein, "Repository" shall include the State Repository, if any.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same has and may be amended from time to time.

"SEC" means the Securities and Exchange Commission.

"Special Assessments" shall mean the non-ad valorem [Series 2017] Special Assessments pledged to the payment of the Bonds pursuant to the Indenture.

"State" shall mean the State of Florida.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purposes of the Rule.

### **3. Provision of Annual Reports.**

(a) Subject to the following sentence, the District shall provide the Annual Report to the Dissemination Agent no later than one hundred eighty (180) days after the close of the District's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ending [September 30, 2017]. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided that* the Audited Financial Statements of the District may be submitted separately from the balance of the Annual Report, and may be submitted in accordance with State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the District's Fiscal Year (the "Audited Financial Statements Filing Date"). The District shall, or shall cause the Dissemination Agent to, provide to the Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty (30) days after same becomes available, but in no event later than the Annual Filing Date or Audited Financial Statements Filing Date, if applicable. If the District's Fiscal Year changes, the District shall give notice of such change in the same manner as for a Listed Event under Section 6.

(b) If, on the fifteenth (15th) day prior to each Annual Filing Date or the Audited Financial Statements Filing Date if the Audited Financial Statements are not included as part of the Annual Report, the Dissemination Agent has not received a copy of the Annual Report or of the Audited Financial Statements if the Audited Financial Statements are not included as part of the Annual Report, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by email) to remind the District of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report and/or Audited Financial Statements, as applicable, in accordance with Section 3(a) above, or (ii) advise the Dissemination Agent in writing that the District will not be able to file the Annual Report and/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 6(a)(xv) has occurred and to immediately send a notice to the Repository in substantially the form attached hereto as Exhibit A.

(c) If the Dissemination Agent has not received (i) an Annual Report by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Annual Filing Date for the Annual Report or (ii) Audited Financial Statements by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Audited Financial Statements Filing Date for the Audited Financial Statements, then a Listed Event as described in Section 6(a)(xv) shall have occurred and the District irrevocably directs the Dissemination Agent to immediately send a notice to the Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

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

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

(e) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an EMMA Compliant Format.

#### 4. **Content of Annual Reports.**

(a) Each Annual Report shall contain Annual Financial Information with respect to the District, including the following:

(i) The amount of Committed Tax Increment Revenues received by the District pursuant to the Interlocal Agreement.

(ii) [The assessed value of lands in the CRA; provided, however, the District may rely upon the records of the County Property Appraiser for such information].

(iii) The amount of Assessments levied in the District for the most recent prior Fiscal Year.

(iv) The amount of Assessments collected in the District from the property owners during the most recent prior Fiscal Year.

(v) If available, the amount of delinquencies in the District [greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of the Assessments due in any year, a list of delinquent property owners].

(vi) 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.

(vii) All fund balances in all Funds and Accounts for the Bonds. The District shall provide any Bondholder with this information more frequently than annually upon the written request of such Bondholder and within thirty (30) days of such written request.

(viii) The total amount of Bonds Outstanding.

(ix) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.

(x) The most recent Audited Financial Statements of the District.

(xi) In the event of any amendment or waiver of a provision of this Disclosure Agreement, a description of such amendment or waiver in the next Annual Report, and in each case shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

To the extent any of the items set forth in subsections (i) through (vii) above are included in the Audited Financial Statements referred to in subsection (viii) above, they do not have to be separately set forth (unless Audited Financial Statements are being delivered more than 180 days after the close of the District's Fiscal Year pursuant to Section 3(a) hereof). Any or all of the items listed above may be incorporated by reference from other documents, including limited offering memorandums and official statements of debt issues of the District or related public entities, which have been submitted to the MSRB or the SEC. If the document incorporated by reference is a final limited offering memorandum or official statement, it must be available from the MSRB. The District shall clearly identify each such other document so incorporated by reference.

(b) The District and each Obligated Person agree to supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The District acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, Obligated Persons and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, an Obligated Person or others as thereafter disseminated by the Dissemination Agent.

(c) Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

5. **Quarterly Reports.**

(a) Each Obligated Person (other than the District) through their Disclosure Representative shall provide an electronic copy of the Quarterly Report to the Dissemination Agent no later than fifteen (15) days prior to the Quarterly Filing Date. Promptly upon receipt of an electronic copy of the Quarterly Report, but in any event within ten (10) days after receipt thereof, the Dissemination Agent shall provide a Quarterly Report to the Repository.

(b) Each Quarterly Report shall contain an update of the following information to the extent available:

(i) [The product type, total number of units (for apartments and condominiums), and total square footage (for retail, commercial and office) subject to the Assessments.

(ii) The product type, total number of units (for apartments and condominiums), and total square footage (for retail, commercial and office) owned by the Obligated Person.

(iii) The product type, total number of units (for apartments and condominiums), and total square footage (for retail, commercial and office) that is developed in the District.

(iv) The product type, total number of units (for apartments and condominiums), and total square footage (for retail, commercial and office) that is under construction in the District.

(v) The product type, total number of units (for apartments and condominiums), and total square footage (for retail, commercial and office) that has been constructed and issued a Certificate of Occupancy in the District.

(vi) The product type, total number of units (for apartments and condominiums), and total square footage (for retail, commercial and office) in the District that is under contract for sale to an unrelated third party.

(vii) The product type, total number of units (for apartments and condominiums), and total square footage (for retail, commercial and office) in the District that has been sold to an unrelated third party, and in the event of such sale:

- 1) A description of the parcel or tract reference.
- 2) The sale price as provided in the County property records.

- 3) The date of the sale.
- 4) The associated ERUs assigned to the parcel.
- 5) The name of the purchaser.

(viii) [For any land in the District being developed by any Obligated Person for commercial, office or retail leasing:

- 1) The total amount of gross leasable area ("GLA") being developed;
- 2) The total GLA for which a Certificate of Occupancy has been received.
- 3) Total GLA under contract pursuant to executed Leases
- 4) Total GLA under contract pursuant to an executed Letter of Intent.
- 5) A list of the executed Leases in the District including for each lease the following: (A) identification of the tenant, and (B) square footage leased to the Tenant.]

(ix) Description of any change to the product type, total number of units (for apartments or condominiums), or total square footage (for retail, commercial or office) planned to be developed in the District by the Obligated Person.

(x) Materially adverse changes or determinations to permits/approvals for the development of the District which necessitate changes to the land use plans of any Obligated Person.

(xi) The occurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the District, including the amount, interest rate and terms of repayment.

For purposes of this Section 5(a), to the extent the Landowners are "Obligated Persons" under this Disclosure Agreement, the "Obligated Person" reporting in subsections (ii), (viii), (ix) and (x) shall be reported in the aggregate under the name ["Riverside Heights Holdings."]

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in the District (a "Transferor Obligated Person") 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 Transferor Obligated Person hereby agrees to use its best efforts to contractually obligate such third party to agree to comply with the disclosure obligations of an Obligated Person 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 Transferor Obligated Person shall notify the District and the Dissemination Agent in writing of any Transfer

within five (5) Business Days of the occurrence thereof. Nothing herein shall be construed to relieve a Transferor Obligated Person from its obligations hereunder except to the extent a written Assignment from a Transferee is obtained and delivered to the Dissemination Agent and then only to the extent of such Assignment.

(d) If the Dissemination Agent has not received a Quarterly Report from each Obligated Person (through its Disclosure Representative) that contains, at a minimum, the information in Section 5(b) of this Disclosure Agreement by 12:00 noon on the first (1<sup>st</sup>) Business Day following each Quarterly Filing Date, a Listed Event described in Section 6(a)(xv) shall have occurred and the District and each Obligated Person hereby direct the Dissemination Agent to send a notice to the Repository in substantially the form attached as Exhibit A, with a copy to the District. The Dissemination Agent shall file such notice in a timely manner in accordance with Section 6 below.

6. **Reporting of Significant Events.**

(a) This Section 6 shall govern the giving of notices of the occurrence of any of the following Listed Events:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on the Debt Service Reserve Fund reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;\*
- (v) Substitution of credit or liquidity providers, or their failure to perform;\*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;

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\* Not applicable to the Bonds at their date of issuance.



(xi) Rating changes;\*

(xii) Bankruptcy, insolvency, receivership or similar event of the District or any Obligated Person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District or any Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District or any Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District or any Obligated Person);

(xiii) Consummation of a merger, consolidation, or acquisition involving the District or any Obligated Person or the sale of all or substantially all of the assets of the District or any Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional Trustee or the change of name of the Trustee, if material; and

(xv) Failure to provide (A) any Annual Report or Audited Financial Statements as required under this Disclosure Agreement that contains, in all material respects, the information required to be included therein under Section 4(a) of this Disclosure Agreement, or (B) any Quarterly Report as required under this Disclosure Agreement that contains, in all material respects, the information required to be included therein under Section 5(b) of this Disclosure Agreement, which failure shall, in all cases, be deemed material under federal securities laws.

(b) The District shall give, or cause to be given, notice of the occurrence of any of the above subsection (a) Listed Events to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after its occurrence, with the exception of the Listed Event described in Section 6(a)(xv), which notice will be given in a timely manner. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (d) below. Such notice shall identify the Listed Event that has occurred, include the text of the disclosure that the District desires to make, contain the written authorization of the District for the Dissemination Agent to disseminate such information, and identify the date the District desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth (10<sup>th</sup>) Business Day after the occurrence of the Listed Event or such earlier time period as required by this Agreement).

(c) Each Obligated Person shall notify the District of the occurrence of a Listed Event described in subsections (a)(x), (xii) or (xiii) above as to such Obligated

Person within five (5) Business Days after the occurrence of the Listed Event so as to enable the District to comply with its obligations under this Section 6.

(d) If the Dissemination Agent has been instructed by the District to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with each Repository.

7. **[Additional Disclosure Obligations.** The Majority Landowners acknowledge and understand that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Majority Landowners, and that the failure of the Disclosure Dissemination Agent to so advise the Majority Landowners shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Majority Landowners acknowledge and understand that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.]

8. **[Voluntary Reports.**

(a) The Majority Landowners may instruct the Disclosure Dissemination Agent to file information with the MSRB, from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Majority Landowners from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Information or Voluntary Report in addition to that required by this Disclosure Agreement. If the Majority Landowners choose to include any information in addition to that which is specifically required by this Disclosure Agreement, the Majority Landowners shall not have any obligation under this Disclosure Agreement to update such information or include it in any report.]

9. **Termination of Disclosure Agreement.** This Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

10. **Dissemination Agent.** Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the District or the Dissemination Agent as provided herein, 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 Holders of the Bonds. If at any time there is not any other designated Dissemination Agent, the District shall be deemed to be the Dissemination Agent. 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 \_\_\_\_\_. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of the Dissemination Agent. The Dissemination Agent may terminate its role as Dissemination Agent at any time upon delivery of thirty (30) days prior written notice to

the District and each Obligated Person (through its Disclosure Representative). The District may terminate the Dissemination Agent's role as Dissemination Agent at any time upon delivery of written notice to the Dissemination Agent.

11. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the District and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the District, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the District shall describe such amendment and/or waiver in the next Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Notwithstanding the above provisions of this Section 11, no amendment to the provisions of Section 5(b) hereof may be made without the consent of the each Obligated Person, if any.

12. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the District shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

13. **Default.** In the event of a failure of the District, the Disclosure Representative, any Obligated Person or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee [may (and, at the request of any Participating Underwriter or the Beneficial Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and receipt of indemnity satisfactory to the Trustee, shall),] or any beneficial owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District, the Disclosure Representative, any Obligated Person or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement by any Obligated Person shall not be deemed a default by the District hereunder and

no default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the District, the Disclosure Representative, any Obligated Person, or a 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 between the District, Landowners and such Dissemination Agent. The Dissemination Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. The District, each Obligated Person and the Disclosure Representative covenant that they will supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The District, Landowners and the Disclosure Representative acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, Obligated Person(s), the Disclosure Representative and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, any Obligated Person or the Disclosure Representative as thereafter disseminated by the Dissemination Agent. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format.

15. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the District, Landowners, the Dissemination Agent, the Trustee, the Participating Underwriter and the Owners of the Bonds (the Dissemination Agent, the Trustee, Participating Underwriter and Owners of the Bonds being hereby deemed express third party beneficiaries of this Disclosure Agreement), and shall create no rights in any other person or entity.

16. **Tax Roll and Budget.** Upon the request of the Dissemination Agent, the Trustee or any Bondholder, the District, through its District Manager, if applicable, agrees to provide such party with a certified copy of its most recent tax roll provided to the Hillsborough County Tax Collector and the District's most recent adopted budget.

17. **Governing Law.** The laws of the State of Florida and Federal law shall govern this Disclosure Agreement and venue shall be any state or federal court having jurisdiction in Hillsborough County, Florida.

18. **Counterparts.** This Disclosure Agreement may be executed in several counterparts and by PDF signature and all of which shall constitute but one and the same instrument.

19. **Trustee Cooperation.** The District represents that the Dissemination Agent is a bona fide agent of the District and the District instructs the Trustee to deliver to the Dissemination Agent at the expense of the District, any information or reports the Dissemination Agent requests in writing.

20. **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 any entity comprising an Obligated Person 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 hereunder Obligated Persons shall be bound or benefited by this Disclosure Agreement.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**THE HEIGHTS COMMUNITY  
DEVELOPMENT DISTRICT, AS DISTRICT**

[SEAL]

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

ATTEST:

By: \_\_\_\_\_  
Assistant Secretary

**RIVERSIDE HEIGHTS HOLDINGS I, LLC,  
AS AN OBLIGATED PERSON**

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

**RIVERSIDE HEIGHTS HOLDINGS II, LLC,  
AS AN OBLIGATED PERSON**

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

**RIVERSIDE HEIGHTS HOLDINGS III, LLC,  
AS AN OBLIGATED PERSON**

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

**RIVERSIDE HEIGHTS PEARL LLC, AS AN  
OBLIGATED PERSON**

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

**RHH 220 7TH AVENUE, LLC, AS AN  
OBLIGATED PERSON**

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

\_\_\_\_\_, AS  
DISSEMINATION AGENT

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

**CONSENTED TO AND AGREED TO BY:**

**DISTRICT MANAGER**

**DISTRICT MANAGEMENT SERVICES,  
LLC D/B/A MERITUS DISTRICTS, AS  
DISTRICT MANAGER**

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

Acknowledged and agreed to for purposes of  
Sections [13, 15 and 19] only:

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

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

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

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



**EXHIBIT A**

**FORM OF NOTICE TO REPOSITORIES OF FAILURE  
TO FILE [ANNUAL REPORT]  
[AUDITED FINANCIAL STATEMENTS][QUARTERLY REPORT]**

Name of Issuer: The Heights Community Development District

Name of Bond Issue: \$\_\_\_\_\_ original aggregate principal amount of Special Assessment and Revenue Bonds, Series 2017 (Committed Tax Increment and Special Assessments)

Obligated Person(s): The Heights Community Development District;  
[\_\_\_\_\_]

Original Date of Issuance: July \_\_, 2017

CUSIP Numbers: \_\_\_\_\_

NOTICE IS HEREBY GIVEN that the [Issuer][Obligated Person] has not provided an [Annual Report] [Audited Financial Statements] [Quarterly Report] with respect to the above-named Bonds as required by [Section 3] [Section 5] of the Continuing Disclosure Agreement dated July \_\_, 2017 by and between the Issuer, Landowners and the Dissemination Agent named therein. The [Issuer][Obligated Person] has advised the undersigned that it anticipates that the [Annual Report] [Audited Financial Statements] [Quarterly Report] will be filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_

\_\_\_\_\_, as Dissemination Agent

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

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

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

cc: Issuer  
Trustee

2017



# THE HEIGHTS

COMMUNITY DEVELOPMENT DISTRICT

## MASTER ASSESSMENT METHODOLOGY REPORT

Compiled By:  
**Meritus**  
Districts

June 13, 2017

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## **PURPOSE**

This 2017 Master Assessment Methodology Report (“Master Methodology Report”) supersedes and replaces the Master Assessment Methodology Report originally approved for The Heights Community Development District (the “District”) dated September 6, 2006. The original Master Report contained a maximum assignment of debt in the amount of \$70,000,000, which included a construction cost estimate at that time in the sum of \$42,785,172. The anticipated product mix at that time consisted of 1,365 residential units and 180,000 square feet of commercial/retail space. As the public project was delayed during the economic recession from 2007 through 2014, the capital improvement, land use has been substantially revised since contemplated within the original engineering report provided by Scarola and Associates, dated July 25, 2006.

This Master Methodology Report contains details of the basis of the assessment methodology and financing plan applied proportionately in accordance with the private benefiting land areas within the District. Specifically, the purpose of this Master Methodology Report is to lien the lands that benefit from the updated 2017 Capital Improvement Plan “CIP”, as outlined by the updated 2017 Master Engineer’s Report prepared by Landmark Engineering & Survey Company, dated June 12, 2017 (the “Engineer’s Report”). The 2017 Engineer Report supersedes and replaces the original 2006 Engineer Report originally prepared as referenced above.

For purposes of the 2017 Master Methodology Report, the basis of benefit to properties within the District relates directly to the proposed CIP as described in the 2017 Engineer’s Report. It is the CIP that will create the public infrastructure that enables properties within the District boundaries to be developed and improved. Without these public improvements (for example; utilities, roads, wastewater and waterway management systems) the development of private parcels within the District boundaries could not be undertaken within the current legal development standards. The main objective of this report is to quantify the benefit basis of specific projects within the CIP and the development as a whole. This report will distribute those Capital Improvement Program expenditures proportionally on properties based on allocation of benefit received through a detailed allocation methodology and finance plan contained herein.

The District will issue Bonds to finance the construction and/or acquisition of all or a portion of the Capital Improvement Plan which will provide special benefit to assessable parcels within the District. The Bonds will be repaid primarily from the receipt of annual Redevelopment Trust Fund contributions as defined in the 2015

inter-local agreement between the City of Tampa, the Community Redevelopment Agency of the City of Tampa known as the Old Tampa Police Department Site Community Redevelopment Agency (“OTPDs CRA”) and The Heights Community Development District. The anticipated redevelopment trust fund cash flow from this agreement as estimated is reported in the 2017 Financial Impact Analysis report. The Financial Impact Analysis made certain assumptions regarding the total number of residential units, square footage estimates for commercial/retail space, completion dates and an escalation in assessable values for ad-valorem millage rates computations to formulate estimated TIF contributions. Each year, after the annual payment amount from the CRA Trust Fund has been determined; any shortage between such amount and the required debt service for the Bonds will be paid from special assessments on all benefiting real property according to the methodology determined in this report. Each benefiting property will secure the debt by a lien based on the amount of benefit received and allocation stated within this report. Non-ad valorem assessments will be collected each year to provide funds necessary for: the payment of any remaining Debt Service on the Bonds which are not covered by the TIF Fund contribution as well as operation and maintenance of the capital improvements and administration of the District. This report outlines the proposed financing structure and assessment methodology for the Bonds to be issued by the District.

In summary, this report was created in accordance with Chapters 170, 190, and 197 Florida Statutes, as amended, which stipulate the requirements necessary for the levying and collecting of Special Assessments based on benefits received and is consistent with our understanding and experience with case law on this subject.

### **PROPOSED IMPROVEMENTS**

The total cost to fund the 2017 Capital Improvement Plan (“CIP”) is \$23,500,000 and consists of infrastructure improvements to the District including a roadway system, water and utilities, stormwater management, parks, riverwalk, recreational facilities, landscape, hardscape and security. Each infrastructure facility works as a system to provide special benefits to the lands within the district. As an example of application of benefit received by a system, the roadway system benefits each residential unit and all commercial/retail space within the development program, as all private landowners within the District benefit the same from the first few feet of pavement as they do from the last few feet. This same application can also be demonstrated by the water and utilities improvements as it is a system that is designed to protect the entire development program, thereby creating benefit for all landowners within the District. The same logic can be applied to all infrastructure improvements contained within the CIP.

The CIP infrastructure improvement categories and cost allocation, segmented by category, are detailed within Table 2. Additional information relative to the scope of development improvements comprising the CIP is contained within The Heights Community Development District Engineers Report, Dated June 13<sup>th</sup> 2017.

### **PROPOSED FINANCING**

The District intends to finance the CIP estimated cost through the issuance of tax exempt Bonds. Bonds create funding for the CIP, establish a capitalized interest and debt service reserve fund, and cover the cost of issuance and other Bond administration costs. Table 3 provides information relative to the costs comprising the proposed Series 2017 Bonds. Supplemental Methodology Reports that reflect the actual rates and terms negotiated will be issued with each Bond Series contemplated. As the District currently assumes only one Bond issue, it reserves the right to issue in various series as this report will provide the flexibility to additional supplemental reports until such time sufficient funds are provided to complete the CIP.

### **DETERMINATION OF SPECIAL ASSESSMENT ELIGIBILITY**

There are three main requirements for valid Special Assessments; first, improvements to Benefited Properties that the Special Assessments encompass must be for an approved and assessable purpose (F.S. 170.01). Secondly, Special Assessments can only be levied on those properties benefiting from the improvements (F.S. 170.01), and lastly Special Assessments allocated to each Benefited Property cannot exceed the proportional benefit to each parcel. (F.S. 170.02)

The District's CIP contains a "Systems of Improvements" including the construction of roadway system, water and utilities, stormwater management, parks, riverwalk, recreational facilities, landscape, hardscape, and security; all of which are considered to be for an approved and assessable purpose (F.S. 170.01), which satisfies the first requirement for a valid Special Assessment, above. Additionally, the improvements will result in certain properties in the District receiving a direct and specific benefit, thereby making those properties legally subject to assessments (F.S. 170.01), which satisfies the second requirement, above. Finally, the specific benefit to the properties is equal to or exceeds the cost of the assessments levied on the benefited properties (F.S. 170.02), which satisfies the third requirement, above.

While the first requirement for a valid Special Assessment is easily satisfied by ensuring that the improvements are allowed in the list provided in F.S. 170.01, the second and third requirements for a valid Special Assessment

require a more analytical approach, as required by F.S. 170.02. This involves identifying specific benefits to the various benefiting properties and assigning value to these benefits, to ensure the value of the benefits exceed the cost of providing the improvements. The second and third requirements are the key necessities for a valid Special Assessment. A reasonable estimate of the proportion of special benefits received from the improvements is expressed in terms within Table 4.

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special benefits to the property deriving from the construction of the District's CIP (and the responsibility for the payment of the allocated debt) have been apportioned to the property according to reasonable estimates of the special benefits provided consistent with each land use category. Accordingly, no acre or parcel of property within the boundary of the District will be assessed for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property. Property within the District that will not be subject to the Special Assessments includes publicly owned (State/County/City/CDD) tax-exempt parcels such as; lift stations, road rights-of-way, City owned parcels, waterway management systems, common areas – etc.

Due to the Inter-local Agreement which will provide substantial financial benefit to the benefiting property owners within the District, there is minimal concern that any given residential or commercial property owner after improvements will be obligated to pay a special assessment that approaches the value of the benefit received from the public improvements constructed by the District.

Existing and/or potential property owners in the District are aware through contractual disclosure from the Developer, as required by F.S. 190.035, that there are very specific costs (e.g. assessments) associated with the District, and have and/or will have consented to repay the assessments levied for the purpose of providing the improvements by ultimately purchasing property in the District. Accordingly, it is reasonable to think that by purchasing property, future owners are agreeing to this assessment due to the fact that the benefits received by the property owners from the improvements exceed the cost of the Special Assessments to be paid by the property owners.

## **ALLOCATION METHODOLOGY**

The total cost of the services that could be funded by the assessments is allocated to each property based on the estimated special benefit received. The method of benefit allocation is based on the relative special benefit in relation to the property use. According to F.S. 170.02, the methodology by which valid Special Assessments are allocated to specifically benefited property must be determined and prorated according to foot frontage of said property, *or by such other method as the governing body of the District may prescribe* (F.S. 170.02). This alone gives the District latitude in determining how Special Assessments will be allocated to specifically benefited properties.

There are a variety of methodologies adopted by other community development districts within the State, by which Special Assessments can be allocated. The location of the District in an urban redevelopment area creates unique circumstances which require consideration of methodologies which differ from the more traditional suburban communities where a front footage or lot size approach would be appropriate. Oftentimes, it is necessary to explore two or more methodologies and benefit applications in order to allocate the Special Assessments to specifically benefited property in a fair and reasonable manner. For any particular CIP, one of these methods will more adequately reflect the true benefits received by the improvements as a whole, or any part thereof, than the others. Depending on the nature of the improvements, the various methodologies include, but are not limited to, gross acreage, average daily trip generations, surface area, front footage, equivalent benefit units and equivalent assessment units. While there is no perfect assessment methodology, it is important that assessments be implemented in a reasonable, consistent, and fair manner.

## **THE HEIGHTS BENEFIT ALLOCATION**

It has been determined that each type of land use within the District will receive a varying level of benefit from the CIP. In this case, the method that provides the most reasonable allocation of assessments is the Equivalent Assessment Unit “EAU” allocation.

### **EQUIVALENT ASSESSMENT UNITS (EAU)**

This methodology is used when it is determined that due to the nature of the improvements being funded; properties of different sizes and uses receive different specific benefits from the construction of the improvements. The EAU reflects an estimate of the relationship of specific benefit received by the construction of the improvements.

The EAU method was chosen for the District because of the use and nature of the improvements being funded indicates that the use of properties benefit varies from the proposed improvements. Based on our experience, we believe the use of the EAU methodology for the District satisfies the criteria for a valid assessment under Florida law described above and will result in a valid assessment being imposed by the District.

<u>Product Type</u>	<u>EAU Factor</u>
Apartment (Each)	1.00
Condo (Each)	1.25
Retail (per 1,000 sq. ft.)	1.25
Office (per 1,000 sq. ft.)	2.00
Hotel (per 1,000 sq. ft.)	1.25
Commercial (per 1,000 sq. ft.)	1.25

### **ASSIGNMENT OF ASSESSMENTS**

It is useful to consider three distinct states or conditions of development within a community. The initial condition is the “undeveloped state”. These assessments would be calculated on an equal acre basis across the remaining net developable acreage. The Heights CDD however currently has improvements and also has designated private property owners with occupied commercial/office facilities.

The second condition is “on-going development” and is the current state of The Heights CDD. At this point the installation of infrastructure has begun. Additionally, the Development Program has started to take shape. As components of the Development Program are platted, they are assigned specific assessments in relation to the estimated benefit that each lot receives from the CIP. Therefore, each land use would be assigned a par debt assessment as prescribed in Table 4. The remaining unassigned debt would continue to reside on the balance of the net developable acreage. The remaining net developable acreage would continue to be assessed on an equal acre basis.

The third condition is the “completed development state”. In this condition, the entire Development Program has been platted, designation of use with approved/completed construction plans for apartments, retail commercial,



hotel, condo etc on the private lands within the District along with the recording of condominium documents which establish a defined number of lots or units and the total par value of the bonds has been assigned as specific assessments to each of the assessable parcels within the District.

### **ANALYSIS OF THE HEIGHTS COMMUNITY DEVELOPMENT DISTRICT**

Unlike most community development districts, the District will receive the benefits of funding from the community redevelopment trust fund in part or in whole through the duration of the 2015 inter-local agreement between the City of Tampa, the Community Redevelopment Agency of the City of Tampa known as the Old Tampa Police Department Site Community Redevelopment Agency (“OTPDS CRA”) and The Heights Community Development District. agreement. These funds will be generated as property values within the redevelopment area increase. Tax Increment Financing grows proportionally as the property values continue to increase over the base year values when the Fund was created. The inter-local agreement between the District, the CRA and the City of Tampa establishes a formula for transferring a portion of this growing revenue stream to the District annually to assist in the retirement of the debt. Some of this growth will occur as a result of increased value in undeveloped land within the District and other real property within the boundaries of the CRA yet outside the District which will result from the improvement of the infrastructure built by the District. Most of the increase in value, however, will come from the placement of complete land use within developed parcels on the tax rolls upon completion. This is not an insignificant matter as the plan of finance will be structured to anticipate full funding of the debt service from the CRA Trust Fund transfers upon build-out of the development. Special Assessments will be “back-up” assessments if needed to pay for any shortfall from the TIF fund transfers during the duration of the agreement, with the District responsible for payments in whole beyond the terms of the agreement with the City of Tampa thru September 30, 2043. The challenge therefore is to devise a means to credit those units which are productive participants in the growth of the trust funds for their share of the annual transfer according to their proportional share of the active units on the tax rolls every year.

Prior to the District’s Annual Budget Meeting for Assessments, the District shall determine what level of TIF revenues are to be available based on the Hillsborough County Property Appraiser’s Preliminary Tax Role for the CRA. The District will then determine the amount of anticipated funding from the CRA as allowed in the Inter-local Agreement. The District will calculate a need for Special Assessment Levy and collection via the tax roll as follows:

**Net Annual Debt Service**

Less CRA funds from TIF per agreement

Less Interest Income

Less Capitalized Interest

-----

**Equals Net Special Assessment Levy**

If the funds available from the CRA, interest income and capitalized interest are sufficient to pay the annual debt service, then no special assessment will be made for that year. If funds are insufficient, then the deficit will be proportionally applied against EAUs assigned per parcel for existing private property owners based on current use with the balance applied per net developable acre, proportionately applied against the remaining undeveloped private property.

**TRUE UP MECHANISM**

It is possible that changes can occur impacting the initial assessment allocations. These changes typically relate to but are not limited to 1) Amendments to the District Boundaries 2) Net developable acreage changes 3) Non-assessable public/city owned parcels conveyed to private entities or 4) A change of the planned units or square footage of various uses as contemplated to more closely reflect actual market conditions.

This will cause the need for a necessary adjustment to the assignment of assessment principal. In order to ensure sufficient revenue from such special assessments is received from the subsequent platting, approved/completed construction plans and designation of use of the private lands within the District, the District will be required to perform a “true-up” analysis which will require a periodic computation to determine the total planned Equivalent Assessment Units and the number of anticipated remaining Equivalent Assessment Units within the District.

As Equivalent Assessment Units are platted or otherwise defined, if the available funding and special assessment revenue anticipated to be generated from the sum of the current EAUS and the remaining EAUs is equal to or greater than that of the total planned EAUs, no action would be required at that time until finalization

of the project. If, however, the assessment revenue anticipated to be generated from the sum of the current EAUs and the remaining EAUs when combined with a conservative estimate of reliable revenue from the inter-local funding agreement is less than that projected from the total EAUs , then the owners of the remaining net developable acreage will be obligated to immediately remit, to the Trustee, for deposit into the redemption account pursuant to the Trust Indenture, an amount equal to the Total Assessment for the difference between the Total EAUs and the sum of the current EAUs, the remaining EAUs and the conservative estimate of reliable revenue from the inter-local funding agreement in an amount that is apportioned per acre to owners of net developable acreage. Until otherwise determined to be considered a reasonable assurance of available debt service funding, a reasonable and conservative estimate is considered to be 85% of the revenue projected in the 2017 Financial Impact Analysis Report. The payment is the principal amount of the bonds allocated to each unit based on the methodology described herein plus applicable interest as shown within the report and respective bond sizing. The true-up computation will be evaluated annually with proposed budget prior to June 15<sup>th</sup> and required after achieving 25%, 50% 75% 100% of the total planned EAUs identified in Table 1.

If it is determined that property types not currently contemplated in this report are later added, then this Assessment Methodology will need to be applied to include the new land use. Perhaps more importantly, the actual assessments will be adjusted accordingly, as long as the new, revised assessments do not surpass the initial level assessments as originally adopted in this report. If any land within the District, or is added to the District that is not currently subject to assessments and receives specific benefits from this CIP, then the Assessment Methodology described in this report shall be applied by the associated benefit lien process required. As a result, the benefitting land and associated equivalent assessment units assigned will be allocated its share of assessments based on the benefits received, which will also result in any currently assessed land receiving a proportionate reduction in its assessments.

**TABLE 1**  
**THE HEIGHTS**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**MASTER ASSESSMENT METHODOLOGY REPORT**

PROJECT STATISTICS			
<u>PRODUCT</u>	<u>PER UNIT</u> <u>EAU<sup>(1)</sup></u>	<u>TOTAL</u> <u>UNITS</u>	<u>TOTAL</u> <u>EAUs</u>
Apartments	1.00	900	900
Condominiums	1.25	620	775
Retail/Commercial (per 1,000 sq. ft.)	1.25 <sup>(2)</sup>	212	265
Office (per 1,000 sq. ft.)	2.00 <sup>(2)</sup>	278	556
<b>TOTAL:</b>		<b>2,010</b>	<b>2,496</b>

**Notations:**

<sup>(1)</sup> Equivalent Assessment Unit

<sup>(2)</sup> Unit application is based on 1 unit per 1,000 square feet of space.

**TABLE 2**  
**THE HEIGHTS**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**MASTER ASSESSMENT METHODOLOGY REPORT**

<b>TOTAL DEVELOPMENT INFRASTRUCTURE COST DETAIL - SERIES 2017 BONDS</b>	
<b><u>CAPITAL IMPROVEMENT PLAN</u></b>	<b><u>COSTS</u></b>
Roadway System	\$5,300,000
Water and Wastewater Utilities	\$2,200,000
Stormwater Management	\$4,500,000
Recreational Facilities	\$4,100,000
Electrical Distribution	\$3,500,000
Landscaping & Hardscaping	\$3,900,000
<b>Total Costs</b>	<b><u>\$23,500,000</u></b>

**TABLE 3**  
**THE HEIGHTS**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**MASTER ASSESSMENT METHODOLOGY REPORT**

<b>LONG-TERM FINANCING INFORMATION</b>		
Coupon Rate		5.13% <sup>(1)</sup>
Term (Years)		31
Principal Amortization Installments		30
<b>ISSUE SIZE</b>		<b>\$29,115,000</b>
Construction Fund		\$23,500,000
Capitalized Interest (Months)	27	\$3,304,085
Debt Service Reserve Fund	5.07%	\$1,476,432
Underwriter's Discount	2.00%	\$582,300
+ Premium / - Discount		\$0
Cost of Issuance		\$250,000
Rounding		\$2,183
<b><u>ANNUAL ASSESSMENT</u></b>		
Max Annual Debt Service (Principal & Interest)		\$1,476,432
Collection Costs and Discounts, 6%		\$94,240 <sup>(2)</sup>
<b>TOTAL ANNUAL ASSESSMENT</b>		<b><u><u>\$1,570,672</u></u></b>

**Notations:**

<sup>(1)</sup> Based on estimated interest terms, which are subject to change based on market conditions.

<sup>(2)</sup> Collection costs and discounts are included as a component of the total annual assessment levy.

**TABLE 4**  
**THE HEIGHTS**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**MASTER ASSESSMENT METHODOLOGY REPORT**

ALLOCATION METHODOLOGY - SERIES 2017 BONDS								
<u>PRODUCT</u>	<u>PER UNIT</u>	<u>TOTAL</u>	<u>% OF</u>	<u>UNITS</u>	<u>PRODUCT TYPE</u>		<u>PER UNIT</u>	
	<u>EAU</u>	<u>EAUs</u>	<u>EAUs</u>		<u>TOTAL</u>	<u>ANNUAL</u>	<u>TOTAL</u>	<u>ANNUAL</u>
					<u>PRINCIPAL</u>	<u>ASSMT<sup>(1)</sup></u>	<u>PRINCIPAL</u>	<u>ASSMT<sup>(1)</sup></u>
Apartments	1.00	900.00	36.06%	900	\$10,498,197	\$566,348	\$11,665	\$629
Condominiums	1.25	775.00	31.05%	620	\$9,040,114	\$487,689	\$14,581	\$787
Retail/Commercial (per	1.25	265.00	10.62%	212	\$3,091,136	\$166,758	\$14,581	\$787
Office (per 1,000 sq. ft.)	2.00	556.00	22.28%	278	\$6,485,553	\$349,877	\$23,329	\$1,259
<b>TOTAL</b>		<b>2,496.00</b>	<b>100%</b>	<b>2,010</b>	<b>29,115,000</b>	<b>1,570,672</b>		

**Notations:**

<sup>(1)</sup> Annual Assessments are based on the MADS, with administration fees and early payment discounts totaling 6%.

TABLE 5  
**THE HEIGHTS**  
COMMUNITY DEVELOPMENT DISTRICT  
PRELIMINARY ASSESSMENT ROLL

Preliminary Assessment Plat

The District consist of 49.188 gross acres. The initial assessments will be levied on assessable private property within The Heights Community Development District initially based on EAUs assigned on current developed parcels with the remaining assessments levied across remaining assessable parcels on a prorated basis across net developable acreage as outlined below. Annual Long Term Assessments are net of collection fees and the addition of pre-payment discounts.

PRELIMINARY ASSESSMENT ROLL	
TOTAL LONG TERM ASSESSMENT:	\$ 29,115,000.00
ANNUAL LONG TERM ASSESSMENT:	\$ 1,476,431.71
TOTAL PLANNED EAUs:	2,496
TOTAL LONG TERM ASSESSMENT PER EAU:	\$ 11,664.66
ANNUAL LONG TERM ASSESSMENT PER EAU:	\$ 591.52
COMPLETED EAUs:	125.316
REMAINING LONG TERM ASSESSMENT NOT ASSIGNED TO COMPLETED EAUs	\$ 27,653,233.95
REMAINING ANNUAL ASSESSMENT NOT ASSIGNED TO COMPLETED EAUs	\$ 1,402,305.05
TOTAL REMAINING NET DEVELOPABLE ACRES:	26.64
TOTAL LONG TERM ASSESSMENT PER NET DEVELOPABLE ACRE:	\$ 1,038,034.31
ANNUAL LONG TERM ASSESSMENT PER NET DEVELOPABLE ACRE:	\$ 52,639.08

Developed Parcels

FOLIO/OWNER	USE	UNITS	EAUs	Net Developable Acreage	TOTAL PRINCIPAL	TOTAL ANNUAL
1923340010	Office	31.075	62.150	n/a	\$ 724,959	\$ 36,763
RHH 200 7TH AVE LLC 701 S. Howard Avenue, Suite 106-322 Tampa						
1911400000	Office	12.161	24.322	n/a	\$ 283,708	\$ 14,387
	Retail	31.075	38.844		\$ 453,099	\$ 22,977
					\$ 736,807	\$ 37,364
RIVERSIDE HEIGHTS HOLDINGS II LLC 701 S. Howard Avenue, Suite 106-322 Tampa						
SUBTOTAL DEVELOPED:			125.316		\$ 1,461,766	\$ 74,127

Undeveloped Assessable Parcels

1911340000	Undeveloped			4.26	\$ 4,422,026	\$ 224,242
RIVERSIDE HEIGHTS PEARL LLC 701 S. Howard Avenue, Suite 106-322 Tampa						
1911170000	Undeveloped			3.67	\$ 3,809,586	\$ 193,185
1911360000				0.22	\$ 228,368	\$ 11,581
RIVERSIDE HEIGHTS HOLDINGS I LLC 701 S. Howard Avenue, Suite 106-322 Tampa				3.89	4,037,953.46	204,766.01
1922100000				18.49	\$ 19,193,254	\$ 973,297
RIVERSIDE HEIGHTS HOLDINGS III LLC 701 S. Howard Avenue, Suite 106-322 Tampa						
SUBTOTAL UNDEVELOPED:				26.64	\$ 27,653,234	\$ 1,402,305

Total Assessment Assigned \$ 29,115,000 \$ 1,476,432

Non-Assessable/City Owned Parcels, ROWs

1923340000	\$0	\$0
1923340100	\$0	\$0
1924250000	\$0	\$0
Acreage/Rights of Ways	\$0	\$0
CITY OF TAMPA		
	\$0	\$0



**EXHIBIT H**  
**TIF REPORT**

MASTER ENGINEER'S REPORT

**THE HEIGHTS  
COMMUNITY DEVELOPMENT DISTRICT**

Prepared For:

Board of Supervisors  
The Heights Community Development District

Prepared By:

Landmark Engineering & Surveying Corporation

June 2017

*November 2006 (Original – by Others)*

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### **TABLES**

Table 1	Summary of Opinion of Probable Costs
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Exhibit 3	CRA Boundary & Legal Description
Exhibit 4	Map of Net Developable Area
Exhibit 5	Proposed Development Plan

# **1. INTRODUCTION**

## **1.1 Description of the Project**

The Heights Community Development District (“District”) consists of approximately 49.1 acres which is located in Section 13, Township 29 South, Range 18 East, City of Tampa, Florida.

The Heights Redevelopment (“Heights”), a master planned community located on the Hillsborough River within southern Tampa Heights, is the fulfillment of the City of Tampa’s plan to revitalize the area adjacent to downtown. The Heights is located in the Community Redevelopment Area of the City of Tampa (“CRA”), which is bounded by Ross Avenue to the north, North Boulevard to the west, Tampa Street to the east and the Hillsborough River to the south.

The new community will serve a wide range of residential and commercial development, including apartments, retail space, offices and restaurants.

In keeping with many of the principles of the New Urbanism and of Traditional Neighborhood Development, the Heights has been designed as a bicycle-friendly and pedestrian-friendly environment with parks, squares, green spaces, brick-paved streets, tree-lined sidewalks, on-street parking, neighborhood storefronts and public transit connections. Demolition of existing roadway corridors and infrastructure are part of the development plan; followed by a complete redevelopment of infrastructure includes roadways, water and wastewater utilities, and stormwater management systems. In addition, an existing overhead power transmission line that runs through the area will be replaced with underground electric distribution lines.

The proposed project includes a new seawall with a multi-use path adjacent to the Hillsborough County (“Riverwalk”). This will be the focal point of the neighborhood. The Heights will include the design and construction of the northernmost portion of the City’s Riverwalk include that includes connection to the existing infrastructure at Ulele Restaurant and extends south past the Performing Arts Center to Amelie Arena.

The historic Water Works Building, which once housed the City's drinking water supply system, was renovated into the Ulele Restaurant and integrated with the newly development Water Works Park. Development of the Heights will include the creation of public spaces along the westward extension of 7<sup>th</sup> Avenue in front of the Tampa Armature Works Building and along the Riverwalk.

The Heights also includes renovation of the historic Tampa Armature Works building ("TAW"). The TAW will be a true mixed-use project with restaurants, office spaces, retail areas, and an event center.

In order to serve the residents of the District, which constitutes 49 acres of the 82 acre CRA, the District is developing a Master Capital Improvement Plan. This plan will allow the District finance and construct these certain roadway, utility, recreation and other public infrastructure facilities within and adjacent to the District. The improvements herein are required by or are consistent with the applicable Developer's Agreement adopted by the City of Tampa, and entered into by the City, CDD, CRA, and all landowners within the District boundaries. This report addresses the estimated construction costs for the proposed improvements. A description for each improvement is included in the body of this report.

The Master Capital Improvement Plan contained in this report reflects the present intentions of the District. The implementation of any improvement outlined within the plan requires approval by the Heights Community Development District Board of Supervisors.

Cost estimates contained in this report have been prepared based on best available information, including engineering plans and regulatory requirements as well as CDD expenditures to date. Actual costs will vary based on final engineering, planning and approvals from local, state and federal regulatory authorities.

The following permits were / are required prior to the starter of infrastructure construction for the Heights:

1. City of Tampa Site Approval (PLN 15-00000003 / Z13-61)
2. SWFWMD ERP (43034702.004)
3. City of Tampa Wastewater Approval (PLN 15-03)
4. DEP Wastewater Permit (0354167-001-DWC)
5. City of Tampa Water Permit (WO 8143)
6. DEP Water Permit (0168017-1318-DSGP-DEP)
7. ACOE Permit for Seawall & Riverwalk (SAJ-2006-02891)

8. City of Tampa Seawall (16-010)
9. Port Tampa Bay Seawall (16-010)
10. EPC Permit for Seawall (16-010)
11. FDEP Notice of Intent (FLR 10Q035-001)

All permits required for the proposed infrastructure project have been received; there are no outstanding permits required for the Heights.

## **1.2 Purpose of Report**

The purpose of this report is to provide a description of the public infrastructure improvements required by the District. These improvements are required to serve the Community within the District, and are provided in Table 1.

## **2. PROPOSED IMPROVEMENTS**

### **2.1 Roadway System**

The District presently intends to finance, design and construct certain transportation facilities within and adjacent to the District boundaries including the demolition of portion of the existing roadway network. These proposed transportation improvements are presently contemplated in the approved Development Agreement with the City of Tampa. The Heights will contain a hierarchy of streets to create an urban neighborhood. “Boulevard” and “Avenue” streets are intended to serve the most active elements of the community. These will be the widest streets and will be paved with asphalt or bricks. “Local” streets will serve as secondary roadways, will be slightly narrower than Main streets but will also be paved with either asphalt or bricks. “Alleys” function as purely utilitarian roadways and will be paved with asphalt.

Roadway cross-sections utilized for this estimate of development costs are based on the approved construction drawings. They may be altered by the transportation or design civil engineer during construction.

Boulevard streets will have 64’ wide rights-of-way (“ROW”) with 11’ wide travel lanes, 5’ wide bicycle lanes and 8’ wide parallel parking spaces. The remaining ROW will be green space with lighting. A 10’ wide strip adjacent and contiguous to the ROW serves as building setback, utility accommodation area and sidewalks.

Avenue streets will have 50’ wide ROW 10.5’ wide travel lanes, 5’ wide bicycle lanes or 8’ wide parallel parking spaces. The remaining ROW will be green space with lighting. A 10’ wide strip adjacent and contiguous to the ROW serves as building setback, utility accommodation area and sidewalks.

Local streets will have 50’ wide ROW 10’ wide travel lanes and 8’ wide parallel parking spaces. The remaining ROW will be green space with lighting. A 10’ wide strip adjacent and contiguous to the ROW serves as building setback, utility accommodation area and sidewalks.

Both one-way and two-way alleys have been considered, each providing 26’ of ROW. One-way alleys will have 15’ wide travel lanes and two-way will have 10’ wide travel lanes. Both will have ribbon curbs to define the edge of the travel lanes.



## **2.2 Water & Wastewater Utilities**

The District presently intends to finance, design and construct supporting infrastructure for the development plan within the District including demolition of portions of the existing water and wastewater utility infrastructure. Generally, the new facilities will supply water, provide fire protection, and remove and transfer wastewater to the City collection system.

Cost estimates are based on these facilities being designed, constructed and inspected to current City of Tampa design standards, and includes a new wastewater pump station.

## **2.3 Stormwater Management**

The District presently intends to finance, design and construct supporting stormwater management infrastructure required for the development plan within the District. This includes demolition of portions of the existing stormwater systems. The new facilities include an off-site pond that will provide compensatory water quality treatment. Generally, the proposed stormwater management system includes facilities necessary to support the community.

The cost estimate for stormwater includes dewatering, excavation, transportation and placement of fill to construct the system. Erosion protection will be provided in accordance with NPDES requirements.

## **2.4 Recreational Facilities**

The District presently intends to finance, design and construct recreational facilities within the District boundaries. These facilities include proposed passive parks, public docks on the Hillsborough River, and a portion of the Riverwalk.

The existing Riverwalk runs south from Water Works Park along the east bank of the Hillsborough River to the Performing Arts Center, continues to Curtis Hixon Park, MacDill Park, USF Park, and the Convention Center, then continues east along the north bank of Garrison Channel through Fort Brooke Park to its terminus at Channelside Drive east of Amalie Arena. The District will continue the Riverwalk west along the bank of the Hillsborough River within its boundaries.

## **2.5 Landscaping & Hardscaping**

The District presently intends to finance, design and construct certain landscape and hardscape amenities and facilities. These improvements include preservation and/or relocation of certain existing grandfather oak trees, street landscaping and street hardscaping such as benches, trash cans and hardscape associated with the Riverwalk. This includes demolition and replacement of the existing bulkhead and marginal wharf with a new seawall.

The District plans to have a successful urban tree canopy. To achieve this goal, a considerable amount of research has been performed to develop programs to address reasons why street trees typically fail, and to implement corrective measures in this community. A street tree plan has been developed and will be implemented with the restrictive programs. Additionally, the District has worked extensively with the City to characterize and identify grandfather oak trees for preservation.

The District plans to demolish and replace the existing bulkhead associated with the northern bank of the Hillsborough River within its boundaries. A concrete bulkhead is anticipated, and will be integrated with the new Riverwalk.

## **3. OPINION OF PROBABLE CONSTRUCTION COSTS**

Table 1 provides a Summary of Opinion of Probable Costs associated with the proposed improvements within the District. The summary includes roadways, water & wastewater utilities, stormwater management facilities, recreational facilities, and landscaping & hardscaping improvements. Other costs, such as (but not limited to) legal, administrative, financing, operation, and maintenance costs are not included in the estimate.

#### **4. SUMMARY & CONCLUSION**

The infrastructure outlined in this report is necessary for the functional development of the District as required by the applicable independent units of local government. The planning and design of the infrastructure is proposed to be in accordance with current governmental regulatory requirements. The infrastructure will provide its intended function so long as the construction is in substantial compliance with the proposed design and necessary permits.

Quantities used to prepare the Summary of Opinion of Probable Costs provided in this report were based on any approved construction plans available and any concept plans for improvements not yet approved by the applicable entities.. Quantities may vary upon completion of detailed construction drawings.

The estimate of infrastructure construction cost is an estimate only and not a guaranteed maximum price. The estimated construction cost is based on unit prices experienced for ongoing similar items of work in the area and developer's own cost database. Because labor market, cost of equipment and materials, and construction processes necessary to complete the work are beyond control and fluctuations in cost are expected, the final construction cost may be higher or lower than the estimate provided in this report.

**THE HEIGHTS**  
**Community Development District**

**Table 1 – Summary of Opinion of Probable Costs**

Infrastructure <sup>(1)</sup>	TOTAL
Roadway System <sup>(4)</sup>	\$ 5,300,000
Water & Wastewater Utilities	\$ 2,200,000
Stormwater Management <sup>(2)</sup>	\$ 4,500,000
Recreational Facilities	\$ 4,100,000
Electrical Distribution <sup>(3)</sup>	\$ 3,500,000
Landscaping & Hardscaping	\$ 3,900,000
<b>TOTAL</b>	<b>\$ 23,500,000</b>

Notes:

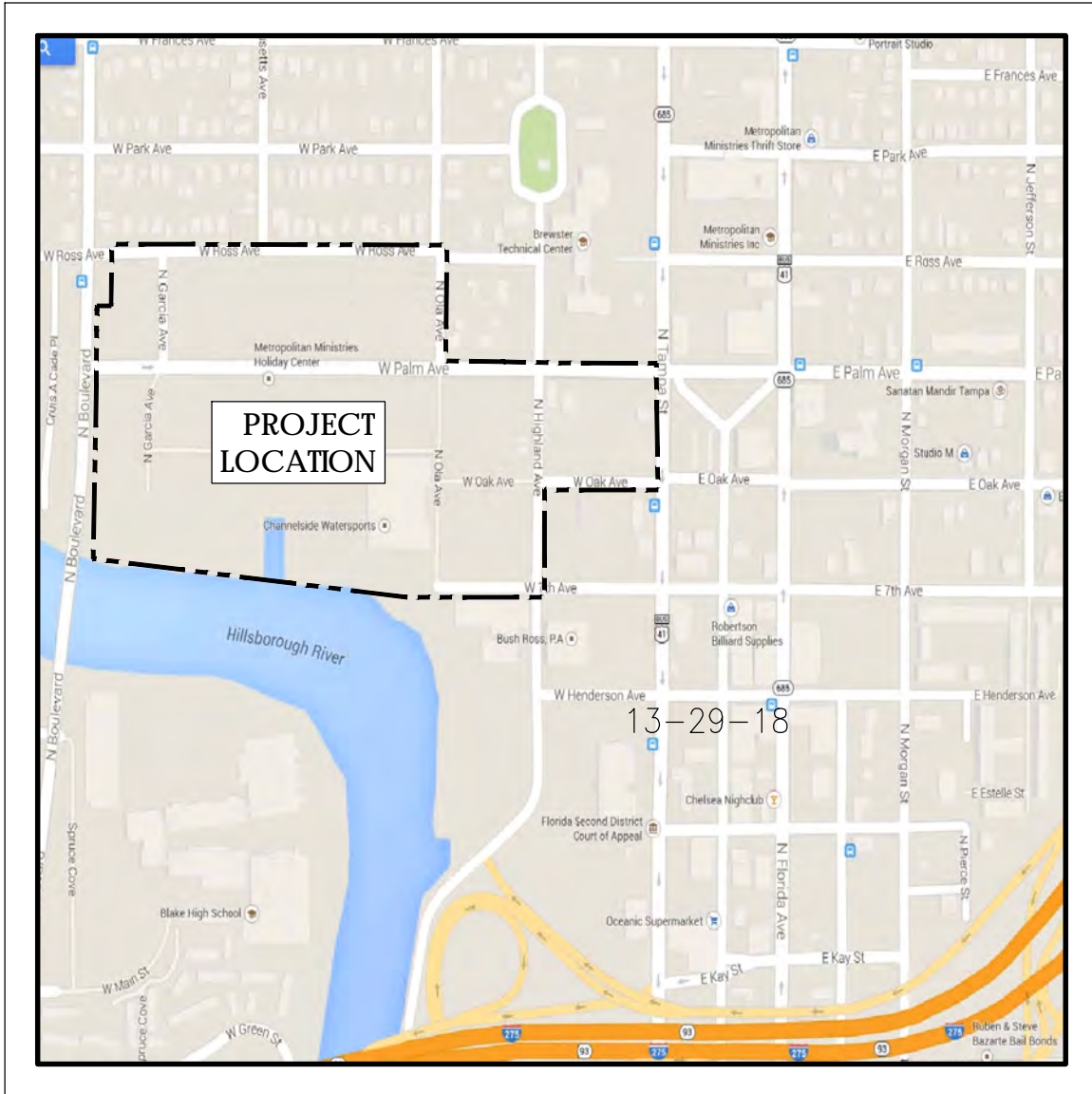
1. Estimate includes 15% cost contingency and 10% allowance for Professional Fees
2. Includes Rome Avenue treatment pond and associated improvements
3. CDD will enter into a Lighting Agreement with TECO for the street light poles and lighting service
4. Includes asphalt pavement, bricks & pavers, base / stabilization for paved areas

**THE HEIGHTS**  
**Community Development District**

**Table 2 – Summary of Proposed District Facilities**

District Infrastructure	Construction	Ownership	Capital Financing	Operation and Maintenance
Roadway System	District	District / City of Tampa	District Bonds *	District / City of Tampa
Water & Wastewater Utilities	District	City of Tampa	District Bonds *	City of Tampa
Stormwater Management	District	District	District Bonds *	District
Recreational Facilities	District	District / City of Tampa	District Bonds *	District / City of Tampa
Electrical Distribution	District	TECO	District Bonds *	TECO
Landscaping & Hardscaping	District	District	District Bonds *	District

\* Infrastructure costs in excess of District bond funds will be funded by the developer



## *Location Map*

NOT TO SCALE

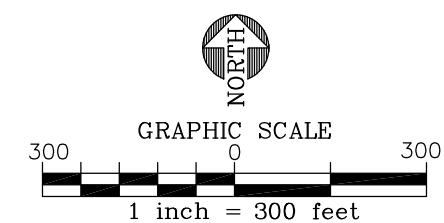
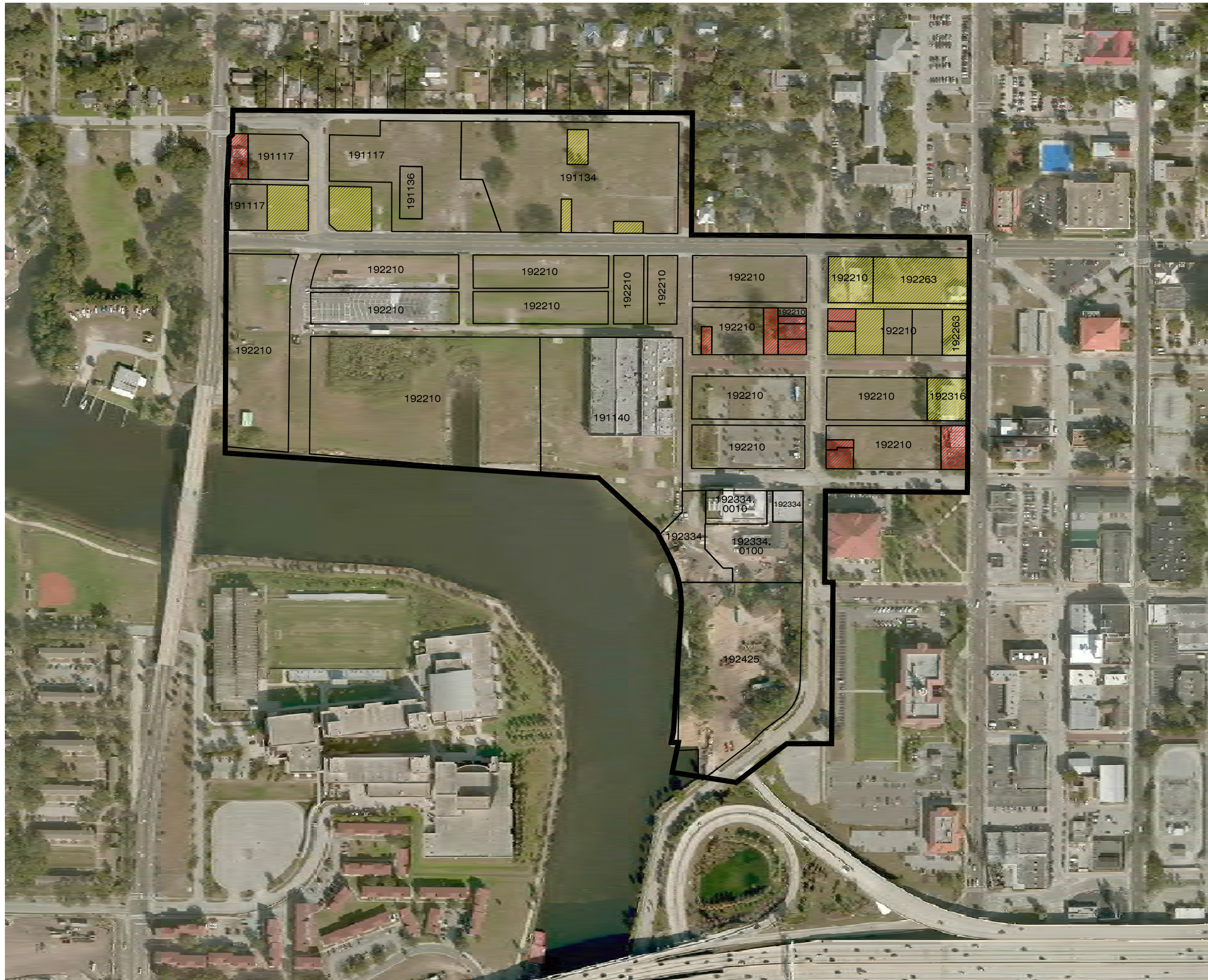


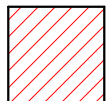
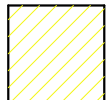


# THE HEIGHTS CDD

## District Boundary Map

06/23/17



-  Parcels Not Included
-  Parcels To be Added

**LANDMARK**  
Engineering & Surveying Corporation

8515 Palm River Road | Tampa, Florida 33619  
(813) 621-7841 | (813) 664-1832 (fax)  
www.lesc.com | L.B. # 3913



**THE HEIGHTS**  
**LEGAL DESCRIPTION**  
**COMMUNITY DEVELOPMENT DISTRICT PARCEL**

A parcel of land lying in Section 13, Township 29 South, Range 18 East, Hillsborough County, Florida, a portion of which is unplatted land, also being a portion of COURTNEY PLACE, as recorded in Plat Book 3, Page 13, also being a portion of CRAIG AND JAMIESON'S RIVERVIEW SUBDIVISION, as recorded in Plat Book 1, Page 31, also being a portion of DILLS' SUBDIVISION, as recorded in Plat Book 1, Page 17, also being a portion of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, as recorded in Plat Book 1, Page 39, also being a portion of HOLTSINGER'S REVISED PLAT OF BLOCKS 1 AND 2 OF SERAFIN SANCHEZ SUB. OF BLOCKS 2 AND 3 OF CRAIG & JAMIESON'S SUB., as recorded in Plat Book 6, Page 25, also being a portion of MAP OF LUTIE T. BECKWITH'S WATERFRONT, as recorded in Plat Book 7, Page 59, also being a portion of MATHEWS PLACE, as recorded in Plat Book 8, Page 54, also being a portion TOLAND'S SUBDIVISION, as recorded in Plat Book 1, Page 67, also being a portion of W. H. BECKWITH'S ADDITION TO MATHEWS PL., as recorded in Plat Book 11, Page 86, also being a portion of THAT PART OF JANE BOURQUARDEZ'S, as recorded in Plat Book 1, Page 19, also being a portion of RIVERFRONT SUBDIVISION EAST, as recorded in Plat Book 42, Page 56, ALL of the Public Records of Hillsborough County, Florida, also including a portion of ALL Alleys as shown on the aforesaid plats, and also being a portion of the rights-of-way for 7th AVENUE (VINE AVENUE by plat), GARCIA AVENUE, HIGHLAND AVENUE (3rd AVENUE by plat), JAMIESON STREET, MASSACHUSETTS AVENUE, OAK AVENUE, OLA AVENUE, PALM AVENUE, ROSS AVENUE, the vacated portion of HENDERSON AVENUE (6th AVENUE and SPRING AVENUE by plat), per City of Tampa Ordinance No. 680, and the vacated portion of ESTELLE STREET, per City of Tampa Ordinance No. 2002-258 and DOYLE CARLTON DRIVE, lying within or adjacent to the aforesaid plats, and being more particularly described as follows:

Commence at the Northeast corner of Lot 1, Block 17, of the aforesaid MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, said point also lying on the West right-of-way line of TAMPA STREET for a **POINT OF BEGINNING**, run thence along said West right-of-way line, the following four (4) courses: 1) S.00°28'23"W., 278.50 feet; 2) along the intersection right-of-way of the aforesaid OAK AVENUE, S.00°28'25"W., 63.21 feet; 3) S.00°31'46"W., 263.37 feet; 4) along the intersection right-of-way of the aforesaid 7th AVENUE, S.00°29'18"W., 64.00 feet to the Northeast corner of Lot 1, Block 23, of the aforesaid MAP OF HIGHLAND PARK 1st ADDITION, said point also lying on the South right-of-way line of said 7th



AVENUE; thence along said South right-of-way line, N.89°27'39"W., 408.00 feet to the Northwest corner of Lot 5, of said Block 23, of MAP OF HIGHLAND PARK 1st ADDITION, said point also lying on the East right-of-way line of the aforesaid HIGHLAND AVENUE; thence along said East right-of-way line, S.00°28'28"W., 262.00 feet to the Southwest corner of Lot 6, of said Block 23, of MAP OF HIGHLAND PARK 1st ADDITION, said point also lying on the North right-of-way line of the aforesaid HENDERSON AVENUE (5th AVENUE by plat); thence along said North right-of-way line, S.89°27'39"E., 23.95 feet; thence along the intersection right-of-way of said HENDERSON AVENUE (5th AVENUE by plat) and the aforesaid East right-of-way line of HIGHLAND AVENUE and the Southerly prolongation thereof, S.00°29'31"W., 463.88 feet; thence along the South right-of-way line of the aforesaid ESTELLE STREET, and the Easterly prolongation thereof, S.89°51'52"W., 129.44 feet to a point on the Southeasterly right-of-way line of the aforesaid DOYLE CARLTON DRIVE; thence along said Southeasterly right-of-way line, S.52°27'28"W., 182.24 feet to a point on the Northerly limited access right-of-way line for INTERSTATE HIGHWAY No. 4, per Florida Department of Transportation Right-of-way Map Section No. 10190-2412-41-14; thence along said Northerly limited access right-of-way line, also being the Southerly boundary of Lot 6B, of the aforesaid plat of RIVERFRONT SUBDIVISION EAST, and the Easterly extension thereof, N.81°11'41"W., 186.21 feet to a point on the Easterly boundary of the Combined Pierhead and Bulkhead Line for the HILLSBOROUGH RIVER, according to the map of "U.S. HARBOR LINES, TAMPA HARBOR, HILLSBORO RIVER AND HILLSBORO BAY", prepared by the Corps of Engineers, U.S. Army, and approved by the Secretary of the Army on January 19, 1953; thence along said Combined Pierhead and Bulkhead Line, N.11°31'59"E., 88.00 feet to a point on the Concrete Bulkhead Line, constructed by Permit with the Department of the Army, Jacksonville District, Corps of Engineers Permit No. SAJSP 66-251, dated October 12, 1966; thence along said Concrete Bulkhead Line, the following five (5) courses:

1) S.89°54'07"W., 20.26 feet; 2) N.11°31'59"E., 32.67 feet; 3) N.03°31'59"E., 348.18 feet to a point of curvature;

4) Northerly, 162.35 feet along the arc of a curve to the left having a radius of 300.01 feet and a central angle of 31°00'23" (chord bearing N.11°58'11"W., 160.38 feet) to a point of tangency; 5)

N.27°28'24"W., 79.28 feet to a point on the Northerly boundary of the aforesaid Combined Pierhead and Bulkhead Line for the HILLSBOROUGH RIVER; thence along said Combined Pierhead and Bulkhead Line, the following four (4) courses: 1) N.47°28'24"W., 227.97 feet; 2) N.86°12'14"W., 177.82 feet; 3)

N.86°12'18"W., 840.98 feet; 4) N.86°11'17"W., 55.91 feet to a point on the Easterly right-of-way line of NORTH BOULEVARD; thence along said Easterly right-of-way line, the following nine (9) courses: 1) N.00°16'10"E., 573.32 feet; 2) along the intersection right-of-way of the aforesaid PALM AVENUE, N.00°14'06"E., 64.00 feet; 3) N.00°12'23"E., 81.00 feet;

4) N.01°55'29"E., 50.02 feet; 5) N.01°56'32"E., 16.51 feet; 6) N.03°02'26"E., 101.11 feet; 7) N.00°12'23"E., 20.00 feet; 8) N.45°16'05"E., 14.13 feet; 9) along the intersection right-of-way of the aforesaid ROSS AVENUE, N.00°59'03"E., 69.67 feet to a point on the North right-of-way line of said ROSS AVENUE; thence along said North right-of-way line, the following three (3) courses: 1) S.89°37'53"E., 598.35 feet; 2) along the intersection right-of-way of the aforesaid MASSACHUSETTS AVENUE, S.89°31'28"E., 60.00 feet; 3) S.89°43'59"E., 662.28 feet; thence along the East right-of-way line of the aforesaid OLA AVENUE and the Northerly prolongation thereof, S.00°26'40"W., 351.26 feet to a point on the North right-of-way line of the aforesaid PALM AVENUE; thence along said North right-of-way line, the following three (3) courses: 1) S.89°39'47"E., 327.71 feet; 2) along the intersection right-of-way of the aforesaid HIGHLAND AVENUE, S.88°58'57"E., 63.38 feet; 3) S.89°28'51"E., 408.24 feet to a point on the aforesaid West right-of-way line of TAMPA STREET; thence along said West right-of-way line, S.00°28'23"W., 64.00 feet to the **POINT OF BEGINNING**.

Containing 53.324 acres, more or less.

**LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

Lot 2, Block "A", of DILLS' SUBDIVISION, according to the plat thereof as recorded in Plat Book 1, Page 17, of the Public Records of Hillsborough County, Florida, **LESS THE FOLLOWING:** **BEGINNING** at the Northwest corner of said Lot 2, run thence along the North boundary of said Lot 2, S.89°40'11"E., 17.00 feet to a point on the East right-of-way line of NORTH BOULEVARD; thence along said East right-of-way line, the following three (3) courses: 1) S.45°16'05"W., 14.13 feet; 2) S.00°12'23"W., 20.00 feet; 3) S.03°02'26"W., 101.11 feet to a point on the South boundary of said Lot 2; thence along said South boundary of Lot 2, N.89°38'23"W., 2.00 feet to the Southwest corner of said Lot 2; thence along the West boundary of said Lot 2, N.00°12'23"E., 131.00 feet to the **POINT OF BEGINNING**.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

Lot 6, Block 1, of CRAIG AND JAMIESON'S RIVERVIEW SUBDIVISION, according to the plat thereof as recorded in Plat Book 1, Page 31, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

Lot 7, Block 1, of CRAIG AND JAMIESON'S RIVERVIEW SUBDIVISION, according to the plat thereof as recorded in Plat Book 1, Page 31, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

Lots 9 and 10, Block 1, of CRAIG AND JAMIESON'S RIVERVIEW SUBDIVISION, according to the plat thereof as recorded in Plat Book 1, Page 31, of the Public Records of Hillsborough County, Florida, LESS THE FOLLOWING: **BEGINNING** at the Southwest corner of said Lot 9, run thence along the West boundary of said Lot 9, N.00°24'44"E., 20.00 feet; thence S.44°35'55"E., 28.28 feet to a point on the South boundary of said Lot 9; thence along said South boundary of Lot 9, N.89°36'35"W., 20.00 feet to the **POINT OF BEGINNING**.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The East 35.00 feet of the West 288.00 feet of Lot 4, Block 6, of MATHEWS PLACE, according to the plat thereof as recorded in Plat Book 8, Page 54, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The East 60.00 feet of the West 120.00 feet of Lot 1, of W. H. BECKWITH'S ADDITION TO MATHEWS PL., according to the plat thereof as recorded in Plat Book 11, Page 86, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

Lot 4, Block 2, LESS the South 10.1 feet for road right-of-way, of TOLAND'S SUBDIVISION, according to the plat thereof as recorded in Plat Book 1, Page 67, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The East 27.00 feet of the West 53.50 feet of the South 76.00 feet of Lot 7, Block 18, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The East 1/2 of Lot 9, Block 18, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The South 1/2 of the North 1/3 of Lot 10, Block 18, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The North 1/2 of the South 2/3 of Lot 10, Block 18, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The South 1/3 of Lot 10, Block 18, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The West 61.00 feet of Lot 5, Block 17, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The West 48.00 feet of Lot 4 AND the East 20.00 feet of Lot 5, Block 17, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

Lots 1, 2, 3 and 10 AND the East 34.00 feet of Lot 4, Block 17, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The North 37.00 feet of Lot 6, Block 17, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The South 27.00 feet of the North 64.00 feet of Lot 6, Block 17, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The South 67.00 feet of Lot 6, Block 17, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

Lot 7, Block 17, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

The East 1/2 of Lot 2, Block 20, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

Lot 1, Block 20, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

Lot 10, Block 20, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida.

**ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

A portion of Lot 6, Block 20, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida, being more particularly described as follows:

Commence at the Northwest corner of said Lot 6, run thence along the West boundary of said Lot 6, the following two (2) courses: 1) S.00°32'23"W., 41.13 feet to the **POINT OF BEGINNING**; 2) continue, S.00°32'23"W., 27.10 feet; thence S.89°30'37"E., 33.20 feet; thence N.00°29'23"E., 4.50 feet; thence S.89°30'37"E., 47.81 feet to a point on the East boundary of said Lot 6; thence along said East boundary of Lot 6, N.00°32'15"E., 22.60 feet; thence N.89°30'37"W., 81.01 feet to the **POINT OF BEGINNING**.

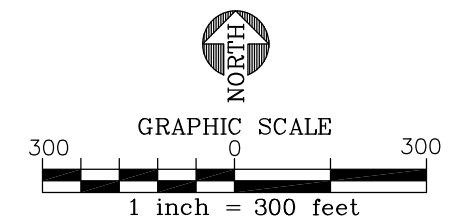
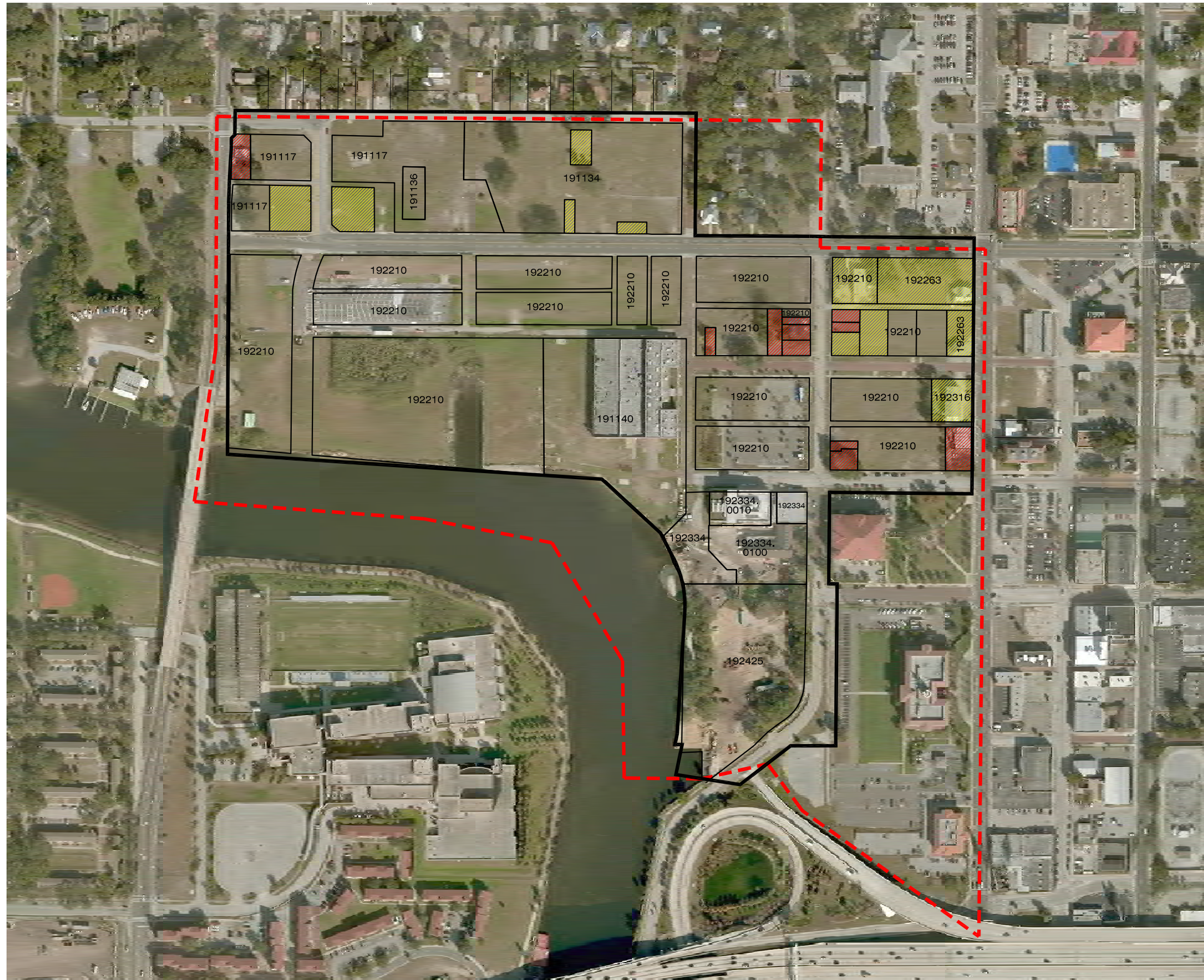
**AND ALSO LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:**

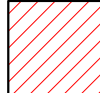
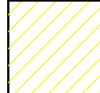

A portion of Lot 6, Block 20, of MAP OF HIGHLAND PARK 1<sup>st</sup> ADDITION, according to the plat thereof as recorded in Plat Book 1, Page 39, of the Public Records of Hillsborough County, Florida, being more particularly described as follows:

Commence at the Northwest corner of said Lot 6, run thence along the West boundary of said Lot 6, S.00°32'23"W., 68.23 feet to the **POINT OF BEGINNING**; thence S.89°30'37"E., 33.20 feet; thence N.00°29'23"E., 4.50 feet; thence S.89°30'37"E., 47.81 feet to a point on the East boundary of said Lot 6; thence along said East boundary of Lot 6, S.00°32'15"W., 59.67 feet to the Southeast corner of said Lot 6; thence along the South boundary of said Lot 6, N.89°27'39"W., 81.01 feet to the Southwest corner of said Lot 6; thence along the aforesaid West boundary of Lot 6, N.00°32'23"E., 55.10 feet to the **POINT OF BEGINNING**.



# THE HEIGHTS CDD CRA Boundary Map 06/23/17



-  Parcels Not Included
-  Parcels To be Added
-  CRA Boundary

**LANDMARK**  
Engineering & Surveying Corporation

8515 Palm River Road | Tampa, Florida 33619  
(813) 621-7841 | (813) 664-1832 (fax)  
www.lesc.com | L.B. # 3913



**THE HEIGHTS**  
**LEGAL DESCRIPTION**  
**Community Redevelopment Area**

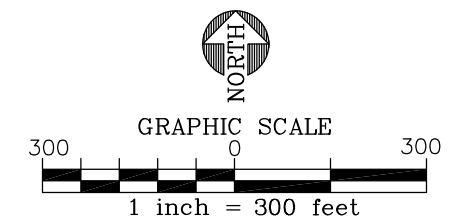
Begin at the center point of the intersection of the Right-Of-Way Lines of Tampa Street and Palm Avenue, run thence West, along the center line of the Palm Avenue Right-Of-Way line to the center point of the intersection of the Right-Of-Way Lines of Palm Avenue and Highland Avenue; thence run North along the center line of Highland Avenue to the center point of the intersection of the Centerlines of Ross Avenue and Highland Avenue; thence run West along the Centerline of the Ross Avenue Right-of-Way to the center point of the intersection of Ross Avenue and North Boulevard; thence run South along the center line of the North Boulevard Right-of-Way to the intersection of the North Boulevard Right-of-Way and the Centerline of the Hillsborough River (said centerline being equidistant from opposing mean high water lines as established by the U.S. Army Corps of Engineers); thence run East/Southeast along said centerline of the Hillsborough River to the intersection of the centerline of the Hillsborough River and the Northern Limited Access Right-of-Way line of Interstate-275; thence run East along the Northern Right-of-Way line of Interstate-275, to the Center point of the intersection of Interstate-275 and Tampa Street; and Tampa Street; thence run North along the center line of Tampa Street to the intersection of the Right-Of-Way lines of Tampa Street and Palm Avenue and the Point of Beginning; all of the area previously described is located within Section 13, Township 29 South, Range 18 East, City of Tampa, Hillsborough County, Florida; containing 77.04 acres, more or less.

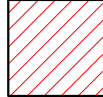
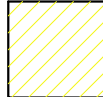
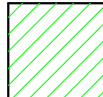


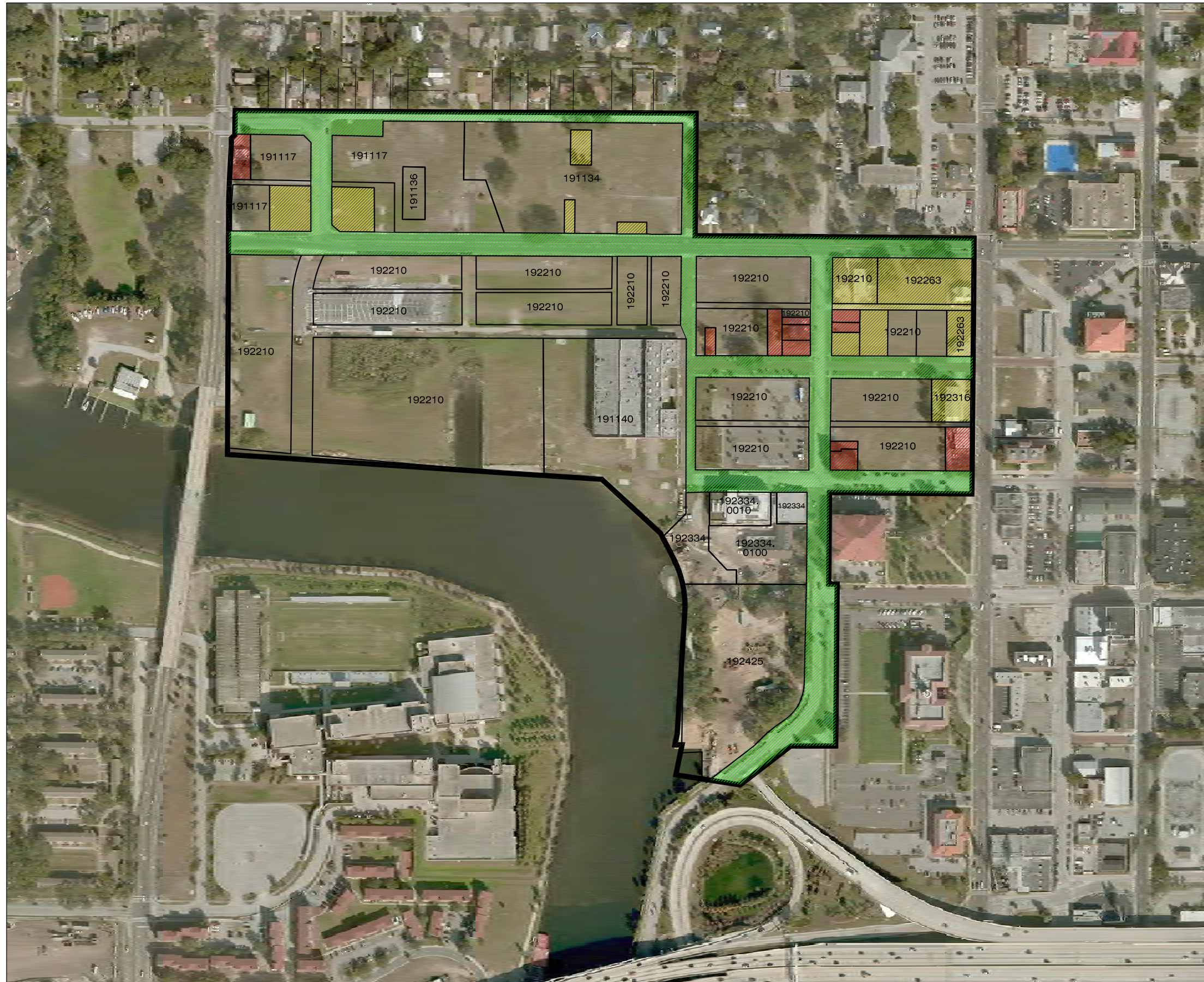
# THE HEIGHTS CDD

## Net Developable Area

06/23/17



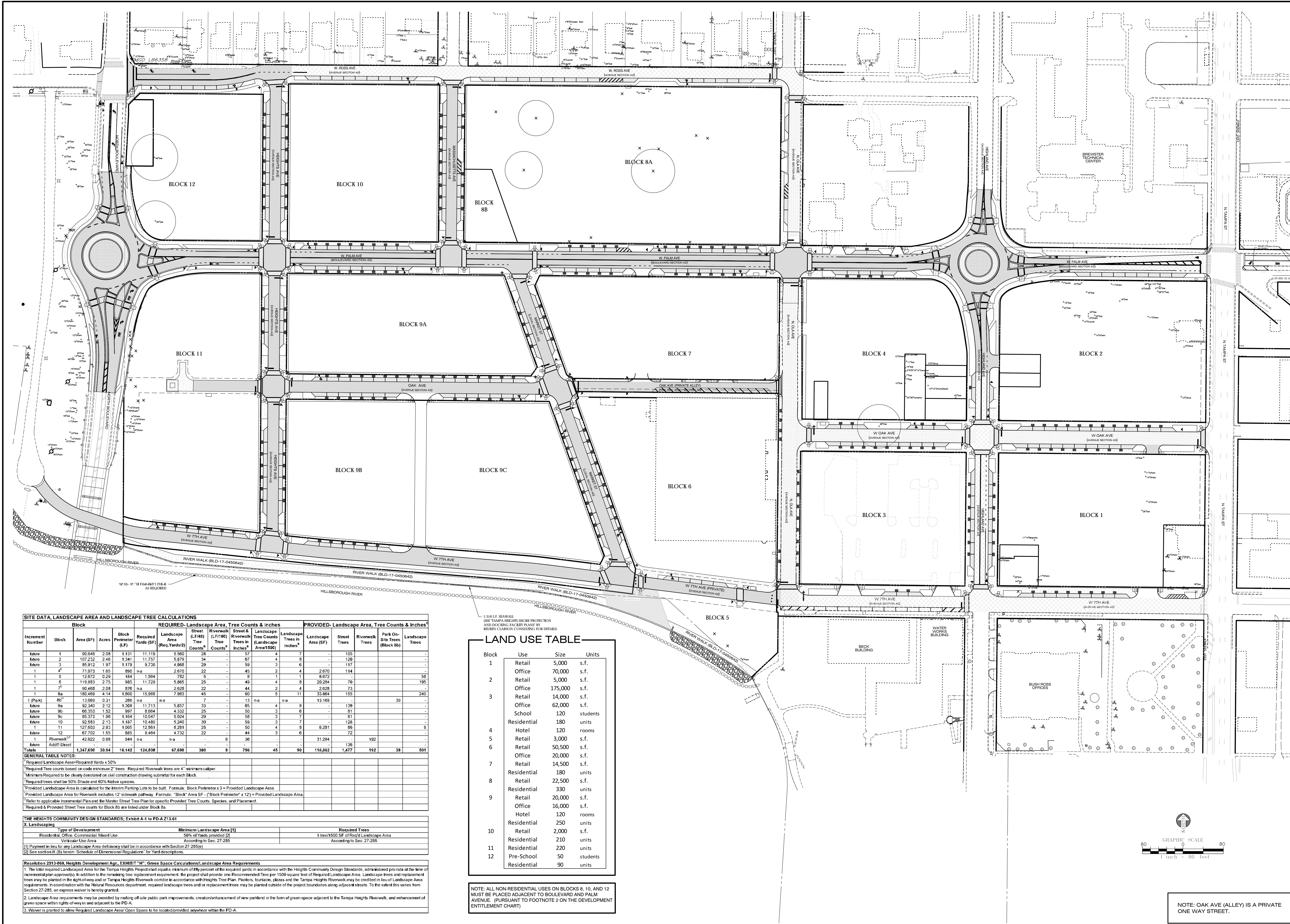
-  Parcels Not Included
-  Parcels To be Added
-  Land Not Developable



**LANDMARK**  
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SITE DATA, LANDSCAPE AREA AND LANDSCAPE TREE CALCULATIONS																
Block				REQUIRED- Landscape Area, Tree Counts & Inches							PROVIDED- Landscape Area, Tree Counts & Inches					
Increment Number	Block	Area (SF)	Acres	Block Perimeter (LF)	Required Yards (SF)	Landscape Area (Req.Yards/2)	Street (LF/40) Tree Counts <sup>a</sup>	Riverwalk (LF/100) Tree Counts <sup>a</sup>	Street & Riverwalk Trees in Inches <sup>a</sup>	Landscape Area (SF) (Landscape Area/100)	Landscape Trees in Inches <sup>b</sup>	Landscape Area (SF)	Street Trees	Riverwalk Trees	Park On-Site Trees (Block 8b)	Landscape Trees
future	1	90,648	2.08	1,131	11,119	5,560	28	-	57	4	7	-	105	-	-	-
future	2	107,232	2.46	1,341	11,757	5,879	34	-	67	4	8	-	120	-	-	-
future	3	85,912	1.97	1,179	9,736	4,868	29	-	59	3	6	-	117	-	-	-
1	4 <sup>c</sup>	71,973	1.65	890	n/a	2,670	22	-	45	2	4	2,670	114	-	-	-
1	5	12,672	0.29	184	1,564	782	5	-	9	1	1	8,672	-	-	-	58
1	6	119,933	2.75	985	11,729	5,865	25	-	49	4	8	20,284	70	-	-	195
1	7 <sup>d</sup>	99,468	2.08	876	n/a	2,628	22	-	44	2	4	2,628	73	-	-	-
1	8a	180,469	4.14	1,800	15,996	7,993	45	-	90	5	11	33,664	155	-	-	240
1 (Park)	8b <sup>1</sup>	13,669	0.31	296	n/a	n/a	7	-	13	n/a	n/a	13,169	-	-	39	-
future	9a	92,340	2.12	1,308	11,713	5,857	33	-	65	4	8	-	139	-	-	-
future	9b	66,353	1.52	997	8,694	4,347	25	-	50	3	6	-	81	-	-	-
future	9c	85,373	1.96	1,164	10,047	5,024	29	-	58	3	7	-	91	-	-	-
future	10	92,583	2.13	1,187	10,480	5,240	30	-	59	3	7	-	128	-	-	-
1	11	127,603	2.93	1,005	12,561	6,281	25	-	50	4	8	6,281	86	-	-	8
future	12	67,702	1.55	885	9,494	4,732	22	-	44	3	6	-	72	-	-	-
1	Riverwalk <sup>1</sup>	42,622	0.98	944	n/a	n/a	-	9	36	-	-	31,294	-	192	-	-
future	Add'l Street	-	-	-	-	-	-	-	-	-	-	-	136	-	-	-
Totals		1,347,600	30.94	16,142	124,806	67,688	380	9	796	45	90	116,862	1,477	152	39	501

GENERAL TABLE NOTES:			
Required Landscape Area=Required Yards x 50%			
Required Tree counts based on code minimum 2" trees. Required Riverwalk trees are 4" minimum caliper.			
Minimum Required to be clearly denoted on civil construction drawing submitted for each Block.			
Required trees shall be 50% Shade and 60% Native species.			
Provided Landscape Area is calculated for the Interim Parking Lots to be built. Formula: Block Perimeter x 3 = Provided Landscape Area			
Provided Landscape Area for Riverwalk includes 12' sidewalk pathway. Formula: "Block Area SF" - ("Block Perimeter" x 12) = Provided Landscape Area			
Refer to applicable Incremental Plan and the Master Street Tree Plan for specific Provided Tree Counts, Species, and Placement.			
Required & Provided Street Tree counts for Block 8b are listed under Block 8a.			
THE HEIGHTS COMMUNITY DESIGN STANDARDS; EXHIBIT A-1 to PD-A 213-61			
A. Landscaping			
Type of Development	Minimum Landscape Area [1]	Required Trees	
Residential, Office, Commercial, Mixed Use	50% of Yards provided [2]	1 tree/1500 SF of Req'd Landscape Area	
Vehicle Use Area	-	According to Sec. 27-285	
[1] Payment in lieu of any Landscape Area deficiency shall be in accordance with Section 27-285(g).			
[2] See section IX (B) herein "Schedule of Dimensional Regulations" for Yard descriptions.			
Resolution 2013-669, Heights Development App., EXHIBIT "H", Green Space Calculations, Landscape Area Requirements			
1. The total required Landscape Area for the Tampa Heights Project shall equal a minimum of 8% percent of the required yards in accordance with the Heights Community Design Standards, administered pro-rata at the time of incremental plan approval(s). In addition to the remaining tree replacement requirement, the project shall provide one Recommended Tree per 1500 square feet of Required Landscape Area. Landscape trees and replacement trees may be planted in the right-of-way and/or Tampa Heights Riverwalk corridor in accordance with Heights Tree Plan. Planters, fountains, plazas and the Tampa Heights Riverwalk may be credited in lieu of Landscape Area requirements. In coordination with the Natural Resources department, required landscape trees and/or replacement trees may be planted outside of the project boundaries along adjacent streets. To the extent this varies from Section 27-285, an express waiver is hereby granted.			
2. Landscape Area requirements may be provided by making off-site public park improvements, creation/enhancement of new parkland in the form of green space adjacent to the Tampa Heights Riverwalk, and enhancement of green space within rights of way in and adjacent to the PD A.			
3. Waiver is granted to allow Required Landscape Area Open Space to be located/provided anywhere within the PD A.			

LAND USE TABLE

Block	Use	Size	Units
1	Retail	5,000	s.f.
	Office	70,000	s.f.
2	Retail	5,000	s.f.
	Office	175,000	s.f.
3	Retail	14,000	s.f.
	Office	62,000	s.f.
4	School	120	students
	Residential	180	units
5	Hotel	120	rooms
	Retail	3,000	s.f.
6	Retail	50,500	s.f.
	Office	20,000	s.f.
7	Retail	14,500	s.f.
	Residential	180	units
8	Retail	22,500	s.f.
	Residential	330	units
9	Retail	20,000	s.f.
	Office	16,000	s.f.
10	Hotel	120	rooms
	Residential	250	units
11	Retail	2,000	s.f.
	Residential	210	units
12	Pre-School	220	units
	Residential	50	students
		90	units

NOTE: ALL NON-RESIDENTIAL USES ON BLOCKS 8, 10, AND 12 MUST BE PLACED ADJACENT TO BOULEVARD AND PALM AVENUE. (PURSUANT TO FOOTNOTE 2 ON THE DEVELOPMENT ENTITLEMENT CHART)

REVISIONS:  
DATE: 1/25/16  
DRAWN BY: RMS  
CHECKED BY: TCA  
JOB NO.: 2130089

THE HEIGHTS REDEVELOPMENT  
CITY OF TAMPA, FLORIDA  
PROPOSED LAYOUT

THE HEIGHTS  
COMMUNITY DEVELOPMENT DISTRICT

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Tampa, FL 33609  
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NOTE: OAK AVE (ALLEY) IS A PRIVATE ONE WAY STREET.

TODD C. AMADEN No. 53957  
PROFESSIONAL ENGINEER

Elevations based on NORTH AMERICAN VERTICAL DATUM 1988 (NAVD88)