

# **AGENDA**

## **REGULAR MEETING**

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**November 13, 2019**

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# ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT

November 5, 2019

Board of Supervisors  
Esplanade Lake Club Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Esplanade Lake Club Community Development District will be held on **Wednesday, November 13, 2019 at 2:00 p.m. at Waldrop Engineering, 28100 Bonita Grande Drive, Suite 304, Bonita Springs, Florida 34135**

1. Call to Order & Roll Call.
2. Consideration of Minutes.
  - a) October 14, 2019 Regular Meeting Minutes
3. **Consideration of Resolution 2020-6 of the Esplanade Lake Club community development district authorizing the issuance of not exceeding \$31,030,000 in aggregate principal amount of its capital improvement revenue bonds, Series 2019a-1 and its capital improvement revenue bonds, Series 2019a-2 to finance all or a portion of the cost of a Series project consisting of certain infrastructure and facilities benefiting certain district lands, paying capitalized interest on the Series 2019 bonds, funding the Series reserve accounts for the Series 2019 bonds and paying costs of issuance of the Series 2019 bonds, as more fully described herein; approving a first supplemental trust indenture and a second supplemental trust indenture in connection with each Series of the Series 2019 bonds and authorizing the execution thereof; ratifying the appointment of a trustee, paying agent and bond registrar for the Series 2019 bonds; providing for redemption of the Series 2019 bonds; authorizing the application of the proceeds of the Series 2019 bonds; approving the form, and authorizing execution, of a bond purchase contract providing for the negotiated sale of the Series 2019 bonds; delegating to the chairperson or vice-chairperson, or in their absence any member of the board of supervisors, the authority to award the Series 2019 bonds within the parameters specified herein; approving the form, and authorizing the use, of a preliminary limited offering memorandum for the Series 2019 bonds; approving the distribution of a final limited offering memorandum for the Series 2019 bonds and the execution thereof; approving the form, and authorizing execution, of a continuing disclosure agreement; authorizing preparation of preliminary and final supplemental assessment methodology reports and an update and/or supplement to the engineers' report and the use of such reports in the preliminary limited offering memorandum and final limited offering memorandum, as applicable, for the Series 2019 bonds; providing for miscellaneous matters and authority; providing for severability; and providing an effective date.**



*James P. Ward*  
*District Manager*

2900 NORTHEAST 12<sup>TH</sup> TERRACE, SUITE 1  
OAKLAND PARK, FLORIDA 33334

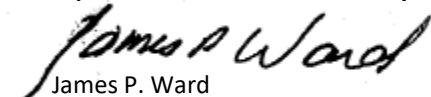
PHONE (954) 658-4900

E-MAIL [JimWard@JPWardAssociates.com](mailto:JimWard@JPWardAssociates.com)

4. Staff Reports
    - a) District Attorney
    - b) District Engineer
    - c) District Manager
  5. Supervisor's Requests and Audience Comments
  6. Adjournment
- 

The Agenda is standard in nature, and in the meantime, if you have any questions or comments; please do not hesitate to contact me directly at (954) 658-4900.

**Esplanade Lake Club Community Development District**

  
James P. Ward  
District Manager



*James P. Ward*  
*District Manager*

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**RESOLUTION NO. 2020-6**

**A RESOLUTION OF THE ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$31,030,000 IN AGGREGATE PRINCIPAL AMOUNT OF ITS CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2019A-1 AND ITS CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2019A-2 TO FINANCE ALL OR A PORTION OF THE COST OF A SERIES PROJECT CONSISTING OF CERTAIN INFRASTRUCTURE AND FACILITIES BENEFITING CERTAIN DISTRICT LANDS, PAYING CAPITALIZED INTEREST ON THE SERIES 2019 BONDS, FUNDING THE SERIES RESERVE ACCOUNTS FOR THE SERIES 2019 BONDS AND PAYING COSTS OF ISSUANCE OF THE SERIES 2019 BONDS, AS MORE FULLY DESCRIBED HEREIN; APPROVING A FIRST SUPPLEMENTAL TRUST INDENTURE AND A SECOND SUPPLEMENTAL TRUST INDENTURE IN CONNECTION WITH EACH SERIES OF THE SERIES 2019 BONDS AND AUTHORIZING THE EXECUTION THEREOF; RATIFYING THE APPOINTMENT OF A TRUSTEE, PAYING AGENT AND BOND REGISTRAR FOR THE SERIES 2019 BONDS; PROVIDING FOR REDEMPTION OF THE SERIES 2019 BONDS; AUTHORIZING THE APPLICATION OF THE PROCEEDS OF THE SERIES 2019 BONDS; APPROVING THE FORM, AND AUTHORIZING EXECUTION, OF A BOND PURCHASE CONTRACT PROVIDING FOR THE NEGOTIATED SALE OF THE SERIES 2019 BONDS; DELEGATING TO THE CHAIRPERSON OR VICE-CHAIRPERSON, OR IN THEIR ABSENCE ANY MEMBER OF THE BOARD OF SUPERVISORS, THE AUTHORITY TO AWARD THE SERIES 2019 BONDS WITHIN THE PARAMETERS SPECIFIED HEREIN; APPROVING THE FORM, AND AUTHORIZING THE USE, OF A PRELIMINARY LIMITED OFFERING MEMORANDUM FOR THE SERIES 2019 BONDS; APPROVING THE DISTRIBUTION OF A FINAL LIMITED OFFERING MEMORANDUM FOR THE SERIES 2019 BONDS AND THE EXECUTION THEREOF; APPROVING THE FORM, AND AUTHORIZING EXECUTION, OF A CONTINUING DISCLOSURE AGREEMENT; AUTHORIZING PREPARATION OF PRELIMINARY AND FINAL SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORTS AND AN UPDATE AND/OR SUPPLEMENT TO THE ENGINEERS' REPORT AND THE USE OF SUCH REPORTS IN THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND FINAL LIMITED OFFERING MEMORANDUM, AS APPLICABLE, FOR THE SERIES 2019 BONDS; PROVIDING FOR MISCELLANEOUS MATTERS AND AUTHORITY; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1. AUTHORITY FOR THIS RESOLUTION; DEFINITIONS.** The Board of Supervisors (the “Board”) of the Esplanade Lake Club Community Development District (the “District” or the “Issuer”) is authorized to adopt this Resolution under the authority granted by the provisions of Chapter 190, Florida Statutes, as amended, its Charter (as set forth in Ordinance No. 18-21 enacted by Lee County, Florida, which became effective on September 19, 2019 [the “Ordinance”]) and other applicable provisions of law (collectively, the “Act”). All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Indenture (hereinafter defined).

**SECTION 2. FINDINGS.**

A. The Issuer is a community development district, a local unit of special purpose government organized and existing under and pursuant to the Act. The Issuer was established for the purpose, among other things, of delivering certain community development services and facilities as authorized by the Act, including planning, financing, constructing, acquiring, owning, operating and maintaining the “Series Projects” and “Additional Series Projects.”

B. The Issuer is empowered by the Act to provide projects such as the Series Projects and Additional Series Projects. Pursuant to Resolution No. 2019-21 adopted by the Board on May 15, 2019 (the “Authorizing Resolution”) the Issuer has found and determined that acquisition and construction of Series Projects and Additional Series Projects is and will be necessary and desirable in serving the Issuer’s goal of properly managing the acquisition, construction, and operation of portions of the infrastructure specially benefiting District Lands. Pursuant to the Authorizing Resolution, the Issuer, among other matters, authorized the issuance of the Issuer’s Capital Improvement Revenue Bonds (the “Bonds”) in an amount not exceeding \$31,030,000 to finance the Cost of Series Projects and Additional Series Projects, approved the form of a Master Trust Indenture (the “Master Indenture”) relating to such Bonds, and authorized the issuance of the Bonds in one or more Series and bond anticipation notes from time to time pursuant to the Master Indenture and a related Supplemental Indenture to be approved by subsequent resolution of the Board of the Issuer.

C. The Bonds have been validated by a final judgment of the Circuit Court in and for Lee County, Florida and the time for taking an appeal from such final judgment has expired without an appeal being taken.

D. The Issuer hereby determines that it is now necessary and desirable to issue its Capital Improvement Revenue Bonds, Series 2019A-1 (the “Series 2019A-1 Bonds”) and its Capital Improvement Revenue Bonds, Series 2019A-2 (the “Series 2019A-2 Bonds” and, collectively with the Series 2019A-1 Bonds, the “Series 2019 Bonds”) in an aggregate principal amount not exceeding \$31,030,000. Proceeds of the Series 2019A-1 Bonds will be applied to (i) finance the construction, acquisition, equipping and/or improvement of a portion of a Series Project (as more fully defined in the hereinafter defined First Supplemental Indenture, the

“Series 2019 Project”); (ii) pay Capitalized Interest on the Series 2019A-1 Bonds; (iii) fund the account in the Reserve Fund for the Series 2019A-1 Bonds; and (iv) pay costs of issuance of the Series 2019A-1 Bonds. Proceeds of the Series 2019A-2 Bonds will be applied to (i) finance the construction, acquisition, equipping and/or improvement of a portion of the Series 2019 Project not funded by the Series 2019A-1 Bonds; (ii) pay Capitalized Interest on the Series 2019A-2 Bonds; (iii) fund the account in the Reserve Fund for the Series 2019A-2 Bonds; and (iv) pay costs of issuance of the Series 2019A-2 Bonds. The Series 2019A-1 Bonds shall be issued as a Series of Bonds within the meaning of the Master Indenture, all as shall be more fully provided in the Master Indenture and in the First Supplemental Indenture to be executed and delivered by the Issuer and the Trustee prior to the issuance of the Series 2019A-1 Bonds (the Master Indenture, as supplemented by the First Supplemental Indenture, being referred to as the “Series 2019A-1 Indenture”). The Series 2019A-2 Bonds shall be issued as a Series of Bonds within the meaning of the Master Indenture, all as shall be more fully provided in the Master Indenture and in the hereinafter defined Second Supplemental Indenture to be executed and delivered by the Issuer and the Trustee prior to the issuance of the Series 2019A-2 Bonds (the Master Indenture, as supplemented by the Second Supplemental Indenture, being referred to as the “Series 2019A-2 Indenture”). A portion of the proceeds of the Series 2019A-1 Bonds and a portion of the proceeds of the Series 2019A-2 Bonds will be held in certain retainage subaccounts established under the First Supplemental Indenture and the Second Supplemental Indenture, respectively, to be applied, depending on the occurrence or non-occurrence of certain events specified in the First Supplemental Indenture and the Second Supplemental Indenture to either pay costs of the construction, acquisition, equipping and/or improvement of a portion of the Series 2019 Project or to the extraordinary mandatory redemption of a portion of the Series 2019 Bonds, all as more fully provided in the First Supplemental Indenture and the Second Supplemental Indenture.

E. Due to the present volatility of the market for tax-exempt obligations such as the Series 2019 Bonds and the complexity of the transactions relating to the Series 2019 Bonds, it is in the best interests of the Issuer to sell the Series 2019 Bonds by a delegated, negotiated sale, rather than at a specified advertised date, in order to permit the Issuer to enter the market at the most advantageous time and to obtain the best possible price and interest rate for the Series 2019 Bonds.

F. The Issuer now desires to authorize the application of the proceeds of the Series 2019 Bonds and to approve various instruments in connection therewith, including the First Supplemental Indenture and the Second Supplemental Indenture.

**SECTION 3. AUTHORIZATION OF SERIES 2019 PROJECT AND SERIES 2019 BONDS.**

For purposes hereof, the “Series 2019 Project” shall mean the financing, construction, acquisition, equipping and/or improvement of all or a portion of the infrastructure improvements and facilities described in the Engineers’ Report, as same may be modified, amended or supplemented, as same shall be further defined in the Series 2019A-1 Indenture and the Series 2019A-2 Indenture. The Series 2019 Project is hereby authorized and approved and shall constitute a Series Project within the meaning of the Master Indenture. Subject to the

provisions of Section 6 hereof, the Issuer hereby authorizes the issuance of the Series 2019A-1 Bonds and the Series 2019A-2 Bonds in the aggregate principal amount of not exceeding \$31,030,000 to be known as the “Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1” and “Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2,” respectively (with such additional Series designation as may be necessary and appropriate). Proceeds of the Series 2019A-1 Bonds will be applied to (i) finance the construction, acquisition, equipping and/or improvement of a portion of the Series 2019 Project; (ii) pay Capitalized Interest on the Series 2019A-1 Bonds; (iii) fund the account in the Reserve Fund for the Series 2019A-1 Bonds; and (iv) pay costs of issuance of the Series 2019A-1 Bonds. Proceeds of the Series 2019A-2 Bonds will be applied to (i) finance the construction, acquisition, equipping and/or improvement of a portion of the Series 2019 Project not funded by the Series 2019A-1 Bonds; (ii) pay Capitalized Interest on the Series 2019A-2 Bonds; (iii) fund the account in the Reserve Fund for the Series 2019A-2 Bonds; and (iv) pay costs of issuance of the Series 2019A-2 Bonds. Proceeds of the Series 2019 Bonds to be applied to pay Costs of the Series 2019 Project may include payment for any portions of the Series 2019 Project acquired by the Issuer prior to the date of issuance of the Series 2019 Bonds but for which the acquisition price has not yet been paid.

Prior to or contemporaneously with the issuance and delivery of the Series 2019 Bonds, the Issuer and U.S. Bank National Association, as the Trustee, shall enter into the Master Indenture, the First Supplemental Trust Indenture relating to the Series 2019A-1 Bonds, supplementing the Master Indenture (the “First Supplemental Indenture”) and the Second Supplemental Trust Indenture relating to the Series 2019A-2 Bonds, supplementing the Master Indenture (the “Second Supplemental Indenture”). The Master Indenture shall be in substantially the form attached to the Authorizing Resolution and the First Supplemental Indenture and the Second Supplemental Indenture shall be substantially in the forms attached hereto as Composite Exhibit A, with such insertions, modifications and changes as may be approved by the District Manager of the Issuer (the “District Manager”), in consultation with the Issuer’s District Counsel and Bond Counsel. Upon such approval, the Chairperson of the Board (the “Chairperson”) or the Vice-Chairperson of the Board (the “Vice-Chairperson”), or in their absence, any member of the Board, is hereby authorized and directed to execute, and the Secretary of the Board (the “Secretary”) or any Assistant Secretary of the Board (each, an “Assistant Secretary”) is hereby authorized and directed to attest, the Master Indenture, the First Supplemental Indenture and the Second Supplemental Indenture. Such execution shall constitute conclusive approval of any insertions, modifications or changes to the Master Indenture, First Supplemental Indenture and Second Supplemental Indenture from the forms thereof approved by the Issuer.

Prior to the issuance of the Series 2019 Bonds the Issuer shall comply with the conditions precedent to (i) the issuance of the Series 2019A-1 Bonds set forth in the Series 2019A-1 Indenture and (ii) the issuance of the Series 2019A-2 Bonds set forth in the Series 2019A-2 Indenture. The Series 2019A-1 Bonds shall be substantially in the form attached as an

exhibit to the First Supplemental Indenture and the Series 2019A-2 Bonds shall be substantially in the form attached as an exhibit to the Second Supplemental Indenture and shall be executed on behalf of the Issuer in the manner provided in the Series 2019A-1 Indenture and the Series 2019A-2 Indenture, as applicable. Upon satisfaction of the conditions precedent to the issuance of the Series 2019A-1 Bonds set forth in the Series 2019A-1 Indenture, the Chairperson or Vice-Chairperson, or in their absence, any member of the Board, is hereby authorized and directed to execute, and the Secretary or an Assistant Secretary is hereby authorized and directed to attest, the Series 2019A-1 Bonds and to deliver the Series 2019A-1 Bonds as provided in the Series 2019A-1 Indenture. Upon satisfaction of the conditions precedent to the issuance of the Series 2019A-2 Bonds set forth in the Series 2019A-2 Indenture, the Chairperson or Vice-Chairperson, or in their absence, any member of the Board, is hereby authorized and directed to execute, and the Secretary or an Assistant Secretary is hereby authorized and directed to attest, the Series 2019A-2 Bonds and to deliver the Series 2019A-2 Bonds as provided in the Series 2019A-2 Indenture.

The appointment of U.S. Bank National Association as Trustee with respect to the Series 2019 Bonds is hereby ratified, authorized and approved.

The Series 2019 Bonds shall be issued in fully registered form, without coupons. The Series 2019A-1 Bonds will be dated their date of delivery or such other date as is set forth in the First Supplemental Indenture and will be issued in the Authorized Denominations set forth in the Series 2019A-1 Indenture. The Series 2019A-2 Bonds will be dated their date of delivery or such other date as is set forth in the Second Supplemental Indenture and will be issued in the Authorized Denominations set forth in the Series 2019A-2 Indenture. The Series 2019 Bonds will bear interest payable semi-annually on November 1 and May 1 of each year, commencing on such date as set forth in the First Supplemental Indenture and Second Supplemental Indenture, as applicable. Subject to the provisions of Section 6 hereof, the Series 2019 Bonds shall mature, and shall bear interest at a rate per annum, which shall not exceed the maximum rate permitted by law, as shall be specified in the First Supplemental Indenture and the Second Supplemental Indenture, as applicable. A book-entry-only system of registration is hereby authorized for the Series 2019 Bonds.

**SECTION 4. REDEMPTION PROVISIONS.** Subject to the provisions of Section 6 hereof, the Series 2019 Bonds shall be subject to optional redemption, mandatory redemption and extraordinary redemption as shall be provided in the Series 2019A-1 Indenture and the Series 2019A-2 Indenture, as applicable. The Series 2019A-1 Bonds shall be issued as Term Bonds and the principal amounts required to be deposited in each year to the Series 2019A-1 Sinking Fund Account established for the Series 2019A-1 Bonds in the Series 2019A-1 Indenture shall be as specified in the Series 2019A-1 Indenture and shall constitute the Amortization Installments for the Series 2019A-1 Bonds, as more fully set forth in the Series 2019A-1 Indenture. The Series 2019A-2 Bonds shall be issued as Term Bonds and the principal amounts required to be deposited in each year to the Series 2019A-2 Sinking Fund Account established for the Series 2019A-2 Bonds in the Series 2019A-2 Indenture shall be as specified in the Series



2019A-2 Indenture and shall constitute the Amortization Installments for the Series 2019A-2 Bonds, as more fully set forth in the Series 2019A-2 Indenture.

**SECTION 5. APPLICATION OF THE PROCEEDS OF THE SERIES 2019 BONDS.** The proceeds derived from the sale of the Series 2019A-1 Bonds shall be applied by the Issuer simultaneously with the delivery of the Series 2019A-1 Bonds for the purposes stated in, and in a manner consistent with, the Series 2019A-1 Indenture. The specific amounts to be deposited in the Series 2019A-1 Pledged Funds under the Series 2019A-1 Indenture shall be as set forth in the First Supplemental Indenture or a certificate executed by the Chairperson or Vice-Chairperson and delivered at the time of issuance of the Series 2019A-1 Bonds. The proceeds derived from the sale of the Series 2019A-2 Bonds shall be applied by the Issuer simultaneously with the delivery of the Series 2019A-2 Bonds for the purposes stated in, and in a manner consistent with, the Series 2019A-2 Indenture. The specific amounts to be deposited in the Series 2019A-2 Pledged Funds under the Indenture shall be as set forth in the Second Supplemental Indenture or a certificate executed by the Chairperson or Vice-Chairperson and delivered at the time of issuance of the Series 2019A-2 Bonds.

**SECTION 6. SALE OF THE SERIES 2019 BONDS.** The Series 2019 Bonds shall be sold to FMSbonds, Inc., as the underwriter (the "Underwriter"), upon the terms and conditions set forth in the Bond Purchase Contract attached hereto as Exhibit B (the "Bond Purchase Contract"). Said Bond Purchase Contract, substantially in the form attached hereto, is hereby approved, with such insertions, modifications and changes as may be approved by the District Manager, in consultation with the Issuer's District Counsel and Bond Counsel. Upon such approval, the Chairperson or Vice-Chairperson, or in their absence, any member of the Board, is hereby authorized and directed to execute, and the Secretary or an Assistant Secretary is hereby authorized and directed to attest, the Bond Purchase Contract and to accept the disclosure and truth-in-bonding statement to be provided by the Underwriter pursuant to Section 218.385, Florida Statutes; provided, however that the terms of such Bond Purchase Contract must provide that (i) the aggregate principal amount of the Series 2019 Bonds shall not exceed \$31,030,000; (ii) the final maturity of each Series of the Series 2019 Bonds shall not be later than May 1, 2051; (iii) the per annum interest rate of each Series of the Series 2019 Bonds shall not exceed the maximum rate per annum permitted by applicable law; (iv) each Series of the Series 2019 Bonds shall be subject to optional redemption no later than May 1, 2031 at a redemption price not greater than 101% of the principal amount of the Series of the Series 2019 Bonds to be redeemed; (v) the price (exclusive of original issue discount) at which the Series 2019 Bonds shall be sold to the Underwriter shall not be less than 98% of the amount for which the Series 2019 Bonds are initially offered to the public as reflected in the Limited Offering Memorandum referred to in Section 7 hereof; and (vi) unless the Series 2019 Bonds have an investment grade rating, the Series 2019 Bonds shall only be sold by the Underwriter to accredited investors within the meaning of the rules of the Florida Department of Financial Services. The execution and delivery of the Bond Purchase Contract by the Chairperson or Vice-Chairperson shall constitute conclusive evidence of the approval by the Issuer thereof.

**SECTION 7. PRELIMINARY LIMITED OFFERING MEMORANDUM AND FINAL LIMITED OFFERING MEMORANDUM.** The Preliminary Limited Offering Memorandum relating to the Series 2019 Bonds, in substantially the form submitted at this meeting and attached hereto as Exhibit C, is hereby approved with respect to the information therein contained, with such insertions, modifications and changes as may be approved by the District Manager, in consultation with the Issuer's District Counsel and Bond Counsel. The printing, distribution and use of the Preliminary Limited Offering Memorandum in connection with the limited public offering for sale of the Series 2019 Bonds are hereby authorized. The execution by the Chairperson or Vice-Chairperson, or in their absence any member of the Board, of a certificate deeming the Preliminary Limited Offering Memorandum final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, is hereby authorized. The Chairperson or Vice-Chairperson, or in their absence any member of the Board, is hereby authorized to have prepared and to execute a final Limited Offering Memorandum to be dated the date of execution of the Bond Purchase Contract, and, upon such execution, to deliver the same to the Underwriter for use by it in connection with the sale and distribution of the Series 2019 Bonds. The Limited Offering Memorandum shall be substantially in the form of the Preliminary Limited Offering Memorandum, with such changes as necessary to conform the details of the Series 2019 Bonds and the requirements of the Bond Purchase Contract and such other insertions, modifications and changes as may be approved by the District Manager. The execution and delivery of the Limited Offering Memorandum by the Chairperson or Vice-Chairperson, or in their absence any member of the Board, shall constitute conclusive evidence of the approval thereof. The Issuer hereby authorizes the Limited Offering Memorandum and the information contained therein to be used in connection with the offering and sale of the Series 2019 Bonds.

**SECTION 8. CONTINUING DISCLOSURE.** The Continuing Disclosure Agreement, substantially in the form attached hereto as Exhibit D, is hereby approved with such insertions, modifications and deletions as may be approved by the District Manager. JPWard & Associates LLC is hereby approved to serve as the initial Dissemination Agent thereunder. The Chairperson or Vice-Chairperson is hereby authorized to execute the Continuing Disclosure Agreement. The execution and delivery of the Continuing Disclosure Agreement by the Chairperson or Vice-Chairperson, or in their absence any member of the Board, shall constitute conclusive evidence of the approval thereof.

**SECTION 9. MATTERS RELATING TO SUPPLEMENTAL ASSESSMENT REPORTS AND ENGINEERS' REPORT.** The preparation of preliminary and final assessment reports reflecting the preliminary and final financing structure of the Series 2019 Bonds and the related Series 2019 Assessments and supplementing the master special assessment report previously approved by the Issuer with respect to the Series 2019 Assessments is hereby authorized. The use in the Preliminary Limited Offering Memorandum and Limited Offering Memorandum, respectively, of such supplemental reports, as applicable, is hereby authorized. The preparation of an update of the Engineers' Report and/or a supplement to the Engineers' Report previously approved by the Issuer with respect to the Series 2019 Project is hereby authorized. The use in

the Preliminary Limited Offering Memorandum and Limited Offering Memorandum of the Engineers' Report, as updated and/or supplemented, is hereby authorized.

**SECTION 10. MISCELLANEOUS.** The Chairperson, Vice-Chairperson, Secretary and any Assistant Secretary of the Board, the Issuer's District Counsel, Bond Counsel, District Manager, Consulting Engineers, special assessment consultant and other authorized officers of the Issuer and members of the Board are authorized and directed to execute and deliver all documents, contracts, instruments and certificates and to take all actions and steps on behalf of the Issuer that are necessary or desirable in connection with the Series 2019A-1 Indenture, the Series 2019A-2 Indenture, the Series 2019 Bonds, the Bond Purchase Contract, the Series 2019 Project, the Preliminary Limited Offering Memorandum, the Limited Offering Memorandum or otherwise in connection with any of the foregoing, which are not inconsistent with the terms and provisions of this Resolution or the Indenture, including the execution and delivery of a customary dissemination agent agreement, the execution and delivery of the Acquisition Agreement, Completion Agreement, Collateral Assignment and True-Up Agreement referenced in the First Supplemental Indenture, and all such actions heretofore taken are hereby ratified and approved.

**SECTION 11. SEVERABILITY.** Should any sentence, section, clause, part or provision of this Resolution be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this Resolution as a whole, or any part thereof, other than the part declared invalid.

**SECTION 12. EFFECTIVE DATE.** This Resolution shall be effective immediately upon its adoption.

**PASSED AND ADOPTED** at a meeting of the Board of Supervisors of the Esplanade Lake Club Community Development District this 13th day of November, 2019.

[SEAL]

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

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Chairman

ATTEST:

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District Secretary

**COMPOSITE EXHIBIT A**

**FORMS OF FIRST SUPPLEMENTAL INDENTURE AND SECOND SUPPLEMENTAL INDENTURE**

**EXHIBIT B**

**FORM OF BOND PURCHASE CONTRACT**

**EXHIBIT C**

**FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM**

**EXHIBIT D**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

**FIRST SUPPLEMENTAL TRUST INDENTURE**

**ESPLANADE LAKE CLUB  
COMMUNITY DEVELOPMENT DISTRICT**

**TO  
U.S. BANK NATIONAL ASSOCIATION,  
AS TRUSTEE**

**Dated as of**

**December 1, 2019**

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**TABLE OF CONTENTS**

This Table of Contents is incorporated herein for ease of reference only and shall not be deemed a part of the First Supplemental Trust Indenture.

**ARTICLE I  
DEFINITIONS**

Section 101. Definitions.....4

**ARTICLE II  
AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2019A-1 BONDS**

Section 201. Authorization of Series 2019A-1 Bonds; Book-Entry Only Form .....8  
Section 202. Terms .....9  
Section 203. Dating and Interest Accrual .....10  
Section 204. Denominations .....10  
Section 205. Paying Agent.....10  
Section 206. Bond Registrar .....10  
Section 207. Conditions Precedent to Issuance of Series 2019A-1 Bonds.....10

**ARTICLE III  
REDEMPTION OF SERIES 2019A-1 BONDS**

Section 301. Bonds Subject to Redemption.....11  
Section 302. Redemption from Excess Acquisition and Construction Account Proceeds  
and Series 2019A-1 Retainage Subaccount .....11

**ARTICLE IV  
DEPOSIT OF SERIES 2019A-1 BOND PROCEEDS AND APPLICATION THEREOF;  
ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF**

Section 401. Establishment of Accounts .....11  
Section 402. Use of Series 2019A-1 Bond Proceeds .....12  
Section 403. Series 2019A-1 Acquisition and Construction Account.....12  
Section 404. Series 2019A-1 Costs of Issuance Account.....14  
Section 405. Series 2019A-1 Reserve Account .....14  
Section 406. Amortization Installments.....15  
Section 407. Tax Covenants and Rebate Account .....15  
Section 408. Establishment of Series 2019A-1 Revenue Account in Revenue Fund;  
Application of Revenues and Investment Earnings .....16

**ARTICLE V  
CONCERNING THE TRUSTEE**

Section 501. Acceptance by Trustee.....18  
Section 502. Limitation of Trustee’s Responsibility .....18  
Section 503. Trustee’s Duties .....19

**ARTICLE VI ADDITIONAL BONDS**

Section 601. Limitation on Parity Bonds.....19

**ARTICLE VII MISCELLANEOUS**

Section 701. Confirmation of Master Indenture .....19  
Section 702. Continuing Disclosure Agreement.....19  
Section 703. Additional Covenants Regarding Assessments .....19  
Section 704. Collection of Assessments .....20  
Section 705. Foreclosure of Assessment Lien .....20  
Section 706. Requisite Owners for Direction or Consent.....22  
Section 707. Assignment of District's Rights Under Collateral Assignment .....22  
Section 708. Enforcement of Completion Agreement and Other Agreements.....22  
Section 709. Interpretation of First Supplemental Indenture.....22  
Section 710. Amendments .....22  
Section 711. Counterparts.....22  
Section 712. Appendices and Exhibits.....22  
Section 713. Payment Dates .....23  
Section 714. No Rights Conferred on Others .....23

- Exhibit A - Description of Series 2019 Project
- Exhibit B - Form of Series 2019A-1 Bonds
- Exhibit C - Form of Requisition
- Exhibit D - Form of Binding Obligation Notice Following an Event of Default
- Exhibit E - Form of Direction/Collection Method Notice Following an Event of Default
- Exhibit F - Form of Direction/Foreclosure

## FIRST SUPPLEMENTAL TRUST INDENTURE

**THIS FIRST SUPPLEMENTAL TRUST INDENTURE** (the “First Supplemental Indenture”) is dated as of December 1, 2019, from **ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT** (the “District”) to **U.S. BANK NATIONAL ASSOCIATION**, as trustee (the “Trustee”), a national banking association duly organized and existing under the laws of the United States of America and having corporate trust offices in Fort Lauderdale, Florida (said national banking association and any bank or trust company becoming successor trustee under this Master Indenture being hereinafter referred to as the “Trustee”).

**WHEREAS**, the District has entered into a Master Trust Indenture, dated as of December 1, 2019 (the “Master Indenture,” and together with this First Supplemental Indenture, the “Indenture”) with the Trustee to secure the issuance of its Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds (the “Bonds”), issuable in one or more Series from time to time; and

**WHEREAS**, pursuant to Resolution No. 2019-21 (the “Bond Resolution”) adopted by the Governing Body of the District on May 15, 2019, the District has authorized the issuance, sale and delivery of not to exceed \$31,030,000 of Bonds, to be issued in one or more Series of Bonds as authorized under the Master Indenture, which Bonds were validated by final judgment of the Circuit Court of Lee County, Florida on July 29, 2019, the appeal period for which has expired with no appeal having been taken; and

**WHEREAS**, the Governing Body of the District duly adopted Resolution No. 2019-20 on May 15, 2019 providing for the acquisition, construction and installation of public assessable capital improvements (the “Capital Improvement Program”), providing estimated Costs of the Capital Improvement Program, defining assessable property to be benefited by the Capital Improvement Program, defining the portion of the Costs of the Capital Improvement Program with respect to which Assessments will be imposed and the manner in which such Assessments shall be levied against such benefited property within the District, directing the preparation of an assessment roll, and stating the intent of the District to issue Bonds of the District secured by such Assessments to finance the costs of the acquisition, construction and installation of the Capital Improvement Program and the Governing Body of the District duly adopted Resolution No. 2019-24 on June 19, 2019, following a public hearing conducted in accordance with the Act, to fix and establish the Assessments and the benefited property, which Resolution was supplemented by Resolution No. 2020-\_\_\_\_, adopted by the Governing Body of the District on \_\_\_\_\_, 2019, with respect to the Series 2019A Bonds (hereinafter defined) (collectively, the “Assessment Resolution”); and

**WHEREAS**, pursuant to Resolution No. 2020-6 adopted by the Governing Body of the District on November 13, 2019 (the “Award Resolution”), the District has authorized the issuance, sale and delivery of, *inter alia*, its \$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the “Series 2019A-1 Bonds”) and its Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the “Series 2019A-2 Bonds” and collectively with the Series 2019A-1 Bonds, the “Series 2019A Bonds”); and

**WHEREAS**, pursuant to the Award Resolution, the Issuer has authorized the execution and delivery of the Master Indenture and this First Supplemental Indenture to secure the issuance of the Series 2019A-1 Bonds and to set forth the terms of the Series 2019A-1 Bonds; and

**WHEREAS**, the District will apply the proceeds of the Series 2019A-1 Bonds to: (i) finance a portion of the Cost of acquiring, constructing and equipping public assessable infrastructure and improvements (as more particularly described in Exhibit A hereto, the “Series 2019 Project”); (ii) pay certain costs associated with the issuance of the Series 2019A-1 Bonds; and (iii) make a deposit into the Series 2019A-1 Reserve Account; and

**WHEREAS**, the Series 2019A-1 Bonds will be payable from and secured by revenues derived from Assessments imposed, levied and collected by the District with respect to property specially benefited by the Series 2019 Project and described in the Assessment Resolutions (the “Series 2019A-1 Assessments”), which, together with the Series 2019A-1 Pledged Funds (hereinafter defined) will comprise the Series 2019A-1 Trust Estate (hereinafter defined), which shall constitute a “Series Trust Estate” as defined in the Master Indenture; and

**WHEREAS**, the execution and delivery of the Series 2019A-1 Bonds and of this First Supplemental Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the Series 2019A-1 Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this First Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the Series 2019A-1 Trust Estate have been done; and

**WHEREAS**, pursuant to the Award Resolution the District has authorized the execution and delivery of the Second Supplemental Indenture (hereinafter defined) to secure the issuance of the Series 2019A-2 Bonds separately from the Series 2019A-1 Bonds and to set forth the terms of the Series 2019A-2 Bonds; and

**WHEREAS**, proceeds of the Series 2019A-2 Bonds will be applied, among the other purposes set forth in the Second Supplemental Indenture, to finance a portion of the Series 2019 Project;

**NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS FIRST SUPPLEMENTAL TRUST INDENTURE WITNESSETH:**

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the Series 2019A-1 Bonds by the purchaser or purchasers thereof, and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, and in order to further secure the payment of the principal and Redemption Price of, and interest on, all Series 2019A-1 Bonds Outstanding (as defined in the Master Indenture) from time to time, according to their tenor and effect, and such other payments required to be made under the Master Indenture or hereunder and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this First Supplemental Indenture and in the Series 2019A-1 Bonds: (a) has executed and delivered this First Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell,

convey, transfer, assign and pledge unto the Trustee, and unto its successors in the trusts under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture and the provisions of the Master Indenture pertaining to the application thereof for or to the purposes and on the terms set forth in the Master Indenture, the revenues derived by the District from the Series 2019A-1 Assessments (the “Series 2019A-1 Pledged Revenues”) and the Funds and Accounts (except for the Series 2019A-1 Rebate Account) established hereby (the “Series 2019A-1 Pledged Funds”) which shall comprise a part of the Trust Estate securing the Series 2019A-1 Bonds (the “Series 2019A-1 Trust Estate”);

**TO HAVE AND TO HOLD** all the same by the Master Indenture granted, bargained, sold, conveyed, transferred, assigned and pledged, or agreed or intended so to be, to the Trustee and its successors in said trust and to it and its assigns forever;

**IN TRUST NEVERTHELESS**, upon the terms and trusts in the Indenture set forth for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the Series 2019A-1 Bonds issued or to be issued under and secured by this First Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any one Series 2019A-1 Bond over any other Series 2019A-1 Bond by reason of priority in their issue, sale or execution;

**PROVIDED FURTHER HOWEVER**, that if the District, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the Series 2019A-1 Bonds or any Series 2019A-1 Bond of a particular maturity issued, secured and Outstanding under this First Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the Series 2019A-1 Bonds and this First Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Master Indenture and this First Supplemental 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 of the Master Indenture and this First Supplemental Indenture, then upon such final payments, this First Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all Series 2019A-1 Bonds or any Series 2019A-1 Bond of a particular maturity, otherwise this First Supplemental Indenture shall remain in full force and effect;

**THIS FIRST SUPPLEMENTAL INDENTURE FURTHER WITNESSETH**, and it is expressly declared, that all Series 2019A-1 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in the Master Indenture (except as amended directly or by implication by this First Supplemental Indenture), including this First Supplemental Indenture, expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Series 2019A-1 Bonds, as follows:

## ARTICLE I DEFINITIONS

**Section 101. Definitions.** All terms used herein that are defined in the recitals hereto are used with the same meaning herein unless the context clearly requires otherwise. All terms used herein that are defined in the Master Indenture are used with the same meaning herein (including the use of such terms in the recitals hereto and the granting clauses hereof) unless (i) expressly given a different meaning herein or (ii) the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used herein shall have the following meanings:

**“Acquisition Agreement”** shall mean the Acquisition Agreement dated \_\_\_\_\_, 2019 between the District and the Developer.

**“Assessment Methodology”** shall mean the Master Special Assessment Methodology Report dated April 29, 2019 prepared by JP Ward & Associates LLC, as amended and supplemented, including by a report dated \_\_\_\_\_, 2019.

**“Bond Depository”** shall mean the securities depository from time to time under Section 201 hereof, which may be the District.

**“Bond Participants”** shall mean those broker-dealers, banks and other financial institutions from time to time for which the Bond Depository holds Bonds as securities depository.

**“Capital Improvement Program”** shall mean the program of assessable public capital improvements established by the District in the Series 2019A-1 Assessment Proceedings, all or a portion of which is comprised of the Series 2019 Project.

**“Collateral Assignment”** shall mean the Collateral Assignment Agreement dated December \_\_\_\_\_, 2019 by the Developer in favor of the District.

**“Completion Agreement”** shall mean the Completion Agreement dated December \_\_\_\_\_, 2019 between the District and the Developer.

**“Continuing Disclosure Agreement”** shall mean that certain Continuing Disclosure Agreement dated December \_\_\_\_\_, 2019 among the Developer, the District and the other parties named therein in connection with the Series 2019A Bonds.

**“Delinquent Assessment Interest”** shall mean Series 2019A-1 Assessment Interest deposited by the District with the Trustee on or after May 1 of the year in which such Series 2019A-1 Assessment Interest has, or would have, become delinquent under State law applicable thereto.

**“Delinquent Assessment Principal”** shall mean Series 2019A-1 Assessment Principal deposited by the District with the Trustee on or after May 1 of the year in which such Series 2019A-1 Assessment Principal has, or would have, become delinquent under State law applicable thereto.

***“Delinquent Assessments”*** shall mean Delinquent Assessment Principal and Delinquent Assessment Interest.

***“Developer”*** shall mean Taylor Morrison of Florida, Inc., a Florida corporation, and any affiliate or any entity which succeeds to all or any part of the interests and assumes any or all responsibilities of such entity, as the developer of the lands within the District.

***“DTC”*** shall mean The Depository Trust Company, New York, New York.

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

***“Interest Payment Date”*** shall mean each May 1 and November 1, commencing May 1, 2020.

***“Majority Owners”*** as used herein shall mean the Beneficial Owners of more than fifty percent (50%) of the principal amount of the Outstanding Series 2019A-1 Bonds.

***“Nominee”*** shall mean the nominee of the Bond Depository, which may be the Bond Depository, as determined from time to time pursuant to this First Supplemental Indenture.

***“Redemption Date”*** shall mean, if in part, each Interest Payment Date, and if in whole, any date.

***“Reserve Account Release Conditions”*** shall mean (i) all of the residential lots planned for the land within the District as reflected in the Assessment Methodology are platted as certified in writing by the Consulting Engineers and (ii) no Event of Default has occurred and is continuing with respect to any Outstanding Series 2019A-1 Bonds.

***“Second Supplemental Indenture”*** shall mean that certain Second Supplemental Indenture dated as of December 1, 2019 by and between the Issuer and the Trustee and pursuant to which, together with the Master Indenture, the Series 2019A-2 Bonds have been issued.

***“Series 2019A-1 Assessment Proceedings”*** shall mean the proceedings of the District with respect to the establishment, levy and collection of the Series 2019A-1 Assessments, which include Resolution Nos. 2019-20, 2019-24 and 2020-\_\_\_ adopted on May 15, 2019, June 19, 2019 and \_\_\_\_\_, 2019, respectively, as supplemented, adopted by the Governing Body of the District, and any supplemental proceedings undertaken by the District with respect to the Series 2019A-1 Assessments and the Assessment Methodology as approved thereby.

***“Series 2019A-1 Investment Obligations”*** shall mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District;

- (i) Government Obligations;
- (ii) commercial paper rated in the top two rating category by both Moody’s and S&P at the time of purchase;

(iii) municipal securities issued by any state or commonwealth of the United States or political subdivision thereof or constituted authority thereof including, but not limited to, municipal corporations, school districts and other special districts, the interest on which is exempt from federal income taxation under Section 103 of the Code and rated A- or higher by Moody's, Fitch or S&P at the time of purchase;

(iv) both (A) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by Moody's and S&P, and (B) shares of money market mutual funds that invest only in Government Obligations and obligations of any of the following agencies: Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Bank; Tennessee Valley Authority; Farmers Home Administration; Student Loan Marketing Association; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody's and S&P at the time of purchase;

(v) bonds, notes and other debt obligations of any corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia, if such obligations are, at the time of purchase, rated "A-" or better by at least two (2) of the following rating agencies: Moody's, S&P or Fitch or "AA-" or better by either S&P or Fitch or "Aa-" or better by Moody's;

(vi) the Local Government Surplus Funds Trust Fund as described in Florida Statutes, Section 218.405 or the corresponding provisions of subsequent laws provided that such fund, at the time of purchase, is rated at least "AA" by S&P (without regard to gradation) or at least "Aa" by Moody's (without regard to gradation); and

(vii) Money market deposit accounts, time deposits, and certificates of deposits issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S & P.

**"Series 2019A-1 Pledged Funds"** shall mean all of the Funds and Accounts created hereby with the Trustee, including the Subaccounts therein other than the Series 2019A-1 Rebate Account in the Rebate Fund.

**"Series 2019A-1 Pledged Revenues"** shall mean the Series 2019A-1 Assessment Revenues.

**"Series 2019A-1 Assessment Interest"** shall mean the interest on the Series 2019A-1 Assessments which is pledged to the Series 2019A-1 Bonds.

**"Series 2019A-1 Assessment Principal"** shall mean the principal amount of Series 2019A-1 Assessments received by the District which represents a proportionate amount of the principal of and Amortization Installments of the Series 2019A-1 Bonds, other than applicable Delinquent Assessment Principal and Series 2019A-1 Prepayments.



**“Series 2019A-1 Assessment Revenues”** shall mean all revenues derived by the District from the Series 2019A-1 Assessments, including proceeds from any foreclosure of the lien of Delinquent Assessments and any statutory interest on the Delinquent Assessments collected by the District in excess of the rate of interest on the Series 2019A-1 Bonds.

**“Series 2019A-1 Assessments”** shall mean the Assessments imposed, levied and collected by the District in respect of the Series 2019A-1 Bonds and the portion of the Series 2019 Project financed with the proceeds thereof.

**“Series 2019A-1 Prepayments”** shall mean the excess amount of Series 2019A-1 Assessment Principal received by the District over the Series 2019A-1 Assessment Principal included within an Assessment, whether or not mandated to be prepaid in accordance with the Assessment Proceedings, which shall be identified by the District to the Trustee as such in writing upon deposit. Anything herein or in the Master Indenture to the contrary notwithstanding, the term Series 2019A-1 Prepayments shall not mean the proceeds of any Refunding Bonds or other borrowing of the District.

**“Series 2019A-1 Reserve Account Requirement”** shall mean an amount equal to the Maximum Annual Debt Service Requirement for the Outstanding Series 2019A-1 Bonds (as hereinafter determined) as of the time of any such calculation; provided, however, upon the occurrence of the Reserve Account Release Conditions, the Series 2019A-1 Reserve Account Requirement shall be reduced to an amount equal to fifty percent (50%) of the Maximum Annual Debt Service Requirement for the Outstanding Series 2019A-1 Bonds as of the time of any such calculation. For purposes of the foregoing calculations, notwithstanding anything to the contrary in the Master Indenture, the determination of the “Outstanding Series 2019A-1 Bonds” shall take into account any redemptions of Series 2019A-1 Bonds to be made from Prepayments of Series 2019A-1 Assessments on the next succeeding Redemption Date immediately following the calculation date. Upon the initial issuance of the Series 2019A-1 Bonds, the Series 2019A-1 Reserve Account Requirement is \$ \_\_\_\_\_, which is equal to the Maximum Annual Debt Service Requirement for the Outstanding Series 2019A-1 Bonds calculated as of the date of original issuance thereof and which, together with the amount deposited on the date hereof in the Series 2019A-2 Reserve Account established under the Second Supplemental Indenture, does not exceed the least of (a) 125% of the average annual Debt Service for all Outstanding Series 2019A-1 Bonds and Series 2019A-2 Bonds calculated as of the date of original issuance thereof, (b) 10% of the aggregate net proceeds of the Series 2019A-1 Bonds and Series 2019A-2 Bonds calculated as of the date of original issuance thereof or (c) the Maximum Annual Debt Service Requirement for the Outstanding Series 2019A-1 Bonds and Outstanding Series 2019A-2 Bonds calculated as of the date of original issuance thereof.

**“Series 2019A-2 Assessments”** shall mean the Assessments imposed, levied and collected by the District in respect of the Series 2019A-2 Bonds and the portion of the Series 2019 Project financed with the proceeds thereof.

**“Series 2019A-2 Bonds”** shall mean the \$ \_\_\_\_\_ aggregate principal amount of Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 to be issued as fully registered Bonds in accordance with the provisions of the

Master Indenture and the Second Supplemental Indenture, and secured and authorized by the Master Indenture and the Second Supplemental Indenture.

**“Substantially Absorbed”** shall mean the date when at least ninety percent (90%) of the principal portion of the Series 2019A-1 Assessments and Series 2019A-2 Assessments have been assigned to residential units within the District that have each received a certificate of occupancy. The Trustee and the District may conclusively rely on a certificate from the District Manager regarding such status of the residential units and the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, and in the absence of such certification, may assume the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have not been Substantially Absorbed.

**“True-Up Agreement”** shall mean the True-Up Agreement dated December \_\_\_\_\_, 2019 between the District and the Developer relating to the Series 2019A-1 Assessments and Series 2019A-2 Assessments.

## **ARTICLE II AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2019A-1 BONDS**

**Section 201. Authorization of Series 2019A-1 Bonds; Book-Entry Only Form.** The Series 2019A-1 Bonds are hereby authorized to be issued in one Series for the purposes enumerated in the recitals hereto to be designated “\$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1.” The Series 2019A-1 Bonds shall be substantially in the form set forth as Exhibit B to this First Supplemental Indenture. Each Series 2019A-1 Bond shall bear the designation “2019A-1” and shall be numbered consecutively from RA1-1 upwards.

The Series 2019A-1 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2019A-1 Bond for each Series and maturity thereof. Upon initial issuance, the ownership of each such Series 2019A-1 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the initial Bond Depository. Except as provided in this Section 201, all of the Outstanding Series 2019A-1 Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC.

With respect to Series 2019A-1 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the Series 2019A-1 Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Series 2019A-1 Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any

other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2019A-1 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent shall treat and consider the person in whose name each Series 2019A-1 Bond is registered in the registration books kept by the Bond Registrar as the absolute Owner of such Series 2019A-1 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2019A-1 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2019A-1 Bond, for the purpose of registering transfers with respect to such Series 2019A-1 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2019A-1 Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2019A-1 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated Series 2019A-1 Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new Nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the words "Cede & Co." in this First Supplemental Indenture shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding Series 2019A-1 Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, is not in the best interest of the Beneficial Owners of the Series 2019A-1 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the Series 2019A-1 Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, but may be registered in whatever name or names Owners transferring or exchanging the Series 2019A-1 Bonds shall designate, in accordance with the provisions hereof.

**Section 202. Terms.** The Series 2019A-1 Bonds shall be issued as \_\_\_\_\_ (\_\_\_\_) Term Bonds, each of which shall be dated as of the date of its issuance and delivery to the initial purchasers thereof, shall bear interest at the fixed interest rate per annum and shall mature in the amount and on the date set forth below:

<u>Series</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Initial CUSIP</u>
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**Section 203. Dating and Interest Accrual.** Each Series 2019A-1 Bond shall be dated December \_\_\_\_\_, 2019. Each Series 2019A-1 Bond also shall bear its date of authentication. Each Series 2019A-1 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such Series 2019A-1 Bond has been paid, in which event such Series 2019A-1 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2019A-1 Bonds, in which event, such Series 2019A-1 Bond shall bear interest from its date. Interest on the Series 2019A-1 Bonds shall be due and payable on each May 1 and November 1, commencing May 1, 2020, and shall be computed on the basis of a 360-day year composed of twelve 30-day months.

**Section 204. Denominations.** The Series 2019A-1 Bonds shall be issued in \$5,000 or any integral multiple thereof; provided, however, that the Series 2019A-1 Bonds shall be delivered to the initial purchasers thereof only in aggregate principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000.

**Section 205. Paying Agent.** The District appoints the Trustee as Paying Agent for the Series 2019A-1 Bonds.

**Section 206. Bond Registrar.** The District appoints the Trustee as Bond Registrar for the Series 2019A-1 Bonds.

**Section 207. Conditions Precedent to Issuance of Series 2019A-1 Bonds.** In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2019A-1 Bonds, all the Series 2019A-1 Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Series 2019A-1 Assessment Proceedings;
- (b) Executed copies of the Master Indenture and this First Supplemental Indenture;
- (c) A customary Bond Counsel opinion;
- (d) The District Counsel opinion required by the Master Indenture;
- (e) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2019A-1 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this First Supplemental Indenture;
- (f) An Engineers' Certificate or Engineers' Certificates which set forth the estimated Cost of the Series 2019 Project;

(g) A certified copy of the final judgment of validation in respect of the Bonds together with a certificate of no appeal;

(h) An executed Continuing Disclosure Agreement; and

(i) An executed Collateral Assignment, executed Completion Agreement, executed Acquisition Agreement, executed True-Up Agreement and a Declaration of Consent executed by the Developer;

Payment to the Trustee of \$ \_\_\_\_\_, representing the net proceeds of the sale of the Series 2019A-1 Bonds, shall conclusively evidence that the foregoing conditions precedent have been met to the satisfaction of the District and the underwriter of the Series 2019A-1 Bonds.

### **ARTICLE III REDEMPTION OF SERIES 2019A-1 BONDS**

**Section 301. Bonds Subject to Redemption.** The Series 2019A-1 Bonds are subject to redemption prior to maturity as provided in the respective forms thereof set forth as Exhibit B to this First Supplemental Indenture. Interest on Series 2019A-1 Bonds which are called for redemption shall be paid on the Redemption Date from the Series 2019A-1 Interest Account or from the Series 2019A-1 Revenue Account to the extent monies in the Series 2019A-1 Interest Account are insufficient for such purpose. Moneys in the Series 2019A-1 Optional Redemption Subaccount in the Series 2019A-1 Redemption Account shall be applied in accordance with Section 506 of the Master Indenture to the optional redemption of Series 2019A-1 Bonds.

**Section 302. Redemption from Excess Acquisition and Construction Account Proceeds and Series 2019A-1 Retainage Subaccount.** Excess moneys on deposit in the Series 2019A-1 Acquisition and Construction Account which are to be deposited into the Series 2019A-1 Prepayment Subaccount in the Series 2019A-1 Redemption Account in accordance with Section 403(a)(2) hereof and amounts which are to be deposited into the Series 2019A-1 Prepayment Subaccount in the Series 2019A-1 Redemption Account in accordance with Section 403(a)(1) hereof shall be deposited into the Series 2019A-1 Prepayment Subaccount and applied to the extraordinary mandatory redemption of Series 2019A-1 Bonds in accordance with the directions of an Authorized Officer of the District.

### **ARTICLE IV DEPOSIT OF SERIES 2019A-1 BOND PROCEEDS AND APPLICATION THEREOF; ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF**

**Section 401. Establishment of Accounts.** There are hereby established, as needed, the following Funds and Accounts.

(a) There are hereby established within the Acquisition and Construction Fund held by the Trustee: (i) a Series 2019A-1 Acquisition and Construction Account and therein, a Series 2019A-1 Retainage Subaccount and (ii) a Series 2019A-1 Costs of Issuance Account;

(b) There are hereby established within the Debt Service Fund held by the Trustee: (i) a Series 2019A-1 Debt Service Account and therein a Series 2019A-1 Sinking Fund Account and a Series 2019A-1 Interest Account; and (ii) a Series 2019A-1 Redemption Account, and, therein a Series 2019A-1 Prepayment Subaccount and a Series 2019A-1 Optional Redemption Subaccount;

(c) There is hereby established within the Reserve Fund held by the Trustee a Series 2019A-1 Reserve Account;

(d) There is hereby established within the Revenue Fund held by the Trustee a Series 2019A-1 Revenue Account; and

(e) There is hereby established within the Rebate Fund held by the Trustee a Series 2019A-1 Rebate Account.

**Section 402. Use of Series 2019A-1 Bond Proceeds.** The net proceeds of sale of the Series 2019A-1 Bonds, \$\_\_\_\_\_, shall as soon as practicable upon the delivery thereof to the Trustee by the District pursuant to Section 207 of the Master Indenture, be applied as follows:

(a) \$\_\_\_\_\_, representing the Series 2019A-1 Reserve Account Requirement at the time of issuance of the Series 2019A-1 Bonds shall be deposited to the credit of the Series 2019A-1 Reserve Account;

(b) \$\_\_\_\_\_, representing the Costs of Issuance relating to the Series 2019A-1 Bonds shall be deposited to the credit of the Series 2019A-1 Costs of Issuance Account;

(c) \$\_\_\_\_\_ shall be deposited to the credit of the Series 2019A-1 Acquisition and Construction Account; and

(d) \$\_\_\_\_\_ shall be deposited to the credit of the Series 2019A-1 Retainage Subaccount in the Series 2019A-1 Acquisition and Construction Account.

**Section 403. Series 2019A-1 Acquisition and Construction Account.**

(a) (1) Amounts on deposit in the Series 2019A-1 Acquisition and Construction Account shall be applied to pay the Cost of the Series 2019 Project upon compliance with the requisition provisions set forth in Section 503(b) of the Master Indenture and upon receipt by the Trustee of a requisition in the form attached hereto as Exhibit C and executed by the District and the Consulting Engineers. Notwithstanding anything to the contrary herein, the amounts on deposit in the Series 2019A-1 Retainage Subaccount shall be retained therein and shall not be available to pay the Cost of the Series 2019 Project except under the circumstances described herein. The District shall direct the Trustee in writing, no later than September 30, 2020 as to whether to immediately transfer the amounts on deposit in the Series 2019A-1 Retainage Subaccount to (i) the Series 2019A-1 Acquisition and Construction Account or (ii) the Series

2019A-1 Prepayment Subaccount to be applied to the extraordinary mandatory redemption of Series 2019A-1 Bonds as provided herein and in the Series 2019A-1 Bonds. If such written direction directs the Trustee to make a transfer to the Series 2019A-1 Acquisition and Construction Account, the direction shall be accompanied by a certificate of the Issuer stating that: (i) the boundaries of the Issuer have been amended to include approximately 18 acres of land as described in the Assessment Methodology; and (ii) the Series 2019A-1 Assessment Proceedings adopted prior to the date of issuance of the Series 2019A-1 Bonds have been supplemented as necessary to subject such land to the lien of the Series 2019A-1 Assessments. If the written direction directs the Trustee to make a transfer to the Series 2019A-1 Prepayment Subaccount, interest accrued on the Series 2019A-1 Bonds to be redeemed shall be paid from amounts transferred by the Issuer to the Trustee for deposit to the Series 2019A-1 Interest Account.

(2) Anything in the Master Indenture to the contrary notwithstanding, the Consulting Engineers shall establish a Date of Completion for the Series 2019 Project, and any balance remaining in the Series 2019A-1 Acquisition and Construction Account (taking into account the moneys currently on deposit therein to pay any accrued but unpaid Costs of the Series 2019 Project which are required to be reserved in the Series 2019A-1 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineers delivered to the District and the Trustee establishing such Date of Completion), shall be deposited pursuant hereto to the Series 2019A-1 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2019A-1 Bonds in accordance with Section 302 hereof and in the manner prescribed in the form of the Series 2019A-1 Bonds attached as Exhibit B hereto, whereupon the Series 2019A-1 Acquisition and Construction Account shall be closed. Notwithstanding the foregoing, the District shall not declare that the Date of Completion of the Series 2019 Project has occurred until such time as the Reserve Account Release Conditions have occurred and all moneys transferred from the Series 2019A-1 Reserve Account pursuant to Section 405 hereof to the Series 2019A-1 Acquisition and Construction Account have been expended or the Consulting Engineers have certified in writing to the District and the Trustee that such amount is in excess of what is needed to complete the Series 2019 Project. The Trustee shall have no obligation to inquire if the Reserve Account Release Conditions have occurred and, in the absence of notice from the District, the Trustee may assume that the Reserve Account Release Conditions have not occurred.

(b) Anything in the Master Indenture or herein to the contrary notwithstanding, the District hereby acknowledges that (i) the Series 2019A-1 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2019A-1 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee (which includes the Series 2019A-1 Retainage Subaccount), (ii) upon the occurrence of an Event of Default with respect to the Series 2019A-1 Bonds, the Series 2019A-1 Pledged Funds may not be used by the District (whether to pay costs of the Series 2019 Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the occurrence of the Event of Default the District had incurred a binding obligation with third parties for work on the Series 2019 Project and payment is for such work (and a certificate of an Authorized Officer as to whether such binding obligation has been incurred delivered to the Trustee in the form of Exhibit D shall be conclusive evidence of the same on which the Trustee may rely), and (iii) upon the occurrence of an Event of Default with respect to the Series 2019A-1 Bonds, the Series 2019A-1 Pledged

Funds may be used by the Trustee and/or the District, to the extent acting individually or jointly, to pursue remedies, at the direction or with the approval of the Majority Owners, to pay costs and expenses incurred in connection with the pursuit of remedies under the Master Indenture, as supplemented hereby, provided such action does not adversely impact the tax-exempt status of the Series 2019A-1 Bonds and provided, further, that every use of Series 2019A-1 Pledged Revenues for such purpose shall be accompanied by detailed invoices delivered to the District Manager of the District indicating the purpose for which Series 2019A-1 Pledged Revenues are to be applied and such invoices shall be subject to the same public records laws, including, without limitation, Chapter 119, Florida Statutes, to which the District is subject. After the occurrence of an Event of Default, the District shall not enter into any binding agreement to expend any amounts included in the Series 2019A-1 Trust Estate unless authorized in writing by the Majority Owners.

**Section 404. Series 2019A-1 Costs of Issuance Account.** The amount deposited in the Series 2019A-1 Costs of Issuance Account shall, at the written direction of an Authorized Officer to the Trustee, be used to pay Costs of Issuance relating to the Series 2019A-1 Bonds. On the earlier to occur of: (x) the written direction of an Authorized Officer or (y) six (6) months from the date of issuance of the Series 2019A-1 Bonds, any amounts deposited in the Series 2019A-1 Costs of Issuance Account which have not been requisitioned shall be transferred over and deposited into the Series 2019A-1 Acquisition and Construction Account and used for the purposes permitted therefor, whereupon the Series 2019A-1 Costs of Issuance Account shall be closed.

**Section 405. Series 2019A-1 Reserve Account.** The Series 2019A-1 Reserve Account shall be funded and maintained at all times, subject to the provisions of this First Supplemental Indenture, in an amount equal to the Series 2019A-1 Reserve Account Requirement. Except as otherwise provided herein or in the Master Indenture, amounts on deposit in the Series 2019A-1 Reserve Account shall be used only for the purpose of making payments into the Series 2019A-1 Interest Account and the Series 2019A-1 Sinking Fund Account to pay Debt Service on the Series 2019A-1 Bonds, when due, without distinction as to Series 2019A-1 Bonds and without privilege or priority of one Series 2019A-1 Bond over another, to the extent the moneys on deposit in such Accounts therein and available therefor are insufficient and for no other purpose. Such Accounts shall consist only of cash and Series 2019A-1 Investment Obligations.

Anything herein or in the Master Indenture to the contrary notwithstanding, on the forty-fifth (45<sup>th</sup>) day preceding each Redemption Date (or, if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the first Business Day preceding such forty-fifth (45<sup>th</sup>) day) (or such other date that corresponds to the date mutually determined by the Trustee and the District pursuant to Section 408(c) hereof), the Trustee is hereby authorized and directed to recalculate the Series 2019A-1 Reserve Account Requirement and to transfer any excess on deposit in the Series 2019A-1 Reserve Account (other than excess resulting from investment earnings which shall be applied as provided in Section 408(f) hereof) into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account to be applied to the extraordinary mandatory redemption of the Series 2019A-1 Bonds.

Upon the transfer of amounts in the Series 2019A-1 Retainage Subaccount to the Series 2019A-1 Prepayment Subaccount pursuant to Section 403(a) and upon the occurrence of the



Reserve Account Release Conditions, the Trustee is hereby authorized and directed to recalculate the Series 2019A-1 Reserve Account Requirement and to transfer any excess on deposit in the Series 2019A-1 Reserve Account (other than excess resulting from investment earnings which shall be applied as provided in Section 408(f) hereof), into the Series 2019A-1 Acquisition and Construction Account if the Date of Completion of the Series 2019 Project has not yet occurred, or if the Date of Completion of the Series 2019 Project has occurred, into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account to be applied to the extraordinary mandatory redemption of the Series 2019A-1 Bonds as provided for herein and therein.

The District Manager, on behalf of the District, shall provide written notice to the Trustee when the Reserve Account Release Condition has occurred, upon which notice the Trustee may conclusively rely. Until the Trustee has received a certificate of the Consulting Engineers establishing the Date of Completion of the Series 2019 Project, the Trustee shall assume the Date of Completion of the Series 2019 Project has not yet occurred.

On the earliest date on which there is on deposit in the Series 2019A-1 Reserve Account sufficient monies, after taking into account other monies available therefor, to pay and redeem all of the Outstanding Series 2019A-1 Bonds, together with accrued interest on such Series 2019A-1 Bonds to the earliest Redemption Date permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2019A-1 Reserve Account into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account to pay and redeem all of the Outstanding Series 2019A-1 Bonds on the earliest Redemption Date permitted therein and herein.

Anything herein or in the Master Indenture to the contrary notwithstanding, amounts on deposit in the Series 2019A-1 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

**Section 406. Amortization Installments.** (a) The Amortization Installments established for the Series 2019A-1 Bonds shall be as set forth in the form of the Series 2019A-1 Bonds attached hereto.

(b) Upon any redemption of Series 2019A-1 Bonds (other than (i) Series 2019A-1 Bonds redeemed in accordance with scheduled Amortization Installments or (ii) Series 2019A-1 Bonds redeemed at the direction of the District accompanied by a cash flow certificate as required by Section 506(b) of the Master Indenture), the Trustee shall cause Series 2019A-1 Bonds to be redeemed in such amounts and having such maturities so as to result in Amortization Installments recalculated by the District, in such manner as shall amortize all the Outstanding Series 2019A-1 Bonds of all of the terms in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining terms of all of the Series 2019A-1 Bonds.

**Section 407. Tax Covenants and Rebate Account.** The District shall comply with the tax regulatory covenants set forth in the District's tax certificate executed in connection with the issuance of the Series 2019A-1 Bonds.

**Section 408. Establishment of Series 2019A-1 Revenue Account in Revenue Fund; Application of Revenues and Investment Earnings.** (a) The Trustee is hereby authorized and directed to establish within the Revenue Fund a Series 2019A-1 Revenue Account into which the Trustee shall deposit any and all amounts required to be deposited therein by this Section 408 or by any other provision of the Master Indenture or this First Supplemental Indenture, and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The Series 2019A-1 Revenue Account 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.

(b) The Trustee shall deposit into the Series 2019A-1 Revenue Account the Series 2019A-1 Assessment Revenues other than the Series 2019A-1 Prepayments, which shall be identified by the District to the Trustee as such in writing upon deposit and which shall be deposited into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account, and any other revenues required by other provisions of the Indenture to be deposited therein.

(c) On the forty-fifth (45<sup>th</sup>) day preceding each Redemption Date with respect to the Series 2019A-1 Bonds (or if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the Business Day next preceding such forty-fifth (45<sup>th</sup>) day) (or such other date mutually determined by the Trustee and the District that is closer to a particular Redemption Date and will give the Trustee sufficient time to provide notice of the extraordinary mandatory redemption of Series 2019A-1 Bonds as herein provided), the Trustee shall determine the amount on deposit in the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account, and, if the balance therein is greater than zero, shall transfer, but only at the written direction of the District, from the Series 2019A-1 Revenue Account for deposit into the Series 2019A-1 Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to an integral multiple of \$5,000 (provided that there are sufficient funds remaining therein to pay Debt Service coming due on the Series 2019A-1 Bonds on the next Interest Payment Date), and, shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2019A-1 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2019A-1 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2019A Bonds set forth in the form of Series 2019A-1 Bonds attached hereto, Section 301 hereof, and Article III of the Master Indenture.

(d) On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall transfer from the amounts on deposit in the Series 2019A-1 Revenue Account to the Funds and Accounts designated below the following amounts in the following order of priority:

**FIRST**, to the Series 2019A-1 Interest Account, an amount equal to the amount of interest payable on all Series 2019A-1 Bonds then Outstanding on such May 1 or November 1, less any amount already on deposit in the Series 2019A-1 Interest Account not previously credited;

**SECOND**, on each November 1, commencing November 1, 20\_\_\_, to the Series 2019A-1 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2019A-1 Bonds subject to mandatory sinking fund redemption on such November 1, and the amount already on deposit in the Series 2019A-1 Sinking Fund Account not previously credited;

**THIRD**, to the Series 2019A-1 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2019A-1 Reserve Account Requirement with respect to the Series 2019A-1 Bonds; and

**FOURTH**, the balance shall be retained in the Series 2019A-1 Revenue Account subject to the following paragraph.

Anything in the Master Indenture or herein to the contrary notwithstanding, it shall not, in and of itself, constitute an Event of Default hereunder if the full amount of the foregoing deposits are not made due to an insufficiency of funds therefore. The Trustee shall within ten (10) Business Days after the last Interest Payment Date in any calendar year, at the direction of the District, withdraw any moneys held for the credit of the Series 2019A-1 Revenue Account as of November 2<sup>nd</sup> of such year which are not otherwise required to be deposited to other Funds and Accounts pursuant to this Section on such immediately preceding Interest Payment Date and deposit such moneys first to the credit of the Series 2019A-1 Rebate Account in the amount, and to the extent necessary, so the amount on deposit therein equals the accrued rebate obligation under Section 148(f) of the Code, if the Trustee has received a certification from the District by such date detailing the amount of such obligation which shall be deposited. Any remaining amounts in the Series 2019A-1 Revenue Account on November 2<sup>nd</sup> of any calendar year after making the payment, if any, required under the immediately preceding sentence, may next be transferred to the District, at its written request, to be used for any lawful purpose of the District; provided, however, that on the proposed payment date of any proposed transfer to the District, the amount on deposit in the Series 2019A-1 Reserve Account shall be equal to the Series 2019A-1 Reserve Requirement and, provided further, that the Trustee shall not have actual knowledge of an Event of Default hereunder, including, but not limited to, payment of Trustee's fees and expenses then due.

(e) On any date required by the Code, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2019A-1 Revenue Account to the Series 2019A-1 Rebate Account established for the Series 2019A-1 Bonds in the Rebate Fund in accordance with the Master Indenture, the amount due and owing to the United States, which amount shall be paid to the United States, when due, in accordance with the Code.

(f) Anything herein or in the Master Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2019A-1 Bonds shall be invested only in Series 2019A-1 Investment Obligations, and further, earnings on the Series 2019A-1 Acquisition and Construction Account (including the Series 2019A-1 Retainage Subaccount) and the Series 2019A-1 Interest Account shall be retained, as realized, in such Accounts or subaccounts and used for the purpose of such Accounts or subaccounts; provided, however, at the written direction of the District to the Trustee, such earnings may be deposited to the Series 2019A-2 Acquisition and Construction Account established under the

Second Supplemental Indenture. Earnings on investments in the Funds and Accounts other than the Series 2019A-1 Reserve Account, and other than as set forth above, shall be deposited, as realized, to the credit of the Series 2019A-1 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2019A-1 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in Section 509 of the Master Indenture) in the Series 2019A-1 Reserve Account as of the most recent date on which amounts on deposit in the Series 2019A-1 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2019A-1 Reserve Account since such date which have created a deficiency, then earnings on the Series 2019A-1 Reserve Account shall, prior to the date the Series 2019A-1 Acquisition and Construction Account is closed, be deposited into the Series 2019A-1 Acquisition and Construction Account and used for the purpose of such Account or, at the written direction of the District to the Trustee, be deposited to the Series 2019A-2 Acquisition and Construction Account established under the Second Supplemental Indenture, and after such date, shall be deposited into the Series 2019A-1 Revenue Account and used for the purpose of such Account; and

(ii) if as of the last date on which amounts on deposit in the Series 2019A-1 Reserve Account were valued by the Trustee there was a deficiency (as defined in Section 509 of the Master Indenture), or if after such date withdrawals have been made from the Series 2019A-1 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2019A-1 Reserve Account shall be deposited into the Series 2019A-1 Reserve Account until the amount on deposit therein is equal to the Series 2019A-1 Reserve Account Requirement, and thereafter earnings on the Series 2019A-1 Reserve Account shall, prior to the date the Series 2019A-1 Acquisition and Construction Account is closed, be deposited into the Series 2019A-1 Acquisition and Construction Account and used for the purpose of such Account or, at the written direction of the District to the Trustee, be deposited to the Series 2019A-2 Acquisition and Construction Account established under the Second Supplemental Indenture, and after such date, shall be deposited be deposited into the Series 2019A-1 Revenue Account and used for the purpose of such Account.

## ARTICLE V CONCERNING THE TRUSTEE

**Section 501. Acceptance by Trustee.** The Trustee accepts the trusts declared and provided in this First Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth in the Master Indenture.

**Section 502. Limitation of Trustee's Responsibility.** The Trustee shall not be responsible in any manner for the due execution of this First Supplemental Indenture by the District or for the recitals contained herein, all of which are made solely by the District.

**Section 503. Trustee's Duties.** Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlements inuring to the Trustee under the Master Indenture, including, particularly, Article VI thereof.

## **ARTICLE VI ADDITIONAL BONDS**

**Section 601. Limitation on Parity Bonds.** Other than Bonds issued to refund all of the then Outstanding Series 2019A-1 Bonds, the issuance of which results in net present value debt service savings, the District shall not, while any Series 2019A-1 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2019A-1 Trust Estate. The District further covenants and agrees that so long as the Series 2019A-1 Bonds are Outstanding, it will not impose Assessments for capital projects on any lands subject to the Series 2019A-1 Assessments other than the Series 2019A-2 Assessments, unless the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have been Substantially Absorbed. Notwithstanding the prior sentence, the foregoing shall not preclude the imposition of capital Special Assessments on property subject to the Series 2019A-1 Assessments and the Series 2019A-2 Assessments which are necessary, as determined by the District, for health, safety or welfare reasons or to remediate a natural disaster or Operation and Maintenance Assessments. The Trustee is entitled to assume that the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have not been Substantially Absorbed absent delivery to the Trustee of a certificate of the District Manager to the contrary on which the Trustee may conclusively rely.

## **ARTICLE VII MISCELLANEOUS**

**Section 701. Confirmation of Master Indenture.** As supplemented by this First Supplemental Indenture, the Master Indenture is in all respects ratified and confirmed, and this First Supplemental Indenture shall be read, taken and construed as a part of the Master Indenture so that all of the rights, remedies, terms, conditions, covenants and agreements of the Master Indenture, except insofar as modified herein, shall apply and remain in full force and effect with respect to this First Supplemental Indenture and to the Series 2019A-1 Bonds issued hereunder. To the extent of any conflicts between the terms and provisions of the Master Indenture and this First Supplemental Indenture the terms and provisions hereof shall control.

**Section 702. Continuing Disclosure Agreement.** Contemporaneously with the execution and delivery hereof, the District has executed and delivered the Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934. The District covenants and agrees to comply with the provisions of such Continuing Disclosure Agreement; however, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but, instead shall be enforceable by mandamus, injunction or any other means of specific performance as provided in the Master Indenture and such Continuing Disclosure Agreement.

**Section 703. Additional Covenants Regarding Assessments.** In addition to, and not in limitation of, the covenants contained elsewhere in this First Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the proceedings

heretofore adopted with respect to the Series 2019A-1 Assessments, including the Assessment Resolution and the Assessment Methodology, and to levy and collect the Series 2019A-1 Assessments as set forth in the Assessment Methodology, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2019A-1 Bonds, when due. The District covenants and agrees that upon the occurrence and continuance of an Event of Default with respect to the Series 2019A-1 Bonds, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments that are directly billed and collected by the District, and the provisions for the foreclosure of liens of Delinquent Assessments that are directly billed and collected by the District, all in a manner consistent with the Master Indenture and this First Supplemental Indenture.

**Section 704. Collection of Assessments.** Anything herein or in the Master Indenture to the contrary notwithstanding, subject to the next succeeding sentence, Series 2019A-1 Assessments shall be collected pursuant to the Uniform Method; provided that Series 2019A-1 Assessments levied on platted lots owned by the Developer and levied on unplatted lands may be billed and collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method. Prior to an Event of Default, the election to collect and enforce Series 2019A-1 Assessments in any year pursuant to any one method shall not, to the extent permitted by law, preclude the District from electing to collect and enforce Series 2019A-1 Assessments pursuant to any other method permitted by law in any subsequent year. Following an Event of Default, Series 2019A-1 Assessments shall be collected pursuant to the Uniform Method; provided that Series 2019A-1 Assessments levied on platted lots owned by the Developer and levied on unplatted lands may be billed and collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method; provided, however, the Trustee, acting at the direction of the Majority Owners of the Series 2019A-1 Bonds Outstanding may deliver a notice to the District directing the District to collect the delinquent Series 2019A-1 Assessments in a different manner permitted by the Act and Chapters 170 and 197, Florida Statutes, provided that (i) such direction shall be in the form attached hereto as Exhibit E; (ii) the District shall not be required to comply with such direction until it is able to change the manner of collection in accordance with applicable Florida law; and (iii) the District shall not be required to comply with any direction that is not provided strictly in the form of Exhibit E. All Series 2019A-1 Assessments that are billed and collected directly by the District and not via the Uniform Method shall be due and payable by the landowner at such times as determined by the District, but no later than thirty-one (31) Business Days prior to each Interest Payment Date; provided, however, that such Series 2019A-1 Assessments shall not be deemed to be Delinquent Assessments unless and until same are not paid by the applicable Interest Payment Date with respect to which they have been billed.

**Section 705. Foreclosure of Assessment Lien.** (a) Notwithstanding Section 814 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2019A-1 Assessments and Series 2019A-1 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2019A-1 Assessments and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2019A-1 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the District, after receiving the written direction of the Trustee, acting at the written direction of the Majority Owners of the Series 2019A-1 Bonds

Outstanding, specifying whether the District is to take title to the property in its corporate name or in the name of a special purpose entity (each, an “SPE”), may purchase the property for an amount less than or equal to the balance due on the Series 2019A-1 Assessments (principal, interest, penalties and costs, plus attorneys’ fees, if any), from any legally available funds of the District and the District shall receive in its corporate name or in the name of a special-purpose entity title to the property for the benefit of the Owners of the Series 2019A-1 Bonds. The District, either through its own actions, or actions caused to be taken by the District through the Trustee, acting at the written direction of the Majority Owners of the Series 2019A-1 Bonds Outstanding, shall have the power to and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2019A-1 Revenue Account. The District, either through its own actions, or actions caused to be taken by the District through the Trustee, acting at the written direction of the Majority Owners of the Series 2019A-1 Bonds Outstanding, agrees that the District shall, after being provided assurances satisfactory to it of payment of the District’s fees, costs and expenses for doing so, be required to take the measures provided by law for listing for sale of property acquired by it as trustee for the Owners of the Series 2019A-1 Bonds within sixty (60) days after the receipt of the request therefore signed by the Trustee, acting at the written direction of the Majority Owners of the Series 2019A-1 Bonds Outstanding. The District may pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture, provided such action does not adversely impact the tax-exempt status of the Series 2019A-1 Bonds. The District shall not be required to execute any documentation evidencing the extinguishment or release of the lien of the Series 2019A-1 Assessments and/or the Series 2019A-1 Bonds following the sale of property pursuant to the preceding sentence without receipt of written evidence satisfactory to the District that all of the Owners of the Series 2019A-1 Bonds concur with such extinguishment or release. With respect to any SPE: (i) the books and records of the SPE shall be deemed subject to the same public records laws, including, without limitation, Chapter 119, Florida Statutes, to which the District is subject; and (ii) in addition to the information to be provided to the District pursuant to Section 403(c), such SPE shall provide to the District Manager any information regarding the SPE and its activities requested by or on behalf of the District within five (5) Business Days following such request, and by purchasing the Series 2019A-1 Bonds, the Owners thereof are deemed to agree to cause any SPE not owned or controlled by the District to comply with the foregoing.

(b) Notwithstanding anything to the contrary herein or in the Master Indenture, the District acknowledges and agrees that (i) upon failure of any property owner to pay when due any installment of Series 2019A-1 Assessments that are billed directly by the District, that the entire Series 2019A-1 Assessments levied on the property for which such installment of Series 2019A-1 Assessments is due and unpaid, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law and, with the written direction of the Trustee, acting at the direction of the Majority Owners of the Series 2019A-1 Bonds Outstanding, the District after being provided assurances satisfactory to it of payment, of its fees, costs and expenses for doing so, shall promptly, but in any event within sixty (60) days of the receipt of such direction, cause to be brought the necessary legal proceedings for the foreclosure of liens of Delinquent Assessments, including interest and penalties and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as now provided by Florida law. Such direction shall be in the form of

Exhibit F hereto and the District shall not be required to comply with any direction that is not provided strictly in the form of Exhibit F.

(c) Notwithstanding anything to the contrary herein or in the Master Indenture, the District and/or the Trustee, to the extent acting individually or jointly, in pursuing foreclosure proceedings with respect to any lot or parcel delinquent in the payment of any Series 2019A-1 Assessments, shall be entitled to first recover from any foreclosure, before such proceeds are applied to the payment of principal or interest on the Series 2019A-1 Bonds, all fees and costs expended in connection with such foreclosure, regardless whether such fees and costs could be construed as Series 2019A-1 Assessments or Series 2019A-1 Pledged Revenues. The District may also pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture, provided such action does not adversely impact the tax-exempt status of the Series 2019A-1 Bonds.

**Section 706. Requisite Owners for Direction or Consent.** Following an Event of Default any direction to the District permitted to be given by the Trustee and/or the Owners hereby or by the Master Indenture must be in writing, signed by the Trustee and the Majority Owners and, with respect to the direction referenced in Sections 704 and 705(b) hereof, in the applicable forms attached hereto as exhibits.

**Section 707. Assignment of District's Rights Under Collateral Assignment.** Subject to the terms of the Collateral Assignment, and without intending to alter the same, the District hereby assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of the Series 2019A-1 Bonds. Such assignment shall not be considered an assumption by the Trustee of any obligations thereunder.

**Section 708. Enforcement of Completion Agreement and Other Agreements.** The District covenants that it shall strictly enforce all of the provisions of the Acquisition Agreement, the Completion Agreement and the True-Up Agreement.

**Section 709. Interpretation of First Supplemental Indenture.** This First Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2019A-1 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 First Supplemental Indenture shall be read and construed as one document.

**Section 710. Amendments.** Any amendments to this First Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

**Section 711. 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 712. 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 713. Payment Dates.** In any case in which an Interest Payment Date or the maturity date of the Series 2019A-1 Bonds or the date fixed for the redemption of any Series 2019A-1 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 714. 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 2019A-1 Bonds.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, Esplanade Lake Club Community Development District has caused these presents to be signed in its name and on its behalf by its Chairperson, and its official seal to be hereunto affixed and attested by its Secretary, thereunto duly authorized, and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be signed in its name and on its behalf by its duly authorized Assistant Vice President.

(SEAL)

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Secretary

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

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

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

STATE OF FLORIDA        )  
                                  ) SS:  
COUNTY OF LEE        )

On this \_\_\_ day of December, 2019, before me, a notary public in and for the State and County aforesaid, personally appeared \_\_\_\_\_, the Chairperson of the Board of Supervisors of Esplanade Lake Club Community Development District, who acknowledged that he did sign the foregoing instrument as such officer, for and on behalf of Esplanade Lake Club Community Development District; that the same is his free act and deed as such officer, and the free act and deed of Esplanade Lake Club Community Development District; and that the seal affixed to said instrument is the seal of Esplanade Lake Club 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

My Commission expires:

\_\_\_\_\_

[NOTARIAL SEAL]

STATE OF FLORIDA        )  
                                  ) SS:  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of December, 2019, before me, a notary public in and for the State and County aforesaid, personally appeared James P. Ward, the Secretary of the Board of Supervisors of Esplanade Lake Club Community Development District, who acknowledged that he did sign the foregoing instrument as such officer, for and on behalf of Esplanade Lake Club Community Development District; that the same is his free act and deed as such officer, and the free act and deed of Esplanade Lake Club Community Development District; and that the seal affixed to said instrument is the seal of Esplanade Lake Club 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

My Commission expires:

\_\_\_\_\_

[NOTARIAL SEAL]

STATE OF FLORIDA            )  
  ) SS:  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of December, 2019, before me, a notary public in and for the State and County aforesaid, personally appeared Robert Hedgecock, an Assistant Vice President of U.S. Bank National Association, as Trustee, who acknowledged that he did sign said instrument as such officer for and on behalf of said national banking association and that the same is his free act and deed as such officer and the free act and deed 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

My Commission expires:

\_\_\_\_\_

[NOTARIAL SEAL]

**EXHIBIT A**  
**DESCRIPTION OF SERIES 2019 PROJECT**

[See Report of District's Consulting Engineers Attached Hereto.]

**EXHIBIT B**

**FORM OF SERIES 2019A-1 BONDS**

RA1-\_\_\_\_\_

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

**United States of America  
State of Florida**

**ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT  
CAPITAL IMPROVEMENT REVENUE BOND, SERIES 2019A-1**

<b><u>Interest Rate</u></b>	<b><u>Maturity Date</u></b>	<b><u>Dated Date</u></b>	<b><u>CUSIP</u></b>
---------------------------------	---------------------------------	------------------------------	---------------------

**Registered Owner: CEDE & CO.**

**Principal Amount: \_\_\_\_\_ THOUSAND DOLLARS**

**ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT**, a community development district duly established and existing pursuant to Chapter 190, Florida Statutes (the “District”), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered Owner set forth above, or registered assigns, on the maturity date shown hereon, unless this Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture hereinafter mentioned) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for, or, if no interest has been paid, from the Dated Date shown above on May 1 and November 1 of each year (each, an “Interest Payment Date”), commencing on May 1, 2020, until payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (as hereinafter defined), be paid to the registered Owner hereof at the close of business on the regular Record Date for such interest, which shall be the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date, or, if such day is not a Business Day on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 of the Master Indenture (hereinafter defined), the payment of interest and principal or Redemption Price or Amortization

Installments shall be made by the Paying Agent (hereinafter defined) to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of this Bond. Any payment of principal, Maturity Amount or Redemption Price shall be made only upon presentation hereof at the designated corporate trust office of U.S. Bank National Association, located in Fort Lauderdale, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"), unless the Bonds are held in the book entry system in which case presentation shall not be required. Payment of interest shall be made by check or draft (or by wire transfer to a bank in the United States for the account of the registered Owner set forth above if such Owner requests such method of payment in writing on or prior to the regular Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner set forth above owns not less than \$1,000,000 in aggregate principal amount of the Series 2019A-1 Bonds, as defined below). Interest on this Bond will be computed on the basis of a 360-day year composed of twelve 30-day months. Capitalized terms used herein and not otherwise defined shall have the same meaning as set forth in the hereinafter defined Indenture.

This Bond is one of a duly authorized issue of bonds of the District issued in two Series designated as "\$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1" (the "Series 2019A-1 Bonds") issued under a Master Trust Indenture, dated as of December 1, 2019 (the "Master Indenture"), between the District and U.S. Bank National Association, located in Fort Lauderdale, Florida, as trustee (the "Trustee"), as amended and supplemented by a First Supplemental Trust Indenture, dated as of December 1, 2019 (the "Supplemental Indenture"), between the District and the Trustee (the Master Indenture as amended and supplemented by the Supplemental Indenture is hereinafter referred to as the "Indenture") (the Series 2019A-1 Bonds, together with any other Bonds issued under and governed by the terms of the Master Indenture, are hereinafter collectively referred to as the "Bonds"). The District will apply the proceeds of the Series 2019A-1 Bonds to: (i) finance the Cost of acquiring, constructing and equipping assessable improvements (as more particularly described in Exhibit A to the Supplemental Indenture, the "Series 2019 Project"); (ii) pay certain costs associated with the issuance of the Series 2019A-1 Bonds; (iii) make a deposit into the Series 2019A-1 Reserve Account without privilege or priority of one Series 2019A-1 Bond over another; and (iv) pay a portion of the interest to become due on the Series 2019A-1 Bonds.

NEITHER THIS BOND NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THIS BOND AND THE SERIES OF WHICH IT IS A PART AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON AND THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE MASTER INDENTURE OR IN THE SUPPLEMENTAL INDENTURE AUTHORIZING THE ISSUANCE OF THE SERIES 2019A-1 BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY

OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE SERIES 2019A-1 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE SERIES 2019A-1 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2019A-1 TRUST ESTATE, INCLUDING THE SERIES 2019A-1 PLEDGED REVENUES AND THE SERIES 2019A-1 PLEDGED FUNDS, PLEDGED TO THE SERIES 2019A-1 BONDS, ALL AS PROVIDED HEREIN, IN THE MASTER INDENTURE AND IN THE SUPPLEMENTAL INDENTURE.

This Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes (2019), and other applicable provisions of law and pursuant to the Indenture, executed counterparts of which Indenture are on file at the corporate trust office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Series 2019A-1 Bonds issued under the Indenture, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal and Redemption Price of, and the interest on, the Series 2019A-1 Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Assessments, the terms and conditions under which the Series 2019A-1 Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Indenture and the rights of the Owners of the Series 2019A-1 Bonds, and, by the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. The Series 2019A-1 Bonds are equally and ratably secured by the Series 2019A-1 Trust Estate, without preference or priority of one Series 2019A-1 Bond over another.

The Series 2019A-1 Bonds are issuable only as registered bonds without coupons in current interest form in denominations of \$5,000 or any integral multiple thereof (an “Authorized Denomination”); provided, however, that the Series 2019A-1 Bonds shall be delivered to the initial purchasers thereof only in aggregate principal amounts of \$100,000 or integral multiples of Authorized Denominations in excess of \$100,000. This Bond is transferable by the registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Trustee in Fort Lauderdale, Florida, as Bond Registrar (the “Bond Registrar”), upon surrender of this Bond, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory to the Bond Registrar, subject to such reasonable regulations as the District or the Bond Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new Series 2019A-1 Bond or Series 2019A-1 Bonds, in the same aggregate principal amount as the Series 2019A-1 Bond or Series 2019A-1 Bonds transferred, will be issued to the transferee. At the corporate trust office of the Bond Registrar in Fort Lauderdale, Florida, in the manner and subject to the limitations and conditions provided in the Master Indenture and without cost, except for any tax or other governmental charge, Series 2019A-1 Bonds may be exchanged for an equal aggregate principal amount of Series 2019A-1 Bonds of the same maturity, of Authorized Denominations and bearing interest at the same rate or rates.



The Series 2019A-1 Bonds are subject to redemption prior to maturity at the option of the District, in whole or part on any date, on or after November 1, 20\_\_ at the Redemption Price of the principal amount of the Series 2019A-1 Bonds or portions thereof to be redeemed together with accrued interest to the Redemption Date.

The Series 2019A-1 Bonds maturing November 1, 20\_\_ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019A-1 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the Redemption Date on November 1 of the years and in the principal amounts set forth below:

<b><u>November 1 of the Year</u></b>	<b><u>Amortization Installment</u></b>	<b><u>November 1 of the Year</u></b>	<b><u>Amortization Installment</u></b>
--	--	--	--

                      
\*Maturity

As more particularly set forth in the Indenture, any Series 2019A-1 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2019A-1 Bonds. Amortization Installments are also subject to recalculation, as provided in the Supplemental Indenture, as the result of the redemption of Series 2019A-1 Bonds (other than (i) Series 2019A-1 Bonds redeemed in accordance with scheduled Amortization Installments or (ii) Series 2019A-1 Bonds redeemed at the direction of the District accompanied by a cash flow certificate as required by Section 506(b) of the Master Indenture) so as to re-amortize the remaining Outstanding principal balance of the Series 2019A-1 Bonds as set forth in Section 406(b) of the Supplemental Indenture.

The Series 2019A-1 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any Redemption Date, in the manner determined by the Bond Registrar at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Date of Completion of the Series 2019 Project, by application of moneys transferred from the Series 2019A-1 Acquisition and Construction Account in the Acquisition and Construction Fund established under the Indenture to the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account in accordance with the terms of the Indenture; or

(b) from amounts, including Series 2019A-1 Prepayments and transfers made pursuant to Section 403 of the Supplemental Indenture, required by the Indenture to be deposited into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account; or

(c) from amounts transferred to the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account resulting from a reduction in the Series 2019A-1 Reserve Account Requirement as provided for in the Indenture; or

(d) on and after the date on which the amount on deposit in the Series 2019A-1 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2019A-1 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2019A-1 Bonds shall be called for redemption, the particular Series 2019A-1 Bonds or portions of Series 2019A-1 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture, or as provided or directed by DTC.

Notice of each redemption of Series 2019A-1 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the Redemption Date to each registered Owner of Series 2019A-1 Bonds to be redeemed at the address of such registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the Series 2019A-1 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2019A-1 Bonds or such portions thereof on such date, interest on such Series 2019A-1 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2019A-1 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2019A-1 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. As provided in the Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events or upon the later deposit of moneys therefor as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

The Owner of this Bond shall have no right to enforce the provisions of the Master Indenture or to institute any 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.

Modifications or alterations of the Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

Any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for six (6) years after the date when such Bond has become due and payable, either at its stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for six (6) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bond became due and payable, shall be paid to the District, and thereupon and thereafter no claimant shall have any rights against the Paying Agent to or in respect of such moneys.

If the District deposits or causes to be deposited with the Trustee cash or Defeasance Securities sufficient to pay the principal or Redemption Price of any Series 2019A-1 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of the Series 2019A-1 Bonds as to the Series 2019A-1 Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

This Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida. This Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the ordinances and resolutions of the District to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture, have happened, exist and have been performed as so required. 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 the execution by the Trustee of the Certificate of Authentication endorsed hereon.

**IN WITNESS WHEREOF**, Esplanade Lake Club Community Development District has caused this Bond to bear the signature of the Chairperson of its Board of Supervisors and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Secretary to the Board of Supervisors.

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Secretary

[Official Seal]

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

**CERTIFICATE OF AUTHENTICATION  
FOR SERIES 2019A-1 BONDS**

This Bond is one of the Bonds of the Series designated herein, described in the within-mentioned Indenture.

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

Date of Authentication:

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

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

**CERTIFICATE OF VALIDATION**

This Bond is one of a Series of Bonds which were validated by judgment of the Circuit Court for Lee County, Florida rendered on July 29, 2019.

**ESPLANADE LAKE CLUB  
COMMUNITY DEVELOPMENT  
DISTRICT**

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Chairperson

**ABBREVIATIONS FOR SERIES 2019A-1 BONDS**

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 TRANSFER MIN ACT - \_\_\_\_\_ Custodian \_\_\_\_\_ under  
Uniform Transfer to Minors Act \_\_\_\_\_ (Cust.) (Minor) (State)

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

**FORM OF ASSIGNMENT FOR SERIES 2019A-1 BONDS**

For value received, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_ within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney to transfer the said Bond on the books of the District, with full power of substitution in the premises.

Dated:

Social Security Number or Employer

Identification Number of Transferee:

Signature guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

\_\_\_\_\_  
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.

## EXHIBIT C

### FORM OF REQUISITION FOR SERIES 2019 PROJECT

The undersigned, an Authorized Officer of Esplanade Lake Club Community Development District (the “District”) hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the District to U.S. Bank National Association, Fort Lauderdale, Florida, as trustee (the “Trustee”), dated as of December 1, 2019 (the “Master Indenture”), as amended and supplemented by the First Supplemental Trust Indenture from the District to the Trustee, dated as of December 1, 2019 (the Master Indenture as amended and supplemented is hereinafter referred to as the “Indenture”) (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

(D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable):

The undersigned hereby certifies that [obligations in the stated amount set forth above have been incurred by the District, that each disbursement set forth above is a proper charge against the Series 2019A-1 Acquisition and Construction Account, that each disbursement set forth above was incurred in connection with the acquisition and construction of the Series 2019 Project and each represents a Cost of the Series 2019 Project, and has not previously been paid] OR [this requisition is for Costs of Issuance payable from the Series 2019A-1 Costs of Issuance Account that 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.

If this requisition is for a disbursement from other than the Series 2019A-1 Costs of Issuance Account, there shall be attached a resolution of the Governing Body of the District approving this requisition or approving the specific contract with respect to which disbursements pursuant to this requisition are due and payable.

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

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

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

**CONSULTING ENGINEERS' APPROVAL FOR NON-COSTS OF ISSUANCE  
REQUESTS ONLY**

If this requisition is for a disbursement for other than Costs of Issuance, the undersigned Consulting Engineers hereby certify that this disbursement is for a Cost of the Series 2019 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the corresponding Series 2019 Project segment and portion of the Series 2019 Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineers attached as an Exhibit to the First Supplemental Indenture, as such report shall have been amended or modified on the date hereof.

The undersigned further certifies that (a) the Series 2019 Project improvements to be acquired with this disbursement will be (1) owned by the District or another governmental entity and located on public property or within public rights of way or easements and (2) accessible by the general public and/or part of a public water management system; (b) the purchase price to be paid by the District for the Series 2019 Project improvements to be acquired with this disbursement is no more than the lesser of (i) the fair market value of such improvements and (ii) the actual cost of construction of such improvements; (c) the plans and specifications for the Series 2019 Project improvements have been approved by all regulatory bodies required to approve them or such approval can reasonably be expected to be obtained; (d) all currently required approvals and permits for the acquisition, construction, reconstruction, installation and equipping of the portion of the Series 2019 Project for which disbursement is made have been obtained from all applicable regulatory bodies; and (e) to the best of our knowledge based upon representations made by the seller pursuant to the Acquisition Agreement, subject to permitted retainage under the applicable contracts, the seller has paid all contractors, subcontractors, and materialmen that have provided services or materials in connection with the portions of the Series 2019 Project for which disbursement is made hereby, if acquisition is being made pursuant to the Acquisition Agreement.

\_\_\_\_\_  
Consulting Engineers



**EXHIBIT D**  
**FORM OF**  
**BINDING OBLIGATION NOTICE FOLLOWING AN EVENT OF DEFAULT**

U.S. Bank National Association, as trustee  
Fort Lauderdale, Florida

Re: Esplanade Lake Club Community Development District Capital Improvement  
Revenue Bonds, Series 2019A-1 (the "2019A-1 Bonds")

Ladies and Gentlemen:

The 2019A-1 Bonds are issued and Outstanding under the Master Trust Indenture from the Esplanade Lake Club Community Development District (the "District") to U.S. Bank National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), dated as of December 1, 2019 (the "Master Indenture"), as amended and supplemented by the First Supplemental Trust Indenture from the District to the Trustee, dated as of December 1, 2019 (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

This shall serve as a notice from the District, as contemplated by Section 403(c) of the Supplemental Indenture, that the District has incurred the below described binding obligations which were occurred prior to any Event of Default and which are to be paid from the Series 2019A-1 Acquisition and Construction Account in accordance with the Indenture:

Nature of Obligation	Payee	Amount
----------------------	-------	--------

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

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

**EXHIBIT E**  
**FORM OF**  
**DIRECTION/COLLECTION METHOD NOTICE FOLLOWING AN EVENT OF**  
**DEFAULT**

Esplanade Lake Club Community Development District  
Board of Supervisors  
c/o District Manager

Re: Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the “2019A-1 Bonds”)

Ladies and Gentlemen:

The undersigned are the Trustee and Majority Owners of the above-referenced 2019A-1 Bonds issued pursuant to the Master Trust Indenture from the Esplanade Lake Club Community Development District (the “District”) to U.S. Bank National Association, Fort Lauderdale, Florida, as trustee (the “Trustee”), dated as of December 1, 2019 (the “Master Indenture”), as amended and supplemented by the First Supplemental Trust Indenture from the District to the Trustee, dated as of December 1, 2019 (the “Supplemental Indenture” and, together with the Master Indenture, the “Indenture”) (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture).

Pursuant to Section 704 of the Supplemental Indenture, this Notice is provided to the District to direct the District to collect the Series 2019A-1 Assessments in the manner as follows at the earliest practicable time permitted by applicable law (check ones that apply):

\_\_\_\_\_ Uniform Method for [describe lots or lands]

\_\_\_\_\_ Direct Bill for [describe lots or lands]

The undersigned agree that this represents the direction as to the method of collection of the Series 2019A-1 Assessments permitted by Section 704 of the Indenture.

Dated: \_\_\_\_\_, 20\_\_\_\_

[Signatures on following page]

**TRUSTEE:**

**U.S. BANK NATIONAL ASSOCIATION**

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

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

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

**MAJORITY OWNERS:**

\_\_\_\_\_, as beneficial owner

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

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

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

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

Aggregate principal amount of the 2019A-1 Bonds held on  
the Record Date hereof:

PRINCIPAL AMOUNT \_\_\_\_\_

CUSIP \_\_\_\_\_

DTC PARTICIPANT NUMBER \_\_\_\_\_

\_\_\_\_\_, as beneficial owner

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

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

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

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

Aggregate principal amount of the 2019A-1 Bonds held on  
the Record Date hereof:

PRINCIPAL AMOUNT \_\_\_\_\_

CUSIP \_\_\_\_\_

DTC PARTICIPANT NUMBER \_\_\_\_\_

**EXHIBIT F**  
**FORM OF**  
**DIRECTION/FORECLOSURE**

Esplanade Lake Club Community Development District  
Board of Supervisors  
c/o District Manager

Re: Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the “2019A-1 Bonds”)

Ladies and Gentlemen:

The undersigned are the Trustee and Majority Owners of the above-referenced 2019A-1 Bonds issued pursuant to the Master Trust Indenture from the Esplanade Lake Club Community Development District (the “District”) to U.S. Bank National Association, Fort Lauderdale, Florida, as trustee (the “Trustee”), dated as of December 1, 2019 (the “Master Indenture”), as amended and supplemented by the First Supplemental Trust Indenture from the District to the Trustee, dated as of December 1, 2019 (the “Supplemental Indenture” and, together with the Master Indenture, the “Indenture”) (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture).

Pursuant to Section 705(b) of the Supplemental Indenture, this Notice is provided to the District to direct the District to commence foreclosure proceedings as contemplated by such Section 705(b), with the understanding that the Indenture does not require the District to take any such action unless and until the District is provided assurances satisfactory to it of the payment of its fees, costs and expenses for doing so.

Dated: \_\_\_\_\_, 20\_\_\_\_

[Signatures on following page]

**TRUSTEE:**

**U.S. BANK NATIONAL ASSOCIATION**

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

**MAJORITY OWNERS:**

\_\_\_\_\_, as beneficial owner

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

Aggregate principal amount of the 2019A-1 Bonds held on  
the Record Date hereof:

PRINCIPAL AMOUNT \_\_\_\_\_

CUSIP \_\_\_\_\_

DTC PARTICIPANT NUMBER \_\_\_\_\_

\_\_\_\_\_, as beneficial owner

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

Aggregate principal amount of the 2019A-1 Bonds held on  
the Record Date hereof:

PRINCIPAL AMOUNT \_\_\_\_\_

CUSIP \_\_\_\_\_

DTC PARTICIPANT NUMBER \_\_\_\_\_

Draft #6

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**SECOND SUPPLEMENTAL TRUST INDENTURE**

**ESPLANADE LAKE CLUB**

**COMMUNITY DEVELOPMENT DISTRICT**

**TO**

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

**AS TRUSTEE**

**Dated as of**

**December 1, 2019**

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**TABLE OF CONTENTS**

This Table of Contents is incorporated herein for ease of reference only and shall not be deemed a part of the Second Supplemental Trust Indenture.

**ARTICLE I**

**DEFINITIONS**

Section 101. Definitions.....4

**ARTICLE II**

**AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2019A-2 BONDS**

Section 201. Authorization of Series 2019A-2 Bonds; Book-Entry Only Form .....8  
Section 202. Terms .....9  
Section 203. Dating and Interest Accrual .....10  
Section 204. Denominations .....10  
Section 205. Paying Agent.....10  
Section 206. Bond Registrar .....10  
Section 207. Conditions Precedent to Issuance of Series 2019A-2 Bonds.....10

**ARTICLE III**

**REDEMPTION OF SERIES 2019A-2 BONDS**

Section 301. Bonds Subject to Redemption.....11  
Section 302. Redemption from Excess Acquisition and Construction Account Proceeds  
and Series 2019A-2 Retainage Subaccount .....11

**ARTICLE IV**

**DEPOSIT OF SERIES 2019A-2 BOND PROCEEDS AND APPLICATION THEREOF;  
ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF**

Section 401. Establishment of Accounts .....11  
Section 402. Use of Series 2019A-2 Bond Proceeds .....12  
Section 403. Series 2019A-2 Acquisition and Construction Account.....12  
Section 404. Series 2019A-2 Costs of Issuance Account.....14  
Section 405. Series 2019A-2 Reserve Account .....15  
Section 406. Amortization Installments.....16  
Section 407. Tax Covenants and Rebate Account .....16  
Section 408. Establishment of Series 2019A-2 Revenue Account in Revenue Fund;  
Application of Revenues and Investment Earnings .....16

**ARTICLE V**

**CONCERNING THE TRUSTEE**

Section 501. Acceptance by Trustee.....19  
Section 502. Limitation of Trustee’s Responsibility .....19  
Section 503. Trustee’s Duties .....19

**ARTICLE VI**  
**ADDITIONAL BONDS**

Section 601. Limitation on Parity Bonds.....19

**ARTICLE VII MISCELLANEOUS**

Section 701. Confirmation of Master Indenture .....20  
Section 702. Continuing Disclosure Agreement.....20  
Section 703. Additional Covenants Regarding Assessments .....20  
Section 704. Collection of Assessments .....20  
Section 705. Foreclosure of Assessment Lien .....21  
Section 706. Requisite Owners for Direction or Consent.....22  
Section 707. Assignment of District's Rights Under Collateral Assignment .....23  
Section 708. Enforcement of Completion Agreement and Other Agreements.....23  
Section 709. Interpretation of Second Supplemental Indenture .....23  
Section 710. Amendments .....23  
Section 711. Counterparts.....23  
Section 712. Appendices and Exhibits.....23  
Section 713. Payment Dates .....23  
Section 714. No Rights Conferred on Others .....23

Exhibit A - Description of Series 2019 Project

Exhibit B - Form of Series 2019A-2 Bonds

Exhibit C - Form of Requisition

Exhibit D - Form of Binding Obligation Notice Following an Event of Default

Exhibit E - Form of Direction/Collection Method Notice Following an Event of Default

Exhibit F - Form of Direction/Foreclosure



## SECOND SUPPLEMENTAL TRUST INDENTURE

**THIS SECOND SUPPLEMENTAL TRUST INDENTURE** (the “Second Supplemental Indenture”) is dated as of December 1, 2019, from **ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT** (the “District”) to **U.S. BANK NATIONAL ASSOCIATION**, as trustee (the “Trustee”), a national banking association duly organized and existing under the laws of the United States of America and having corporate trust offices in Fort Lauderdale, Florida (said national banking association and any bank or trust company becoming successor trustee under this Master Indenture being hereinafter referred to as the “Trustee”).

**WHEREAS**, the District has entered into a Master Trust Indenture, dated as of December 1, 2019 (the “Master Indenture,” and together with this Second Supplemental Indenture, the “Indenture”) with the Trustee to secure the issuance of its Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds (the “Bonds”), issuable in one or more Series from time to time; and

**WHEREAS**, pursuant to Resolution No. 2019-21 (the “Bond Resolution”) adopted by the Governing Body of the District on May 15, 2019, the District has authorized the issuance, sale and delivery of not to exceed \$31,030,000 of Bonds, to be issued in one or more Series of Bonds as authorized under the Master Indenture, which Bonds were validated by final judgment of the Circuit Court of Lee County, Florida on July 29, 2019, the appeal period for which has expired with no appeal having been taken; and

**WHEREAS**, the Governing Body of the District duly adopted Resolution No. 2019-20 on May 15, 2019 providing for the acquisition, construction and installation of public assessable capital improvements (the “Capital Improvement Program”), providing estimated Costs of the Capital Improvement Program, defining assessable property to be benefited by the Capital Improvement Program, defining the portion of the Costs of the Capital Improvement Program with respect to which Assessments will be imposed and the manner in which such Assessments shall be levied against such benefited property within the District, directing the preparation of an assessment roll, and stating the intent of the District to issue Bonds of the District secured by such Assessments to finance the costs of the acquisition, construction and installation of the Capital Improvement Program and the Governing Body of the District duly adopted Resolution No. 2019-24 on June 19, 2019, following a public hearing conducted in accordance with the Act, to fix and establish the Assessments and the benefited property, which Resolution was supplemented by Resolution No. 2020-\_\_\_\_, adopted by the Governing Body of the District on \_\_\_\_\_, 2019, with respect to the Series 2019A Bonds (hereinafter defined) (collectively, the “Assessment Resolution”); and

**WHEREAS**, pursuant to Resolution No. 2020-6 adopted by the Governing Body of the District on November 13, 2019 (the “Award Resolution”), the District has authorized the issuance, sale and delivery of, *inter alia*, its \$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the “Series 2019A-2 Bonds”) and its Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the “Series 2019A-1 Bonds” and collectively with the Series 2019A-2 Bonds, the “Series 2019A Bonds”); and

**WHEREAS**, pursuant to the Award Resolution, the Issuer has authorized the execution and delivery of the Master Indenture and this Second Supplemental Indenture to secure the issuance of the Series 2019A-2 Bonds and to set forth the terms of the Series 2019A-2 Bonds; and

**WHEREAS**, the District will apply the proceeds of the Series 2019A-2 Bonds to: (i) finance a portion of the Cost of acquiring, constructing and equipping public assessable infrastructure and improvements (as more particularly described in Exhibit A hereto, the “Series 2019 Project”); (ii) pay certain costs associated with the issuance of the Series 2019A-2 Bonds; (iii) make a deposit into the Series 2019A-2 Reserve Account; and (iv) pay a portion of the interest to become due on the Series 2019A-2 Bonds; and

**WHEREAS**, the Series 2019A-2 Bonds will be payable from and secured by revenues derived from Assessments imposed, levied and collected by the District with respect to property specially benefited by the Series 2019 Project and described in the Assessment Resolutions (the “Series 2019A-2 Assessments”), which, together with the Series 2019A-2 Pledged Funds (hereinafter defined) will comprise the Series 2019A-2 Trust Estate (hereinafter defined), which shall constitute a “Series Trust Estate” as defined in the Master Indenture; and

**WHEREAS**, the execution and delivery of the Series 2019A-2 Bonds and of this Second Supplemental Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the Series 2019A-2 Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Second Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the Series 2019A-2 Trust Estate have been done; and

**WHEREAS**, pursuant to the Award Resolution the District has authorized the execution and delivery of the First Supplemental Indenture (hereinafter defined) to secure the issuance of the Series 2019A-1 Bonds separately from the Series 2019A-2 Bonds and to set forth the terms of the Series 2019A-1 Bonds; and

**WHEREAS**, proceeds of the Series 2019A-1 Bonds will be applied, among the other purposes set forth in the First Supplemental Indenture, to finance a portion of the Series 2019 Project;

**NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS SECOND SUPPLEMENTAL TRUST INDENTURE WITNESSETH:**

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the Series 2019A-2 Bonds by the purchaser or purchasers thereof, and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, and in order to further secure the payment of the principal and Redemption Price of, and interest on, all Series 2019A-2 Bonds Outstanding (as defined in the Master Indenture) from time to time, according to their tenor and effect, and such other payments required to be made under the Master Indenture or hereunder and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this Second Supplemental Indenture

and in the Series 2019A-2 Bonds: (a) has executed and delivered this Second Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell, convey, transfer, assign and pledge unto the Trustee, and unto its successors in the trusts under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture and the provisions of the Master Indenture pertaining to the application thereof for or to the purposes and on the terms set forth in the Master Indenture, the revenues derived by the District from the Series 2019A-2 Assessments (the “Series 2019A-2 Pledged Revenues”) and the Funds and Accounts (except for the Series 2019A-2 Rebate Account) established hereby (the “Series 2019A-2 Pledged Funds”) which shall comprise a part of the Trust Estate securing the Series 2019A-2 Bonds (the “Series 2019A-2 Trust Estate”);

**TO HAVE AND TO HOLD** all the same by the Master Indenture granted, bargained, sold, conveyed, transferred, assigned and pledged, or agreed or intended so to be, to the Trustee and its successors in said trust and to it and its assigns forever;

**IN TRUST NEVERTHELESS**, upon the terms and trusts in the Indenture set forth for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the Series 2019A-2 Bonds issued or to be issued under and secured by this Second Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any one Series 2019A-2 Bond over any other Series 2019A-2 Bond by reason of priority in their issue, sale or execution;

**PROVIDED FURTHER HOWEVER**, that if the District, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the Series 2019A-2 Bonds or any Series 2019A-2 Bond of a particular maturity issued, secured and Outstanding under this Second Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the Series 2019A-2 Bonds and this Second Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Master Indenture and this Second Supplemental 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 of the Master Indenture and this Second Supplemental Indenture, then upon such final payments, this Second Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all Series 2019A-2 Bonds or any Series 2019A-2 Bond of a particular maturity, otherwise this Second Supplemental Indenture shall remain in full force and effect;

**THIS SECOND SUPPLEMENTAL INDENTURE FURTHER WITNESSETH**, and it is expressly declared, that all Series 2019A-2 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in the Master Indenture (except as amended directly or by implication by this Second Supplemental Indenture), including this Second Supplemental Indenture, expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Series 2019A-2 Bonds, as follows:

## ARTICLE I DEFINITIONS

**Section 101. Definitions.** All terms used herein that are defined in the recitals hereto are used with the same meaning herein unless the context clearly requires otherwise. All terms used herein that are defined in the Master Indenture are used with the same meaning herein (including the use of such terms in the recitals hereto and the granting clauses hereof) unless (i) expressly given a different meaning herein or (ii) the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used herein shall have the following meanings:

**“Acquisition Agreement”** shall mean the Acquisition Agreement dated \_\_\_\_\_, 2019 between the District and the Developer.

**“Assessment Methodology”** shall mean the Master Special Assessment Methodology Report dated April 29, 2019 prepared by JP Ward & Associates LLC, as amended and supplemented, including by a report dated \_\_\_\_\_, 2019.

**“Bond Depository”** shall mean the securities depository from time to time under Section 201 hereof, which may be the District.

**“Bond Participants”** shall mean those broker-dealers, banks and other financial institutions from time to time for which the Bond Depository holds Bonds as securities depository.

**“Capital Improvement Program”** shall mean the program of assessable public capital improvements established by the District in the Series 2019A-2 Assessment Proceedings, all or a portion of which is comprised of the Series 2019 Project.

**“Collateral Assignment”** shall mean the Collateral Assignment Agreement dated December \_\_\_\_\_, 2019 by the Developer in favor of the District.

**“Completion Agreement”** shall mean the Completion Agreement dated December \_\_\_\_\_, 2019 between the District and the Developer.

**“Continuing Disclosure Agreement”** shall mean that certain Continuing Disclosure Agreement dated December \_\_\_\_\_, 2019 among the Developer, the District and the other parties named therein in connection with the Series 2019A Bonds.

**“Delinquent Assessment Interest”** shall mean Series 2019A-2 Assessment Interest deposited by the District with the Trustee on or after May 1 of the year in which such Series 2019A-2 Assessment Interest has, or would have, become delinquent under State law applicable thereto.

**“Delinquent Assessment Principal”** shall mean Series 2019A-2 Assessment Principal deposited by the District with the Trustee on or after May 1 of the year in which such Series 2019A-2 Assessment Principal has, or would have, become delinquent under State law applicable thereto.

***“Delinquent Assessments”*** shall mean Delinquent Assessment Principal and Delinquent Assessment Interest.

***“Developer”*** shall mean Taylor Morrison of Florida, Inc., a Florida corporation, and any affiliate or any entity which succeeds to all or any part of the interests and assumes any or all responsibilities of such entity, as the developer of the lands within the District.

***“DTC”*** shall mean The Depository Trust Company, New York, New York.

***“First Supplemental Indenture”*** shall mean that certain Second Supplemental Indenture dated as of December 1, 2019 by and between the Issuer and the Trustee and pursuant to which, together with the Master Indenture, the Series 2019A-1 Bonds have been issued.

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

***“Interest Payment Date”*** shall mean each May 1 and November 1, commencing May 1, 2020.

***“Majority Owners”*** as used herein shall mean the Beneficial Owners of more than fifty percent (50%) of the principal amount of the Outstanding Series 2019A-2 Bonds.

***“Nominee”*** shall mean the nominee of the Bond Depository, which may be the Bond Depository, as determined from time to time pursuant to this Second Supplemental Indenture.

***“Redemption Date”*** shall mean, if in part, each Interest Payment Date, and if in whole, any date.

***“Reserve Account Release Conditions”*** shall mean (i) all of the residential lots planned for the land within the District as reflected in the Assessment Methodology are platted as certified in writing by the Consulting Engineers and (ii) no Event of Default has occurred and is continuing with respect to any Outstanding Series 2019A-2 Bonds.

***“Series 2019A-1 Assessments”*** shall mean the Assessments imposed, levied and collected by the District in respect of the Series 2019A-1 Bonds and the portion of the Series 2019 Project financed with the proceeds thereof.

***“Series 2019A-1 Bonds”*** shall mean the \$ \_\_\_\_\_ aggregate principal amount of Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 to be issued as fully registered Bonds in accordance with the provisions of the Master Indenture and the First Supplemental Indenture, and secured and authorized by the Master Indenture and the First Supplemental Indenture.

***“Series 2019A-2 Assessment Proceedings”*** shall mean the proceedings of the District with respect to the establishment, levy and collection of the Series 2019A-2 Assessments, which include Resolution Nos. 2019-20, 2019-24 and 2020-\_\_\_ adopted on May 15, 2019, June 19, 2019 and \_\_\_\_\_, 2019, respectively, as supplemented, adopted by the Governing Body of

the District, and any supplemental proceedings undertaken by the District with respect to the Series 2019A-2 Assessments and the Assessment Methodology as approved thereby.

**“Series 2019A-2 Investment Obligations”** shall mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District;

- (i) Government Obligations;
- (ii) commercial paper rated in the top two rating category by both Moody’s and S&P at the time of purchase;
- (iii) municipal securities issued by any state or commonwealth of the United States or political subdivision thereof or constituted authority thereof including, but not limited to, municipal corporations, school districts and other special districts, the interest on which is exempt from federal income taxation under Section 103 of the Code and rated A- or higher by Moody’s, Fitch or S&P at the time of purchase;
- (iv) both (A) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by Moody’s and S&P, and (B) shares of money market mutual funds that invest only in Government Obligations and obligations of any of the following agencies: Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Bank; Tennessee Valley Authority; Farmers Home Administration; Student Loan Marketing Association; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody’s and S&P at the time of purchase;
- (v) bonds, notes and other debt obligations of any corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia, if such obligations are, at the time of purchase, rated “A-” or better by at least two (2) of the following rating agencies: Moody’s, S&P or Fitch or “AA-” or better by either S&P or Fitch or “Aa-” or better by Moody’s;
- (vi) the Local Government Surplus Funds Trust Fund as described in Florida Statutes, Section 218.405 or the corresponding provisions of subsequent laws provided that such fund, at the time of purchase, is rated at least “AA” by S&P (without regard to gradation) or at least “Aa” by Moody’s (without regard to gradation); and
- (vii) Money market deposit accounts, time deposits, and certificates of deposits issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody’s and S & P.

**“Series 2019A-2 Pledged Funds”** shall mean all of the Funds and Accounts created hereby with the Trustee, including the Subaccounts therein other than the Series 2019A-2 Rebate Account in the Rebate Fund.

**“Series 2019A-2 Pledged Revenues”** shall mean the Series 2019A-2 Assessment Revenues.

**“Series 2019A-2 Assessment Interest”** shall mean the interest on the Series 2019A-2 Assessments which is pledged to the Series 2019A-2 Bonds.

**“Series 2019A-2 Assessment Principal”** shall mean the principal amount of Series 2019A-2 Assessments received by the District which represents a proportionate amount of the principal of and Amortization Installments of the Series 2019A-2 Bonds, other than applicable Delinquent Assessment Principal and Series 2019A-2 Prepayments.

**“Series 2019A-2 Assessment Revenues”** shall mean all revenues derived by the District from the Series 2019A-2 Assessments, including proceeds from any foreclosure of the lien of Delinquent Assessments and any statutory interest on the Delinquent Assessments collected by the District in excess of the rate of interest on the Series 2019A-2 Bonds.

**“Series 2019A-2 Assessments”** shall mean the Assessments imposed, levied and collected by the District in respect of the Series 2019A-2 Bonds and the portion of the Series 2019 Project financed with the proceeds thereof.

**“Series 2019A-2 Prepayments”** shall mean the excess amount of Series 2019A-2 Assessment Principal received by the District over the Series 2019A-2 Assessment Principal included within an Assessment, whether or not mandated to be prepaid in accordance with the Assessment Proceedings, which shall be identified by the District to the Trustee as such in writing upon deposit. Anything herein or in the Master Indenture to the contrary notwithstanding, the term Series 2019A-2 Prepayments shall not mean the proceeds of any Refunding Bonds or other borrowing of the District.

**“Series 2019A-2 Reserve Account Requirement”** shall mean an amount equal to the maximum annual interest coming due on the Outstanding Series 2019A-2 Bonds (as hereinafter determined) in any Bond Year as of the time of any such calculation; provided, however, upon the occurrence of the Reserve Account Release Conditions, the Series 2019A-2 Reserve Account Requirement shall be reduced to an amount equal to fifty percent (50%) of maximum annual interest coming due on the Outstanding Series 2019A-2 Bonds (as hereinafter determined) in any Bond Year as of the time of any such calculation the Outstanding Series 2019A-2 Bonds as of the time of any such calculation. For purposes of the foregoing calculations, notwithstanding anything to the contrary in the Master Indenture, the determination of the “Outstanding Series 2019A-2 Bonds” shall take into account any redemptions of Series 2019A-2 Bonds to be made from Prepayments of Series 2019A-2 Assessments on the next succeeding Redemption Date immediately following the calculation date. Upon the initial issuance of the Series 2019A-2 Bonds, the Series 2019A-2 Reserve Account Requirement is \$ \_\_\_\_\_, which is equal to the maximum annual interest coming due on the Outstanding Series 2019A-2 Bonds in any Bond Year calculated as of the date of original issuance thereof and which, together with the amount deposited on the date hereof in the Series 2019A-1 Reserve Account established under the First Supplemental Indenture, does not exceed the least of (a) 125% of the average annual Debt Service for all Outstanding Series 2019A-1 Bonds and Series 2019A-2 Bonds calculated as of the date of original issuance thereof, (b) 10% of the aggregate net proceeds of the Series 2019A-

1 Bonds and Series 2019A-2 Bonds calculated as of the date of original issuance thereof or (c) the Maximum Annual Debt Service Requirement for the Outstanding Series 2019A-1 Bonds and Outstanding Series 2019A-2 Bonds calculated as of the date of original issuance thereof.

**“Substantially Absorbed”** shall mean the date when at least ninety percent (90%) of the principal portion of the Series 2019A-1 Assessments and Series 2019A-2 Assessments have been assigned to residential units within the District that have each received a certificate of occupancy. The Trustee and the District may conclusively rely on a certificate from the District Manager regarding such status of the residential units and the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, and in the absence of such certification, may assume the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have not been Substantially Absorbed.

**“True-Up Agreement”** shall mean the True-Up Agreement dated December \_\_\_\_\_, 2019 between the District and the Developer relating to the Series 2019A-1 Assessments and Series 2019A-2 Assessments.

## **ARTICLE II AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2019A-2 BONDS**

**Section 201. Authorization of Series 2019A-2 Bonds; Book-Entry Only Form.** The Series 2019A-2 Bonds are hereby authorized to be issued in one Series for the purposes enumerated in the recitals hereto to be designated “\$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2.” The Series 2019A-2 Bonds shall be substantially in the form set forth as Exhibit B to this Second Supplemental Indenture. Each Series 2019A-2 Bond shall bear the designation “2019A-2” and shall be numbered consecutively from RA1-1 upwards.

The Series 2019A-2 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2019A-2 Bond for each Series and maturity thereof. Upon initial issuance, the ownership of each such Series 2019A-2 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the initial Bond Depository. Except as provided in this Section 201, all of the Outstanding Series 2019A-2 Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC.

With respect to Series 2019A-2 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the Series 2019A-2 Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Series 2019A-2



Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2019A-2 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent shall treat and consider the person in whose name each Series 2019A-2 Bond is registered in the registration books kept by the Bond Registrar as the absolute Owner of such Series 2019A-2 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2019A-2 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2019A-2 Bond, for the purpose of registering transfers with respect to such Series 2019A-2 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2019A-2 Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2019A-2 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated Series 2019A-2 Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new Nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the words "Cede & Co." in this Second Supplemental Indenture shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding Series 2019A-2 Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, is not in the best interest of the Beneficial Owners of the Series 2019A-2 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the Series 2019A-2 Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, but may be registered in whatever name or names Owners transferring or exchanging the Series 2019A-2 Bonds shall designate, in accordance with the provisions hereof.

**Section 202. Terms.** The Series 2019A-2 Bonds shall be issued as \_\_\_\_\_ (\_\_\_\_\_) Term Bonds, each of which shall be dated as of the date of its issuance and delivery to the initial purchasers thereof, shall bear interest at the fixed interest rate per annum and shall mature in the amount and on the date set forth below:

<u>Series</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Initial CUSIP</u>
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**Section 203. Dating and Interest Accrual.** Each Series 2019A-2 Bond shall be dated December \_\_\_\_\_, 2019. Each Series 2019A-2 Bond also shall bear its date of authentication. Each Series 2019A-2 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such Series 2019A-2 Bond has been paid, in which event such Series 2019A-2 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2019A-2 Bonds, in which event, such Series 2019A-2 Bond shall bear interest from its date. Interest on the Series 2019A-2 Bonds shall be due and payable on each May 1 and November 1, commencing May 1, 2020, and shall be computed on the basis of a 360-day year composed of twelve 30-day months.

**Section 204. Denominations.** The Series 2019A-2 Bonds shall be issued in \$5,000 or any integral multiple thereof; provided, however, that the Series 2019A-2 Bonds shall be delivered to the initial purchasers thereof only in aggregate principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000.

**Section 205. Paying Agent.** The District appoints the Trustee as Paying Agent for the Series 2019A-2 Bonds.

**Section 206. Bond Registrar.** The District appoints the Trustee as Bond Registrar for the Series 2019A-2 Bonds.

**Section 207. Conditions Precedent to Issuance of Series 2019A-2 Bonds.** In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2019A-2 Bonds, all the Series 2019A-2 Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Series 2019A-2 Assessment Proceedings;
- (b) Executed copies of the Master Indenture and this Second Supplemental Indenture;
- (c) A customary Bond Counsel opinion;
- (d) The District Counsel opinion required by the Master Indenture;
- (e) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2019A-2 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Second Supplemental Indenture;
- (f) An Engineers' Certificate or Engineers' Certificates which set forth the estimated Cost of the Series 2019 Project;

(g) A certified copy of the final judgment of validation in respect of the Bonds together with a certificate of no appeal;

(h) An executed Continuing Disclosure Agreement; and

(i) An executed Collateral Assignment, executed Completion Agreement, executed Acquisition Agreement, executed True-Up Agreement and a Declaration of Consent executed by the Developer;

Payment to the Trustee of \$ \_\_\_\_\_, representing the net proceeds of the sale of the Series 2019A-2 Bonds, shall conclusively evidence that the foregoing conditions precedent have been met to the satisfaction of the District and the underwriter of the Series 2019A-2 Bonds.

### **ARTICLE III REDEMPTION OF SERIES 2019A-2 BONDS**

**Section 301. Bonds Subject to Redemption.** The Series 2019A-2 Bonds are subject to redemption prior to maturity as provided in the respective forms thereof set forth as Exhibit B to this Second Supplemental Indenture. Interest on Series 2019A-2 Bonds which are called for redemption shall be paid on the Redemption Date from the Series 2019A-2 Interest Account or from the Series 2019A-2 Revenue Account to the extent monies in the Series 2019A-2 Interest Account are insufficient for such purpose. Moneys in the Series 2019A-2 Optional Redemption Subaccount in the Series 2019A-2 Redemption Account shall be applied in accordance with Section 506 of the Master Indenture to the optional redemption of Series 2019A-2 Bonds.

**Section 302. Redemption from Excess Acquisition and Construction Account Proceeds and Series 2019A-2 Retainage Subaccount.** Excess moneys on deposit in the Series 2019A-2 Acquisition and Construction Account which are to be deposited into the Series 2019A-2 Prepayment Subaccount in the Series 2019A-2 Redemption Account in accordance with Section 403(a)(2) hereof and amounts which are to be deposited into the Series 2019A-2 Prepayment Subaccount in the Series 2019A-2 Redemption Account in accordance with Section 403(a)(1) hereof shall be deposited into the Series 2019A-2 Prepayment Subaccount and applied to the extraordinary mandatory redemption of Series 2019A-2 Bonds in accordance with the directions of an Authorized Officer of the District.

### **ARTICLE IV DEPOSIT OF SERIES 2019A-2 BOND PROCEEDS AND APPLICATION THEREOF; ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF**

**Section 401. Establishment of Accounts.** There are hereby established, as needed, the following Funds and Accounts.

(a) There are hereby established within the Acquisition and Construction Fund held by the Trustee: (i) a Series 2019A-2 Acquisition and Construction Account and therein, a Series 2019A-2 Retainage Subaccount and (ii) a Series 2019A-2 Costs of Issuance Account;

(b) There are hereby established within the Debt Service Fund held by the Trustee: (i) a Series 2019A-2 Debt Service Account and therein a Series 2019A-2 Sinking Fund Account, a Series 2019A-2 Interest Account and a Series 2019A-2 Capitalized Interest Account; and (ii) a Series 2019A-2 Redemption Account, and, therein a Series 2019A-2 Prepayment Subaccount and a Series 2019A-2 Optional Redemption Subaccount;

(c) There is hereby established within the Reserve Fund held by the Trustee a Series 2019A-2 Reserve Account;

(d) There is hereby established within the Revenue Fund held by the Trustee a Series 2019A-2 Revenue Account; and

(e) There is hereby established within the Rebate Fund held by the Trustee a Series 2019A-2 Rebate Account.

**Section 402. Use of Series 2019A-2 Bond Proceeds.** The net proceeds of sale of the Series 2019A-2 Bonds, \$\_\_\_\_\_, shall as soon as practicable upon the delivery thereof to the Trustee by the District pursuant to Section 207 of the Master Indenture, be applied as follows:

(a) \$\_\_\_\_\_, representing the Series 2019A-2 Reserve Account Requirement at the time of issuance of the Series 2019A-2 Bonds shall be deposited to the credit of the Series 2019A-2 Reserve Account;

(b) \$\_\_\_\_\_, representing the Costs of Issuance relating to the Series 2019A-2 Bonds shall be deposited to the credit of the Series 2019A-2 Costs of Issuance Account;

(c) \$\_\_\_\_\_, representing Capitalized Interest on the Series 2019A-2 Bonds through and including November 1, 2020, shall be deposited to the credit of the Series 2019A-2 Capitalized Interest Account;

(d) \$\_\_\_\_\_ shall be deposited to the credit of the Series 2019A-2 Acquisition and Construction Account; and

(e) \$\_\_\_\_\_ shall be deposited to the credit of the Series 2019A-2 Retainage Subaccount in the Series 2019A-2 Acquisition and Construction Account.

**Section 403. Series 2019A-2 Acquisition and Construction Account.**

(a) (1) Amounts on deposit in the Series 2019A-2 Acquisition and Construction Account shall be applied to pay the Cost of the Series 2019 Project upon compliance with the requisition provisions set forth in Section 503(b) of the Master Indenture and upon receipt by the Trustee of a requisition in the form attached hereto as Exhibit C and executed by the District and the Consulting Engineers. Notwithstanding anything to the contrary herein, the amounts on deposit in the Series 2019A-2 Retainage Subaccount shall be retained therein and shall not be

available to pay the Cost of the Series 2019 Project except under the circumstances described herein. The District shall direct the Trustee in writing, no later than September 30, 2020 as to whether to immediately transfer the amounts on deposit in the Series 2019A-2 Retainage Subaccount to (i) the Series 2019A-2 Acquisition and Construction Account or (ii) the Series 2019A-2 Prepayment Subaccount to be applied to the extraordinary mandatory redemption of Series 2019A-2 Bonds as provided herein and in the Series 2019A-2 Bonds. If such written direction directs the Trustee to make a transfer to the Series 2019A-2 Acquisition and Construction Account, the direction shall be accompanied by a certificate of the Issuer stating that: (i) the boundaries of the Issuer have been amended to include approximately 18 acres of land as described in the Assessment Methodology; and (ii) the Series 2019A-2 Assessment Proceedings adopted prior to the date of issuance of the Series 2019A-2 Bonds have been supplemented as necessary to subject such land to the lien of the Series 2019A-2 Assessments. If the written direction directs the Trustee to make a transfer to the Series 2019A-2 Prepayment Subaccount, interest accrued on the Series 2019A-2 Bonds to be redeemed shall be paid from amounts transferred by the Issuer to the Trustee for deposit to the Series 2019A-2 Interest Account or, upon written direction by the Issuer to the Trustee, from amounts available for that purpose in the Series 2019A-2 Capitalized Interest Account.

Notwithstanding anything to the contrary in the Indenture, the District shall not present any requisition hereunder for Costs of the Series 2019 Project until all moneys on deposit in the Series 2019A-1 Acquisition and Construction Account created under the First Supplemental Indenture have been requisitioned therefrom; provided, that while (i) amounts remain on deposit in the Series 2019A-1 Retainage Subaccount in the Series 2019A-1 Acquisition and Construction Account and in the Series 2019A-2 Retainage Subaccount, the District may present a requisition hereunder for Costs of the Series 2019 Project at the written direction of the Issuer to the Trustee and (ii) at such time, if any, that amounts on deposit in such Series 2019A-1 Retainage Subaccount have been released to the Series 2019A-1 Acquisition and Construction Account, shall again not present any requisition hereunder for Costs of the Series 2019 Project until all moneys on deposit in the Series 2019A-1 Acquisition and Construction Account have been requisitioned therefrom.

(2) Anything in the Master Indenture to the contrary notwithstanding, the Consulting Engineers shall establish a Date of Completion for the Series 2019 Project, and any balance remaining in the Series 2019A-2 Acquisition and Construction Account (taking into account the moneys currently on deposit therein to pay any accrued but unpaid Costs of the Series 2019 Project which are required to be reserved in the Series 2019A-2 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineers delivered to the District and the Trustee establishing such Date of Completion), shall be deposited pursuant hereto to the Series 2019A-2 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2019A-2 Bonds in accordance with Section 302 hereof and in the manner prescribed in the form of the Series 2019A-2 Bonds attached as Exhibit B hereto, whereupon the Series 2019A-2 Acquisition and Construction Account shall be closed. Notwithstanding the foregoing, the District shall not declare that the Date of Completion of the Series 2019 Project has occurred until such time as the Reserve Account Release Conditions have occurred and all moneys transferred from the Series 2019A-2 Reserve Account pursuant to Section 405 hereof to the Series 2019A-2 Acquisition and Construction Account have been expended or the Consulting Engineers have certified in writing to the District and the Trustee

that such amount is in excess of what is needed to complete the Series 2019 Project. The Trustee shall have no obligation to inquire if the Reserve Account Release Conditions have occurred and, in the absence of notice from the District, the Trustee may assume that the Reserve Account Release Conditions have not occurred.

(b) Amounts on deposit in the Series 2019A-2 Capitalized Interest Account shall, until and including November 1, 2020, be transferred into the Series 2019A-2 Interest Account and applied to the payment of interest first coming due on the Series 2019A-2 Bonds. Any amounts remaining in the Series 2019A-2 Capitalized Interest Account after November 1, 2020 shall be transferred into the Series 2019A-2 Acquisition and Construction Account, whereupon the Series 2019A-2 Capitalized Interest Account shall be closed.

(c) Anything in the Master Indenture or herein to the contrary notwithstanding, the District hereby acknowledges that (i) the Series 2019A-2 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2019A-2 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee (which includes the Series 2019A-1 Retainage Subaccount), (ii) upon the occurrence of an Event of Default with respect to the Series 2019A-2 Bonds, the Series 2019A-2 Pledged Funds may not be used by the District (whether to pay costs of the Series 2019 Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the occurrence of the Event of Default the District had incurred a binding obligation with third parties for work on the Series 2019 Project and payment is for such work (and a certificate of an Authorized Officer as to whether such binding obligation has been incurred delivered to the Trustee in the form of Exhibit D shall be conclusive evidence of the same on which the Trustee may rely), and (iii) upon the occurrence of an Event of Default with respect to the Series 2019A-2 Bonds, the Series 2019A-2 Pledged Funds may be used by the Trustee and/or the District, to the extent acting individually or jointly, to pursue remedies, at the direction or with the approval of the Majority Owners, to pay costs and expenses incurred in connection with the pursuit of remedies under the Master Indenture, as supplemented hereby, provided such action does not adversely impact the tax-exempt status of the Series 2019A-2 Bonds and provided, further, that every use of Series 2019A-2 Pledged Revenues for such purpose shall be accompanied by detailed invoices delivered to the District Manager of the District indicating the purpose for which Series 2019A-2 Pledged Revenues are to be applied and such invoices shall be subject to the same public records laws, including, without limitation, Chapter 119, Florida Statutes, to which the District is subject. After the occurrence of an Event of Default, the District shall not enter into any binding agreement to expend any amounts included in the Series 2019A-2 Trust Estate unless authorized in writing by the Majority Owners.

**Section 404. Series 2019A-2 Costs of Issuance Account.** The amount deposited in the Series 2019A-2 Costs of Issuance Account shall, at the written direction of an Authorized Officer to the Trustee, be used to pay Costs of Issuance relating to the Series 2019A-2 Bonds. On the earlier to occur of: (x) the written direction of an Authorized Officer or (y) six (6) months from the date of issuance of the Series 2019A-2 Bonds, any amounts deposited in the Series 2019A-2 Costs of Issuance Account which have not been requisitioned shall be transferred over and deposited into the Series 2019A-2 Acquisition and Construction Account and used for the purposes permitted therefor, whereupon the Series 2019A-2 Costs of Issuance Account shall be closed.

**Section 405. Series 2019A-2 Reserve Account .** The Series 2019A-2 Reserve Account shall be funded and maintained at all times, subject to the provisions of this Second Supplemental Indenture, in an amount equal to the Series 2019A-2 Reserve Account Requirement. Except as otherwise provided herein or in the Master Indenture, amounts on deposit in the Series 2019A-2 Reserve Account shall be used only for the purpose of making payments into the Series 2019A-2 Interest Account and the Series 2019A-2 Sinking Fund Account to pay Debt Service on the Series 2019A-2 Bonds, when due, without distinction as to Series 2019A-2 Bonds and without privilege or priority of one Series 2019A-2 Bond over another, to the extent the moneys on deposit in such Accounts therein and available therefor are insufficient and for no other purpose. Such Accounts shall consist only of cash and Series 2019A-2 Investment Obligations.

Anything herein or in the Master Indenture to the contrary notwithstanding, on the forty-fifth (45<sup>th</sup>) day preceding each Redemption Date (or, if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the first Business Day preceding such forty-fifth (45<sup>th</sup>) day) (or such other date that corresponds to the date mutually determined by the Trustee and the District pursuant to Section 408(c) hereof), the Trustee is hereby authorized and directed to recalculate the Series 2019A-2 Reserve Account Requirement and to transfer any excess on deposit in the Series 2019A-2 Reserve Account (other than excess resulting from investment earnings which shall be applied as provided in Section 408(f) hereof) into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account to be applied to the extraordinary mandatory redemption of the Series 2019A-2 Bonds.

Upon the transfer of amounts in the Series 2019A-2 Retainage Subaccount to the Series 2019A-2 Prepayment Subaccount pursuant to Section 403(a) and upon the occurrence of the Reserve Account Release Conditions, the Trustee is hereby authorized and directed to recalculate the Series 2019A-2 Reserve Account Requirement and to transfer any excess on deposit in the Series 2019A-2 Reserve Account (other than excess resulting from investment earnings which shall be applied as provided in Section 408(f) hereof), into the Series 2019A-2 Acquisition and Construction Account if the Date of Completion of the Series 2019 Project has not yet occurred, or if the Date of Completion of the Series 2019 Project has occurred, into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account to be applied to the extraordinary mandatory redemption of the Series 2019A-2 Bonds as provided for herein and therein.

The District Manager, on behalf of the District, shall provide written notice to the Trustee when the Reserve Account Release Condition has occurred, upon which notice the Trustee may conclusively rely. Until the Trustee has received a certificate of the Consulting Engineers establishing the Date of Completion of the Series 2019 Project, the Trustee shall assume the Date of Completion of the Series 2019 Project has not yet occurred.

On the earliest date on which there is on deposit in the Series 2019A-2 Reserve Account sufficient monies, after taking into account other monies available therefor, to pay and redeem all of the Outstanding Series 2019A-2 Bonds, together with accrued interest on such Series 2019A-2 Bonds to the earliest Redemption Date permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2019A-2 Reserve Account into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account to pay and redeem all of the

Outstanding Series 2019A-2 Bonds on the earliest Redemption Date permitted therein and herein.

Anything herein or in the Master Indenture to the contrary notwithstanding, amounts on deposit in the Series 2019A-2 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

**Section 406. Amortization Installments.** (a) The Amortization Installments established for the Series 2019A-2 Bonds shall be as set forth in the form of the Series 2019A-2 Bonds attached hereto.

(b) Upon any redemption of Series 2019A-2 Bonds (other than (i) Series 2019A-2 Bonds redeemed in accordance with scheduled Amortization Installments or (ii) Series 2019A-2 Bonds redeemed at the direction of the District accompanied by a cash flow certificate as required by Section 506(b) of the Master Indenture), the Trustee shall cause Series 2019A-2 Bonds to be redeemed in such amounts and having such maturities so as to result in Amortization Installments recalculated by the District, in such manner as shall amortize all the Outstanding Series 2019A-2 Bonds of all of the terms in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining terms of all of the Series 2019A-2 Bonds.

**Section 407. Tax Covenants and Rebate Account.** The District shall comply with the tax regulatory covenants set forth in the District's tax certificate executed in connection with the issuance of the Series 2019A-2 Bonds.

**Section 408. Establishment of Series 2019A-2 Revenue Account in Revenue Fund; Application of Revenues and Investment Earnings.** (a) The Trustee is hereby authorized and directed to establish within the Revenue Fund a Series 2019A-2 Revenue Account into which the Trustee shall deposit any and all amounts required to be deposited therein by this Section 408 or by any other provision of the Master Indenture or this Second Supplemental Indenture, and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The Series 2019A-2 Revenue Account 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.

(b) The Trustee shall deposit into the Series 2019A-2 Revenue Account the Series 2019A-2 Assessment Revenues other than the Series 2019A-2 Prepayments, which shall be identified by the District to the Trustee as such in writing upon deposit and which shall be deposited into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account, and any other revenues required by other provisions of the Indenture to be deposited therein.

(c) On the forty-fifth (45<sup>th</sup>) day preceding each Redemption Date with respect to the Series 2019A-2 Bonds (or if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the Business Day next preceding such forty-fifth (45<sup>th</sup>) day) (or such other date mutually determined by the Trustee and the District that is closer to a particular Redemption Date and will give the Trustee



sufficient time to provide notice of the extraordinary mandatory redemption of Series 2019A-2 Bonds as herein provided), the Trustee shall determine the amount on deposit in the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account, and, if the balance therein is greater than zero, shall transfer, but only at the written direction of the District, from the Series 2019A-2 Revenue Account for deposit into the Series 2019A-2 Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to an integral multiple of \$5,000 (provided that there are sufficient funds remaining therein to pay Debt Service coming due on the Series 2019A-2 Bonds on the next Interest Payment Date), and, shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2019A-2 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2019A-2 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2019A Bonds set forth in the form of Series 2019A-2 Bonds attached hereto, Section 301 hereof, and Article III of the Master Indenture.

(d) On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall first transfer from the Series 2019A-2 Capitalized Interest Account to the Series 2019A-2 Interest Account the lesser of (x) the amount of interest coming due on the Series 2019A-2 Bonds on such May 1 or November 1, less the amount already on deposit therein, or (y) the amount remaining in the Series 2019A-2 Capitalized Interest Account.

Following the foregoing transfer, on such May 1 or November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall then transfer from the amounts on deposit in the Series 2019A-2 Revenue Account to the Funds and Accounts designated below the following amounts in the following order of priority:

**FIRST**, to the Series 2019A-2 Interest Account, an amount equal to the amount of interest payable on all Series 2019A-2 Bonds then Outstanding on such May 1 or November 1, less any amount transferred from the Series 2019A-2 Capitalized Interest Account in accordance with Section 403(b) hereof and less any other amount already on deposit in the Series 2019A-2 Interest Account not previously credited;

**SECOND**, on each November 1, commencing November 1, 20\_\_, to the Series 2019A-2 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2019A-2 Bonds subject to mandatory sinking fund redemption on such November 1, and the amount already on deposit in the Series 2019A-2 Sinking Fund Account not previously credited;

**THIRD**, to the Series 2019A-2 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2019A-2 Reserve Account Requirement with respect to the Series 2019A-2 Bonds; and

**FOURTH**, the balance shall be retained in the Series 2019A-2 Revenue Account subject to the following paragraph.

Anything in the Master Indenture or herein to the contrary notwithstanding, it shall not, in and of itself, constitute an Event of Default hereunder if the full amount of the foregoing deposits are not made due to an insufficiency of funds therefore. The Trustee shall within ten (10) Business Days after the last Interest Payment Date in any calendar year, at the direction of the District, withdraw any moneys held for the credit of the Series 2019A-2 Revenue Account as of November 2<sup>nd</sup> of such year which are not otherwise required to be deposited to other Funds and Accounts pursuant to this Section on such immediately preceding Interest Payment Date and deposit such moneys first to the credit of the Series 2019A-2 Rebate Account in the amount, and to the extent necessary, so the amount on deposit therein equals the accrued rebate obligation under Section 148(f) of the Code, if the Trustee has received a certification from the District by such date detailing the amount of such obligation which shall be deposited. Any remaining amounts in the Series 2019A-2 Revenue Account on November 2<sup>nd</sup> of any calendar year after making the payment, if any, required under the immediately preceding sentence, may next be transferred to the District, at its written request, to be used for any lawful purpose of the District; provided, however, that on the proposed payment date of any proposed transfer to the District, the amount on deposit in the Series 2019A-2 Reserve Account shall be equal to the Series 2019A-2 Reserve Requirement and, provided further, that the Trustee shall not have actual knowledge of an Event of Default hereunder, including, but not limited to, payment of Trustee's fees and expenses then due.

(e) On any date required by the Code, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2019A-2 Revenue Account to the Series 2019A-2 Rebate Account established for the Series 2019A-2 Bonds in the Rebate Fund in accordance with the Master Indenture, the amount due and owing to the United States, which amount shall be paid to the United States, when due, in accordance with the Code.

(f) Anything herein or in the Master Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2019A-2 Bonds shall be invested only in Series 2019A-2 Investment Obligations, and further, earnings on the Series 2019A-2 Acquisition and Construction Account (including the Series 2019A-2 Retainage Subaccount), the Series 2019A-2 Interest Account, and the Series 2019A-2 Capitalized Interest Account shall be retained, as realized, in such Accounts or subaccounts and used for the purpose of such Accounts or subaccounts. Earnings on investments in the Funds and Accounts other than the Series 2019A-2 Reserve Account, and other than as set forth above, shall be deposited, as realized, to the credit of the Series 2019A-2 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2019A-2 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in Section 509 of the Master Indenture) in the Series 2019A-2 Reserve Account as of the most recent date on which amounts on deposit in the Series 2019A-2 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2019A-2 Reserve Account since such date which have created a deficiency, then earnings on the Series 2019A-2 Reserve Account shall be deposited into the Series 2019A-2 Capitalized Interest Account through November 1, 2020, and, thereafter earnings on the Series 2019A-2 Reserve Account shall, prior to the date the Series

2019A-2 Acquisition and Construction Account is closed, be deposited into the Series 2019A-2 Acquisition and Construction Account and used for the purpose of such Account, and after such date, shall be deposited into the Series 2019A-2 Revenue Account and used for the purpose of such Account; and

(ii) if as of the last date on which amounts on deposit in the Series 2019A-2 Reserve Account were valued by the Trustee there was a deficiency (as defined in Section 509 of the Master Indenture), or if after such date withdrawals have been made from the Series 2019A-2 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2019A-2 Reserve Account shall be deposited into the Series 2019A-2 Reserve Account until the amount on deposit therein is equal to the Series 2019A-2 Reserve Account Requirement, and then earnings on the Series 2019A-2 Reserve Account shall be deposited into the Series 2019A-2 Capitalized Interest Account through November 1, 2020, and, thereafter earnings on the Series 2019A-2 Reserve Account shall, prior to the date the Series 2019A-2 Acquisition and Construction Account is closed, be deposited into the Series 2019A-2 Acquisition and Construction Account and used for the purpose of such Account, and after such date, shall be deposited be deposited into the Series 2019A-2 Revenue Account and used for the purpose of such Account.

## **ARTICLE V CONCERNING THE TRUSTEE**

**Section 501. Acceptance by Trustee.** The Trustee accepts the trusts declared and provided in this Second Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth in the Master Indenture.

**Section 502. Limitation of Trustee's Responsibility.** The Trustee shall not be responsible in any manner for the due execution of this Second Supplemental Indenture by the District or for the recitals contained herein, all of which are made solely by the District.

**Section 503. Trustee's Duties.** Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlements inuring to the Trustee under the Master Indenture, including, particularly, Article VI thereof.

## **ARTICLE VI ADDITIONAL BONDS**

**Section 601. Limitation on Parity Bonds.** Other than Bonds issued to refund all of the then Outstanding Series 2019A-2 Bonds, the issuance of which results in net present value debt service savings, the District shall not, while any Series 2019A-2 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2019A-2 Trust Estate. The District further covenants and agrees that so long as the Series 2019A-2 Bonds are Outstanding, it will not impose Assessments for capital projects on any lands subject to the Series 2019A-2 Assessments other than the Series 2019A-1 Assessments, unless the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have been Substantially Absorbed. Notwithstanding the prior sentence, the foregoing shall not preclude the imposition of capital

Special Assessments on property subject to the Series 2019A-1 Assessments and the Series 2019A-2 Assessments which are necessary, as determined by the District, for health, safety or welfare reasons or to remediate a natural disaster or Operation and Maintenance Assessments. The Trustee is entitled to assume that the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have not been Substantially Absorbed absent delivery to the Trustee of a certificate of the District Manager to the contrary on which the Trustee may conclusively rely.

## **ARTICLE VII MISCELLANEOUS**

**Section 701. Confirmation of Master Indenture.** As supplemented by this Second Supplemental Indenture, the Master Indenture is in all respects ratified and confirmed, and this Second Supplemental Indenture shall be read, taken and construed as a part of the Master Indenture so that all of the rights, remedies, terms, conditions, covenants and agreements of the Master Indenture, except insofar as modified herein, shall apply and remain in full force and effect with respect to this Second Supplemental Indenture and to the Series 2019A-2 Bonds issued hereunder. To the extent of any conflicts between the terms and provisions of the Master Indenture and this Second Supplemental Indenture the terms and provisions hereof shall control.

**Section 702. Continuing Disclosure Agreement.** Contemporaneously with the execution and delivery hereof, the District has executed and delivered the Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934. The District covenants and agrees to comply with the provisions of such Continuing Disclosure Agreement; however, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but, instead shall be enforceable by mandamus, injunction or any other means of specific performance as provided in the Master Indenture and such Continuing Disclosure Agreement.

**Section 703. Additional Covenants Regarding Assessments.** In addition to, and not in limitation of, the covenants contained elsewhere in this Second Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2019A-2 Assessments, including the Assessment Resolution and the Assessment Methodology, and to levy and collect the Series 2019A-2 Assessments as set forth in the Assessment Methodology, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2019A-2 Bonds, when due. The District covenants and agrees that upon the occurrence and continuance of an Event of Default with respect to the Series 2019A-2 Bonds, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments that are directly billed and collected by the District, and the provisions for the foreclosure of liens of Delinquent Assessments that are directly billed and collected by the District, all in a manner consistent with the Master Indenture and this Second Supplemental Indenture.

**Section 704. Collection of Assessments.** Anything herein or in the Master Indenture to the contrary notwithstanding, subject to the next succeeding sentence, Series 2019A-2 Assessments shall be collected pursuant to the Uniform Method; provided that Series 2019A-2 Assessments levied on platted lots owned by the Developer and levied on unplatted lands may be billed and collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida

Statutes, and not pursuant to the Uniform Method. Prior to an Event of Default, the election to collect and enforce Series 2019A-2 Assessments in any year pursuant to any one method shall not, to the extent permitted by law, preclude the District from electing to collect and enforce Series 2019A-2 Assessments pursuant to any other method permitted by law in any subsequent year. Following an Event of Default, Series 2019A-2 Assessments shall be collected pursuant to the Uniform Method; provided that Series 2019A-2 Assessments levied on platted lots owned by the Developer and levied on unplatted lands may be billed and collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method; provided, however, the Trustee, acting at the direction of the Majority Owners of the Series 2019A-2 Bonds Outstanding may deliver a notice to the District directing the District to collect the delinquent Series 2019A-2 Assessments in a different manner permitted by the Act and Chapters 170 and 197, Florida Statutes, provided that (i) such direction shall be in the form attached hereto as Exhibit E; (ii) the District shall not be required to comply with such direction until it is able to change the manner of collection in accordance with applicable Florida law; and (iii) the District shall not be required to comply with any direction that is not provided strictly in the form of Exhibit E. All Series 2019A-2 Assessments that are billed and collected directly by the District and not via the Uniform Method shall be due and payable by the landowner at such times as determined by the District, but no later than thirty-one (31) Business Days prior to each Interest Payment Date; provided, however, that such Series 2019A-2 Assessments shall not be deemed to be Delinquent Assessments unless and until same are not paid by the applicable Interest Payment Date with respect to which they have been billed.

**Section 705. Foreclosure of Assessment Lien.** (a) Notwithstanding Section 814 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2019A-2 Assessments and Series 2019A-2 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2019A-2 Assessments and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2019A-2 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the District, after receiving the written direction of the Trustee, acting at the written direction of the Majority Owners of the Series 2019A-2 Bonds Outstanding, specifying whether the District is to take title to the property in its corporate name or in the name of a special purpose entity (each, an "SPE"), may purchase the property for an amount less than or equal to the balance due on the Series 2019A-2 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive in its corporate name or in the name of a special-purpose entity title to the property for the benefit of the Owners of the Series 2019A-2 Bonds. The District, either through its own actions, or actions caused to be taken by the District through the Trustee, acting at the written direction of the Majority Owners of the Series 2019A-2 Bonds Outstanding, shall have the power to and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2019A-2 Revenue Account. The District, either through its own actions, or actions caused to be taken by the District through the Trustee, acting at the written direction of the Majority Owners of the Series 2019A-2 Bonds Outstanding, agrees that the District shall, after being provided assurances satisfactory to it of payment of the District's fees, costs and expenses for doing so, be required to take the measures provided by law for listing for sale of property acquired by it as trustee for the Owners of the Series 2019A-2 Bonds within sixty (60) days after the receipt of the request

therefore signed by the Trustee, acting at the written direction of the Majority Owners of the Series 2019A-2 Bonds Outstanding. The District may pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture, provided such action does not adversely impact the tax-exempt status of the Series 2019A-2 Bonds. The District shall not be required to execute any documentation evidencing the extinguishment or release of the lien of the Series 2019A-2 Assessments and/or the Series 2019A-2 Bonds following the sale of property pursuant to the preceding sentence without receipt of written evidence satisfactory to the District that all of the Owners of the Series 2019A-2 Bonds concur with such extinguishment or release. With respect to any SPE: (i) the books and records of the SPE shall be deemed subject to the same public records laws, including, without limitation, Chapter 119, Florida Statutes, to which the District is subject; and (ii) in addition to the information to be provided to the District pursuant to Section 403(c), such SPE shall provide to the District Manager any information regarding the SPE and its activities requested by or on behalf of the District within five (5) Business Days following such request, and by purchasing the Series 2019A-2 Bonds, the Owners thereof are deemed to agree to cause any SPE not owned or controlled by the District to comply with the foregoing.

(b) Notwithstanding anything to the contrary herein or in the Master Indenture, the District acknowledges and agrees that (i) upon failure of any property owner to pay when due any installment of Series 2019A-2 Assessments that are billed directly by the District, that the entire Series 2019A-2 Assessments levied on the property for which such installment of Series 2019A-2 Assessments is due and unpaid, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law and, with the written direction of the Trustee, acting at the direction of the Majority Owners of the Series 2019A-2 Bonds Outstanding, the District after being provided assurances satisfactory to it of payment, of its fees, costs and expenses for doing so, shall promptly, but in any event within sixty (60) days of the receipt of such direction, cause to be brought the necessary legal proceedings for the foreclosure of liens of Delinquent Assessments, including interest and penalties and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as now provided by Florida law. Such direction shall be in the form of Exhibit F hereto and the District shall not be required to comply with any direction that is not provided strictly in the form of Exhibit F.

(c) Notwithstanding anything to the contrary herein or in the Master Indenture, the District and/or the Trustee, to the extent acting individually or jointly, in pursuing foreclosure proceedings with respect to any lot or parcel delinquent in the payment of any Series 2019A-2 Assessments, shall be entitled to first recover from any foreclosure, before such proceeds are applied to the payment of principal or interest on the Series 2019A-2 Bonds, all fees and costs expended in connection with such foreclosure, regardless whether such fees and costs could be construed as Series 2019A-2 Assessments or Series 2019A-2 Pledged Revenues. The District may also pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture, provided such action does not adversely impact the tax-exempt status of the Series 2019A-2 Bonds.

**Section 706. Requisite Owners for Direction or Consent.** Following an Event of Default any direction to the District permitted to be given by the Trustee and/or the Owners

hereby or by the Master Indenture must be in writing, signed by the Trustee and the Majority Owners and, with respect to the direction referenced in Sections 704 and 705(b) hereof, in the applicable forms attached hereto as exhibits.

**Section 707. Assignment of District's Rights Under Collateral Assignment.** Subject to the terms of the Collateral Assignment, and without intending to alter the same, the District hereby assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of the Series 2019A-2 Bonds. Such assignment shall not be considered an assumption by the Trustee of any obligations thereunder.

**Section 708. Enforcement of Completion Agreement and Other Agreements.** The District covenants that it shall strictly enforce all of the provisions of the Acquisition Agreement, the Completion Agreement and the True-Up Agreement.

**Section 709. Interpretation of Second Supplemental Indenture.** This Second Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2019A-2 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this Second Supplemental Indenture by reference. To the maximum extent possible, the Master Indenture and the Second Supplemental Indenture shall be read and construed as one document.

**Section 710. Amendments.** Any amendments to this Second Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

**Section 711. Counterparts.** This Second 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 712. Appendices and Exhibits.** Any and all schedules, appendices or exhibits referred to in and attached to this Second Supplemental Indenture are hereby incorporated herein and made a part of this Second Supplemental Indenture for all purposes.

**Section 713. Payment Dates.** In any case in which an Interest Payment Date or the maturity date of the Series 2019A-2 Bonds or the date fixed for the redemption of any Series 2019A-2 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 714. 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 2019A-2 Bonds.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, Esplanade Lake Club Community Development District has caused these presents to be signed in its name and on its behalf by its Chairperson, and its official seal to be hereunto affixed and attested by its Secretary, thereunto duly authorized, and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be signed in its name and on its behalf by its duly authorized Assistant Vice President.

(SEAL)

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Secretary

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

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

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



STATE OF FLORIDA        )  
                                      ) SS:  
COUNTY OF LEE        )

On this \_\_\_ day of December, 2019, before me, a notary public in and for the State and County aforesaid, personally appeared \_\_\_\_\_, the Chairperson of the Board of Supervisors of Esplanade Lake Club Community Development District, who acknowledged that he did sign the foregoing instrument as such officer, for and on behalf of Esplanade Lake Club Community Development District; that the same is his free act and deed as such officer, and the free act and deed of Esplanade Lake Club Community Development District; and that the seal affixed to said instrument is the seal of Esplanade Lake Club 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

My Commission expires:

\_\_\_\_\_

[NOTARIAL SEAL]

STATE OF FLORIDA        )  
                                      ) SS:  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_ day of December, 2019, before me, a notary public in and for the State and County aforesaid, personally appeared James P. Ward, the Secretary of the Board of Supervisors of Esplanade Lake Club Community Development District, who acknowledged that he did sign the foregoing instrument as such officer, for and on behalf of Esplanade Lake Club Community Development District; that the same is his free act and deed as such officer, and the free act and deed of Esplanade Lake Club Community Development District; and that the seal affixed to said instrument is the seal of Esplanade Lake Club 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

My Commission expires:

\_\_\_\_\_

[NOTARIAL SEAL]

STATE OF FLORIDA        )  
                                  ) SS:  
COUNTY OF \_\_\_\_        )

On this \_\_\_\_ day of December, 2019, before me, a notary public in and for the State and County aforesaid, personally appeared Robert Hedgecock, an Assistant Vice President of U.S. Bank National Association, as Trustee, who acknowledged that he did sign said instrument as such officer for and on behalf of said national banking association and that the same is his free act and deed as such officer and the free act and deed 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

My Commission expires:

\_\_\_\_\_

[NOTARIAL SEAL]

**EXHIBIT A**  
**DESCRIPTION OF SERIES 2019 PROJECT**

[See Report of District's Consulting Engineers Attached Hereto.]

**EXHIBIT B**

**FORM OF SERIES 2019A-2 BONDS**

RA1-\_\_\_\_\_

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

**United States of America  
State of Florida**

**ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT  
CAPITAL IMPROVEMENT REVENUE BOND, SERIES 2019A-2**

<b><u>Interest Rate</u></b>	<b><u>Maturity Date</u></b>	<b><u>Dated Date</u></b>	<b><u>CUSIP</u></b>
---------------------------------	---------------------------------	------------------------------	---------------------

**Registered Owner: CEDE & CO.**

**Principal Amount: \_\_\_\_\_ THOUSAND DOLLARS**

**ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT**, a community development district duly established and existing pursuant to Chapter 190, Florida Statutes (the “District”), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered Owner set forth above, or registered assigns, on the maturity date shown hereon, unless this Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture hereinafter mentioned) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for, or, if no interest has been paid, from the Dated Date shown above on May 1 and November 1 of each year (each, an “Interest Payment Date”), commencing on May 1, 2020, until payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (as hereinafter defined), be paid to the registered Owner hereof at the close of business on the regular Record Date for such interest, which shall be the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date, or, if such day is not a Business Day on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 of the Master Indenture (hereinafter defined), the payment of interest and principal or Redemption Price or Amortization

Installments shall be made by the Paying Agent (hereinafter defined) to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of this Bond. Any payment of principal, Maturity Amount or Redemption Price shall be made only upon presentation hereof at the designated corporate trust office of U.S. Bank National Association, located in Fort Lauderdale, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"), unless the Bonds are held in the book entry system in which case presentation shall not be required. Payment of interest shall be made by check or draft (or by wire transfer to a bank in the United States for the account of the registered Owner set forth above if such Owner requests such method of payment in writing on or prior to the regular Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner set forth above owns not less than \$1,000,000 in aggregate principal amount of the Series 2019A-2 Bonds, as defined below). Interest on this Bond will be computed on the basis of a 360-day year composed of twelve 30-day months. Capitalized terms used herein and not otherwise defined shall have the same meaning as set forth in the hereinafter defined Indenture.

This Bond is one of a duly authorized issue of bonds of the District issued in two Series designated as "\$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2" (the "Series 2019A-2 Bonds") issued under a Master Trust Indenture, dated as of December 1, 2019 (the "Master Indenture"), between the District and U.S. Bank National Association, located in Fort Lauderdale, Florida, as trustee (the "Trustee"), as amended and supplemented by a Second Supplemental Trust Indenture, dated as of December 1, 2019 (the "Supplemental Indenture"), between the District and the Trustee (the Master Indenture as amended and supplemented by the Supplemental Indenture is hereinafter referred to as the "Indenture") (the Series 2019A-2 Bonds, together with any other Bonds issued under and governed by the terms of the Master Indenture, are hereinafter collectively referred to as the "Bonds"). The District will apply the proceeds of the Series 2019A-2 Bonds to: (i) finance the Cost of acquiring, constructing and equipping assessable improvements (as more particularly described in Exhibit A to the Supplemental Indenture, the "Series 2019 Project"); (ii) pay certain costs associated with the issuance of the Series 2019A-2 Bonds; (iii) make a deposit into the Series 2019A-2 Reserve Account without privilege or priority of one Series 2019A-2 Bond over another; and (iv) pay a portion of the interest to become due on the Series 2019A-2 Bonds.

NEITHER THIS BOND NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THIS BOND AND THE SERIES OF WHICH IT IS A PART AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON AND THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE MASTER INDENTURE OR IN THE SUPPLEMENTAL INDENTURE AUTHORIZING THE ISSUANCE OF THE SERIES 2019A-2 BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY

OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE SERIES 2019A-2 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE SERIES 2019A-2 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2019A-2 TRUST ESTATE, INCLUDING THE SERIES 2019A-2 PLEDGED REVENUES AND THE SERIES 2019A-2 PLEDGED FUNDS, PLEDGED TO THE SERIES 2019A-2 BONDS, ALL AS PROVIDED HEREIN, IN THE MASTER INDENTURE AND IN THE SUPPLEMENTAL INDENTURE.

This Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes (2019), and other applicable provisions of law and pursuant to the Indenture, executed counterparts of which Indenture are on file at the corporate trust office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Series 2019A-2 Bonds issued under the Indenture, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal and Redemption Price of, and the interest on, the Series 2019A-2 Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Assessments, the terms and conditions under which the Series 2019A-2 Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Indenture and the rights of the Owners of the Series 2019A-2 Bonds, and, by the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. The Series 2019A-2 Bonds are equally and ratably secured by the Series 2019A-2 Trust Estate, without preference or priority of one Series 2019A-2 Bond over another.

The Series 2019A-2 Bonds are issuable only as registered bonds without coupons in current interest form in denominations of \$5,000 or any integral multiple thereof (an “Authorized Denomination”); provided, however, that the Series 2019A-2 Bonds shall be delivered to the initial purchasers thereof only in aggregate principal amounts of \$100,000 or integral multiples of Authorized Denominations in excess of \$100,000. This Bond is transferable by the registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Trustee in Fort Lauderdale, Florida, as Bond Registrar (the “Bond Registrar”), upon surrender of this Bond, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory to the Bond Registrar, subject to such reasonable regulations as the District or the Bond Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new Series 2019A-2 Bond or Series 2019A-2 Bonds, in the same aggregate principal amount as the Series 2019A-2 Bond or Series 2019A-2 Bonds transferred, will be issued to the transferee. At the corporate trust office of the Bond Registrar in Fort Lauderdale, Florida, in the manner and subject to the limitations and conditions provided in the Master Indenture and without cost, except for any tax or other governmental charge, Series 2019A-2 Bonds may be exchanged for an equal aggregate principal amount of Series 2019A-2 Bonds of the same maturity, of Authorized Denominations and bearing interest at the same rate or rates.

The Series 2019A-2 Bonds are subject to redemption prior to maturity at the option of the District, in whole or part on any date, on or after November 1, 20\_\_ at the Redemption Price of the principal amount of the Series 2019A-2 Bonds or portions thereof to be redeemed together with accrued interest to the Redemption Date.

The Series 2019A-2 Bonds maturing November 1, 20\_\_ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019A-2 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the Redemption Date on November 1 of the years and in the principal amounts set forth below:

<b><u>November 1 of the Year</u></b>	<b><u>Amortization Installment</u></b>	<b><u>November 1 of the Year</u></b>	<b><u>Amortization Installment</u></b>
--	--	--	--

                      
\*Maturity

As more particularly set forth in the Indenture, any Series 2019A-2 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2019A-2 Bonds. Amortization Installments are also subject to recalculation, as provided in the Supplemental Indenture, as the result of the redemption of Series 2019A-2 Bonds (other than (i) Series 2019A-2 Bonds redeemed in accordance with scheduled Amortization Installments or (ii) Series 2019A-2 Bonds redeemed at the direction of the District accompanied by a cash flow certificate as required by Section 506(b) of the Master Indenture) so as to re-amortize the remaining Outstanding principal balance of the Series 2019A-2 Bonds as set forth in Section 406(b) of the Supplemental Indenture.

The Series 2019A-2 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any Redemption Date, in the manner determined by the Bond Registrar at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Date of Completion of the Series 2019 Project, by application of moneys transferred from the Series 2019A-2 Acquisition and Construction Account in the Acquisition and Construction Fund established under the Indenture to the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account in accordance with the terms of the Indenture; or

(b) from amounts, including Series 2019A-2 Prepayments and transfers made pursuant to Section 403 of the Supplemental Indenture, required by the Indenture to be deposited into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account; or

(c) from amounts transferred to the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account resulting from a reduction in the Series 2019A-2 Reserve Account Requirement as provided for in the Indenture; or

(d) on and after the date on which the amount on deposit in the Series 2019A-2 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2019A-2 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2019A-2 Bonds shall be called for redemption, the particular Series 2019A-2 Bonds or portions of Series 2019A-2 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture, or as provided or directed by DTC.

Notice of each redemption of Series 2019A-2 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the Redemption Date to each registered Owner of Series 2019A-2 Bonds to be redeemed at the address of such registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the Series 2019A-2 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2019A-2 Bonds or such portions thereof on such date, interest on such Series 2019A-2 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2019A-2 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2019A-2 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. As provided in the Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events or upon the later deposit of moneys therefor as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

The Owner of this Bond shall have no right to enforce the provisions of the Master Indenture or to institute any 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.

Modifications or alterations of the Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.



Any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for six (6) years after the date when such Bond has become due and payable, either at its stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for six (6) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bond became due and payable, shall be paid to the District, and thereupon and thereafter no claimant shall have any rights against the Paying Agent to or in respect of such moneys.

If the District deposits or causes to be deposited with the Trustee cash or Defeasance Securities sufficient to pay the principal or Redemption Price of any Series 2019A-2 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of the Series 2019A-2 Bonds as to the Series 2019A-2 Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

This Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida. This Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the ordinances and resolutions of the District to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture, have happened, exist and have been performed as so required. 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 the execution by the Trustee of the Certificate of Authentication endorsed hereon.

**IN WITNESS WHEREOF**, Esplanade Lake Club Community Development District has caused this Bond to bear the signature of the Chairperson of its Board of Supervisors and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Secretary to the Board of Supervisors.

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Secretary

[Official Seal]

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

**CERTIFICATE OF AUTHENTICATION  
FOR SERIES 2019A-2 BONDS**

This Bond is one of the Bonds of the Series designated herein, described in the within-mentioned Indenture.

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

Date of Authentication:

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

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

**CERTIFICATE OF VALIDATION**

This Bond is one of a Series of Bonds which were validated by judgment of the Circuit Court for Lee County, Florida rendered on July 29, 2019.

**ESPLANADE LAKE CLUB  
COMMUNITY DEVELOPMENT  
DISTRICT**

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Chairperson

**ABBREVIATIONS FOR SERIES 2019A-2 BONDS**

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 TRANSFER MIN ACT - \_\_\_\_\_ Custodian \_\_\_\_\_ under  
Uniform Transfer to Minors Act \_\_\_\_\_ (Cust.) (Minor) (State)

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

**FORM OF ASSIGNMENT FOR SERIES 2019A-2 BONDS**

For value received, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_ within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney to transfer the said Bond on the books of the District, with full power of substitution in the premises.

Dated:

Social Security Number or Employer

Identification Number of Transferee:

Signature guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

\_\_\_\_\_  
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.

## EXHIBIT C

### FORM OF REQUISITION FOR SERIES 2019 PROJECT

The undersigned, an Authorized Officer of Esplanade Lake Club Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the District to U.S. Bank National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), dated as of December 1, 2019 (the "Master Indenture"), as amended and supplemented by the Second Supplemental Trust Indenture from the District to the Trustee, dated as of December 1, 2019 (the Master Indenture as amended and supplemented is hereinafter referred to as the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

(D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable):

The undersigned hereby certifies that [obligations in the stated amount set forth above have been incurred by the District, that each disbursement set forth above is a proper charge against the Series 2019A-2 Acquisition and Construction Account, that each disbursement set forth above was incurred in connection with the acquisition and construction of the Series 2019 Project and each represents a Cost of the Series 2019 Project, and has not previously been paid] OR [this requisition is for Costs of Issuance payable from the Series 2019A-2 Costs of Issuance Account that 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.

If this requisition is for a disbursement from other than the Series 2019A-2 Costs of Issuance Account, there shall be attached a resolution of the Governing Body of the District approving this requisition or approving the specific contract with respect to which disbursements pursuant to this requisition are due and payable.

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

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

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

**CONSULTING ENGINEERS' APPROVAL FOR NON-COSTS OF ISSUANCE  
REQUESTS ONLY**

If this requisition is for a disbursement for other than Costs of Issuance, the undersigned Consulting Engineers hereby certify that this disbursement is for a Cost of the Series 2019 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the corresponding Series 2019 Project segment and portion of the Series 2019 Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineers attached as an Exhibit to the Second Supplemental Indenture, as such report shall have been amended or modified on the date hereof.

The undersigned further certifies that (a) the Series 2019 Project improvements to be acquired with this disbursement will be (1) owned by the District or another governmental entity and located on public property or within public rights of way or easements and (2) accessible by the general public and/or part of a public water management system; (b) the purchase price to be paid by the District for the Series 2019 Project improvements to be acquired with this disbursement is no more than the lesser of (i) the fair market value of such improvements and (ii) the actual cost of construction of such improvements; (c) the plans and specifications for the Series 2019 Project improvements have been approved by all regulatory bodies required to approve them or such approval can reasonably be expected to be obtained; (d) all currently required approvals and permits for the acquisition, construction, reconstruction, installation and equipping of the portion of the Series 2019 Project for which disbursement is made have been obtained from all applicable regulatory bodies; and (e) to the best of our knowledge based upon representations made by the seller pursuant to the Acquisition Agreement, subject to permitted retainage under the applicable contracts, the seller has paid all contractors, subcontractors, and materialmen that have provided services or materials in connection with the portions of the Series 2019 Project for which disbursement is made hereby, if acquisition is being made pursuant to the Acquisition Agreement.

\_\_\_\_\_  
Consulting Engineers

**EXHIBIT D**  
**FORM OF**  
**BINDING OBLIGATION NOTICE FOLLOWING AN EVENT OF DEFAULT**

U.S. Bank National Association, as trustee  
Fort Lauderdale, Florida

Re: Esplanade Lake Club Community Development District Capital Improvement  
Revenue Bonds, Series 2019A-2 (the "2019A-2 Bonds")

Ladies and Gentlemen:

The 2019A-2 Bonds are issued and Outstanding under the Master Trust Indenture from the Esplanade Lake Club Community Development District (the "District") to U.S. Bank National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), dated as of December 1, 2019 (the "Master Indenture"), as amended and supplemented by the Second Supplemental Trust Indenture from the District to the Trustee, dated as of December 1, 2019 (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

This shall serve as a notice from the District, as contemplated by Section 403(c) of the Supplemental Indenture, that the District has incurred the below described binding obligations which were occurred prior to any Event of Default and which are to be paid from the Series 2019A-2 Acquisition and Construction Account in accordance with the Indenture:

Nature of Obligation	Payee	Amount
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**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

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

**EXHIBIT E**  
**FORM OF**  
**DIRECTION/COLLECTION METHOD NOTICE FOLLOWING AN EVENT OF**  
**DEFAULT**

Esplanade Lake Club Community Development District  
Board of Supervisors  
c/o District Manager

Re: Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the “2019A-2 Bonds”)

Ladies and Gentlemen:

The undersigned are the Trustee and Majority Owners of the above-referenced 2019A-2 Bonds issued pursuant to the Master Trust Indenture from the Esplanade Lake Club Community Development District (the “District”) to U.S. Bank National Association, Fort Lauderdale, Florida, as trustee (the “Trustee”), dated as of December 1, 2019 (the “Master Indenture”), as amended and supplemented by the Second Supplemental Trust Indenture from the District to the Trustee, dated as of December 1, 2019 (the “Supplemental Indenture” and, together with the Master Indenture, the “Indenture”) (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture).

Pursuant to Section 704 of the Supplemental Indenture, this Notice is provided to the District to direct the District to collect the Series 2019A-2 Assessments in the manner as follows at the earliest practicable time permitted by applicable law (check ones that apply):

\_\_\_\_\_ Uniform Method for [describe lots or lands]

\_\_\_\_\_ Direct Bill for [describe lots or lands]

The undersigned agree that this represents the direction as to the method of collection of the Series 2019A-2 Assessments permitted by Section 704 of the Indenture.

Dated: \_\_\_\_\_, 20\_\_\_\_

[Signatures on following page]



**TRUSTEE:**

**U.S. BANK NATIONAL ASSOCIATION**

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

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

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

**MAJORITY OWNERS:**

\_\_\_\_\_, as beneficial owner

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

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

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

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

Aggregate principal amount of the 2019A-2 Bonds held on  
the Record Date hereof:

PRINCIPAL AMOUNT \_\_\_\_\_

CUSIP \_\_\_\_\_

DTC PARTICIPANT NUMBER \_\_\_\_\_

\_\_\_\_\_, as beneficial owner

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

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

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

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

Aggregate principal amount of the 2019A-2 Bonds held on  
the Record Date hereof:

PRINCIPAL AMOUNT \_\_\_\_\_

CUSIP \_\_\_\_\_

DTC PARTICIPANT NUMBER \_\_\_\_\_

**EXHIBIT F**  
**FORM OF**  
**DIRECTION/FORECLOSURE**

Esplanade Lake Club Community Development District  
Board of Supervisors  
c/o District Manager

Re: Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the “2019A-2 Bonds”)

Ladies and Gentlemen:

The undersigned are the Trustee and Majority Owners of the above-referenced 2019A-2 Bonds issued pursuant to the Master Trust Indenture from the Esplanade Lake Club Community Development District (the “District”) to U.S. Bank National Association, Fort Lauderdale, Florida, as trustee (the “Trustee”), dated as of December 1, 2019 (the “Master Indenture”), as amended and supplemented by the Second Supplemental Trust Indenture from the District to the Trustee, dated as of December 1, 2019 (the “Supplemental Indenture” and, together with the Master Indenture, the “Indenture”) (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture).

Pursuant to Section 705(b) of the Supplemental Indenture, this Notice is provided to the District to direct the District to commence foreclosure proceedings as contemplated by such Section 705(b), with the understanding that the Indenture does not require the District to take any such action unless and until the District is provided assurances satisfactory to it of the payment of its fees, costs and expenses for doing so.

Dated: \_\_\_\_\_, 20\_\_\_\_

[Signatures on following page]

**TRUSTEE:**

**U.S. BANK NATIONAL ASSOCIATION**

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

**MAJORITY OWNERS:**

\_\_\_\_\_, as beneficial owner

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

Aggregate principal amount of the 2019A-2 Bonds held on  
the Record Date hereof:

PRINCIPAL AMOUNT \_\_\_\_\_

CUSIP \_\_\_\_\_

DTC PARTICIPANT NUMBER \_\_\_\_\_

\_\_\_\_\_, as beneficial owner

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

Aggregate principal amount of the 2019A-2 Bonds held on  
the Record Date hereof:

PRINCIPAL AMOUNT \_\_\_\_\_

CUSIP \_\_\_\_\_

DTC PARTICIPANT NUMBER \_\_\_\_\_

**ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT  
(LEE COUNTY, FLORIDA)**

\$ \_\_\_\_\_\*  
**Capital Improvement Revenue Bonds,  
Series 2019A-1**

\$ \_\_\_\_\_\*  
**Capital Improvement Revenue Bonds,  
Series 2019A-2**

**BOND PURCHASE CONTRACT**

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

Board of Supervisors  
Esplanade Lake Club Community Development District  
Lee County, Florida

Ladies and Gentlemen:

FMSbonds, Inc. (the "Underwriter") offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the Esplanade Lake Club Community Development District (the "District"). The District is located entirely within the incorporated boundaries of the Lee County, Florida (the "County"). This offer of the Underwriter shall, unless accepted by the District, acting through its Board of Supervisors (the "Board"), expire at 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 (as hereinafter defined). In conformance with Section 218.385, Florida Statutes, as amended, the Underwriter hereby delivers to the District the Disclosure and Truth-In-Bonding Statements attached hereto as Exhibit A.

**1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District, and the District hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the District's: (a) \$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the "Series 2019A-1 Bonds") and (b) \$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the "Series 2019A-2 Bonds" and, collectively with the Series 2019A-1 Bonds, the "Series 2019A Bonds"). The Series 2019A Bonds shall be dated their date of delivery and shall mature on the dates, shall bear interest per annum at the rates, and shall be subject to redemption prior to maturity, all as provided in Exhibit B attached hereto.

The purchase price for the Series 2019A-1 Bonds shall be \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Series 2019A-1 Bonds, [plus/less net original issue premium/discount of \$\_\_\_\_\_ and] less an underwriter's discount of \$\_\_\_\_\_). The purchase price for the Series 2019A-2 Bonds shall be \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Series 2019A-2 Bonds, [plus/less net original issue premium/discount of \$\_\_\_\_\_ and]less an underwriter's discount of \$\_\_\_\_\_). Payment of the purchase price and delivery of the Series 2019A Bonds and the other actions contemplated hereby to take place at the time of such payment and delivery are hereinafter referred to as the "Closing."

**2. The Series 2019A Bonds.** The Series 2019A 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 (collectively, the "Act"), by Ordinance No. 18-21 enacted by the Lee County Board of County Commissioners (the "County"), effective on September 19, 2018 (the "Ordinance"). The Series 2019A Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "Master Indenture"), as supplemented with respect to the Series 2019A-1 Bonds, by a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-1 Indenture"), and as supplemented with respect to the Series 2019A-2 Bonds by a Second Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-2 Indenture") (the Series 2019A-1 Indenture and the Series 2019A-2 Indenture being collectively referred to herein as the "Indentures"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"), and by Resolution No. 2019-21, adopted by the Board of Supervisors of the District (the "Board") on May 15, 2018 and Resolution No. [2020-6], adopted by the Board on [November 13, 2019] (collectively, the "Bond Resolution").

**3. Limited Offering; Establishment of Issue Price.** It shall be a condition to the District's obligation to sell and to deliver the Series 2019A Bonds to the Underwriter, and to the Underwriter's obligation to purchase, accept delivery of and pay for the Series 2019A Bonds, that the entire principal amount of the Series 2019A Bonds be issued, sold and delivered by the District and purchased, accepted and paid for by the Underwriter at the Closing and that the District and the Underwriter receive the opinions, documents and certificates described in Section 8(c) hereof.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Series 2019A Bonds and shall execute and deliver to the District at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, in the form reasonably satisfactory to Bond Counsel, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2019A Bonds.

(b) Except as otherwise set forth in Exhibit B attached hereto, the District will treat the first price at which 10% of each maturity of the Series 2019A Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of the Series 2019A Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2019A Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Series 2019A Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined below) has occurred, until the 10% test has been satisfied as to the Series 2019A Bonds of that maturity or until all Series 2019A Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Series 2019A Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit B attached hereto, except as otherwise set forth therein. Exhibit B also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Series 2019A Bonds for which the 10% test has not been

satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2019A Bonds, the Underwriter will neither offer nor sell unsold Series 2019A Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

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

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2019A Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District when it has sold 10% of that maturity of the Series 2019A Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the sale date.

(d) The Underwriter acknowledges that sales of any Series 2019A Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

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

(2) a purchaser of any of the Series 2019A Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

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

(e) The Underwriter confirms that there will not be any selling group agreements or any retail distribution agreements relating to the initial sale of the Series 2019A Bonds to the public.

**4. Use of Documents.** Prior to the date hereof, the District has caused to be prepared and has provided to the Underwriter a Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2019 (such Preliminary Limited Offering Memorandum, including the cover pages and all appendices thereto, and any amendments and supplements thereto that may be authorized by the District for use with respect to the Series 2019A Bonds (being herein collectively called the "Preliminary Limited Offering Memorandum") of the District related to the Series 2019A 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" or the "Rule") in connection with the limited offering of the Series 2019A 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 Preliminary Limited Offering Memorandum to be circulated and used by the Underwriter in connection with the limited offering of the Series 2019A 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 three (3) days prior to the Closing Date (as defined below) and in sufficient time to allow the Underwriter to comply with all requirements of the Rule and all applicable securities laws and the rules of the Municipal Securities Rulemaking Board (the "MSRB"), a final Limited Offering Memorandum dated \_\_\_\_\_, 2019 (such Limited Offering Memorandum, including the cover pages and all appendices thereto, and any amendments and supplements thereto that may be authorized by the District for use with respect to the Series 2019A Bonds being herein collectively called the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda"). The District hereby ratifies and approves the circulation and use of the Limited Offering Memoranda by the Underwriter.

**5. Definitions.** For purposes hereof, (a) this Purchase Contract, the Indentures, the Series 2019A Bonds, the Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District, Taylor Morrison of Florida, Inc., a Florida corporation (the "Developer"), and JP Ward and Associates, LLC, as initial dissemination agent (the "Dissemination Agent"), in substantially the form attached to the Preliminary Limited Offering Memorandum as APPENDIX F thereto (the "Disclosure Agreement") and the DTC Blanket Issuer Letter of Representations entered into by the District, are referred to herein collectively as the "Financing Documents," and (b) [the Completion Agreement (Series 2019 Project) by and between the District and the Developer dated as of the Closing Date (the "Completion Agreement"), the Acquisition Agreement (Series 2019 Project) by and between the District and the Developer dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment Agreement (Series 2019 Project), in recordable form, by and between the District and the Developer dated as of the Closing Date, (the "Collateral Assignment"), the True-Up Agreement (Series 2019 Project) in recordable form by and between the District and the Developer dated as of the Closing Date (the "True-Up Agreement") and the Declaration of Consent in recordable form and executed by the Developer 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 Series 2019A Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Series 2019A Bonds for the purposes described in the Preliminary Limited Offering Memorandum; (v) acknowledge and authorize the use of the Preliminary Limited Offering Memorandum and acknowledge and authorize the use and execution of the Limited Offering Memorandum; and (vi) carry out and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary Agreements and the Limited Offering Memoranda, including but not limited to entering into the agreements with the Tax Collector and Property Appraiser to provide for the collection of the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, using the Uniform Method of collection in accordance with the Indentures. 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 Series 2019A 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 and/or by the Closing Date will have adopted the Bond Resolution and the Assessment Resolutions, and the same are in full force and effect and have not been supplemented, amended, modified or repealed, except as set forth therein. By all necessary official Board action, the District has duly authorized and approved the use and delivery of the Preliminary Limited Offering Memorandum and the execution and delivery of the Financing Documents, the Ancillary Agreements, the Series 2019A Bonds and the Limited Offering Memorandum, has duly authorized and approved and/or will by the Closing Date have duly authorized and approved the performance by the District of the obligations on its part contained in the Financing Documents, the Ancillary Agreements and the Series 2019A 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 Series 2019A Bonds. Upon execution and delivery by the District and the Trustee (and assuming the due authorization, execution and delivery of the Indentures by the Trustee), the Indentures will constitute legal, valid and binding obligations of the District, enforceable in accordance with their terms, subject only to applicable bankruptcy, insolvency, and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law). 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) The District is not in material breach of or material default under any applicable provision of the Act or any applicable constitutional provision or statute or, to the best of its knowledge, administrative regulation of the State or the United States of America or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement, or other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of its knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or material event of default under any such instrument; and the execution and delivery of the Series 2019A Bonds, the Financing Documents, the Ancillary Agreements 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, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as provided by the Assessment Resolutions, the Series 2019A Bonds and the Indentures. To the best of its knowledge, no event has occurred which, with the lapse of time or



the giving of notice, or both, would constitute an event of default (as therein defined) under the Series 2019A Bonds, the Ancillary Agreements or the Financing Documents;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization by, or which would constitute a condition precedent to, or the absence of which would materially adversely affect, the due performance by the District of its obligations, to issue the Series 2019A Bonds, or under the Series 2019A Bonds, the Bond Resolution, the Assessment Resolutions, the Financing Documents or the Ancillary Agreements have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Series 2019A Bonds;

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

(g) The Series 2019A Bonds, when issued, executed and delivered in accordance with the Indentures and when delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Purchase Contract, will be validly issued and outstanding obligations of the District, entitled to the benefits of the Indentures and upon such issuance, execution and delivery of the Series 2019A Bonds, the Indentures will provide, for the benefit of the holders from time to time of each Series of the Series 2019A Bonds, a legally valid and binding pledge of and first lien on the respective Series of Pledged Revenues as set forth in the respective Indentures. On the Closing Date, all conditions precedent to the issuance of the Series 2019A Bonds set forth in the respective Indentures will have been complied with or fulfilled;

(h) There is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to its best knowledge, threatened against the District: (i) contesting the corporate existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (ii) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2019A 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 the Series 2019A-1 Assessments or the Series 2019A-2 Assessments, or the pledge of and lien on the respective Series of Pledged Revenues pursuant to the respective Indentures; (iii) contesting or affecting specifically as to the District the validity or enforceability of the Act or any action of the District in any respect relating to the authorization for the issuance of the Series 2019A Bonds, or the authorization of the Series 2019 Project, the Bond Resolution, the Assessment Resolutions, the Financing Documents and the Ancillary Agreements to which the District is a party, or the application of the proceeds of the Series 2019A Bonds for the purposes set forth in the Preliminary Limited Offering Memorandum; (iv) contesting the federal tax status of the Series 2019A 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 Series 2019A Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) determine the eligibility of the Series

2019A Bonds for investment under the laws of such states and other jurisdictions, and the District will use its best efforts to continue such qualifications in effect so long as required for the initial limited offering and distribution of the Series 2019A 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 or to be contained in the Limited Offering Memoranda under the captions "DESCRIPTION OF THE SERIES 2019A BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," "CONTINUING DISCLOSURE" with respect to the information contained therein with respect to the Developer 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 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 or to be contained in the Limited Offering Memoranda Memorandum under the captions "DESCRIPTION OF THE SERIES 2019A BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," "CONTINUING DISCLOSURE" with respect to the information contained therein with respect to the Developer and "UNDERWRITING";

(l) If between the date of this Purchase Contract and the earlier of (i) 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 Municipal Securities Rulemaking Board'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 Preliminary Limited Offering Memorandum, 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 Series 2019A Bonds, the Financing Documents or the Ancillary Agreements, direct or contingent, other than as set forth in or contemplated by the Limited Offering Memoranda;

(n) The District is not now in default and has not been in default at any time after December 31, 1975 in the payment of the principal of or the interest on any governmental security issued or guaranteed by it which would require the disclosure pursuant to Section 517.051, Florida Statutes or Rule 69W-400.003 of the Florida Department of Financial Services;

(o) The District has not previously undertaken any continuing disclosure obligations accordance with the continuing disclosure requirements of the Rule;

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

(q) From the date of this Purchase Contract through the Closing Date, the District will not issue any bonds (other than the respective Series of Series 2019A Bonds), notes or other obligations payable from the Pledged Revenues for any Series of Series 2019A Bonds.

7. **Closing.** At 10:00 a.m. prevailing time on \_\_\_\_\_, 2019 (the "Closing Date") or at such later time as may be mutually agreed upon by the District and the Underwriter, the District will deliver or cause to be delivered to the Underwriter the Series 2019A Bonds in definitive book-entry-only form, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Series 2019A Bonds as set forth in Section 1 hereof, in federal or other immediately available funds to the order of the District. Delivery of the Series 2019A 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 Series 2019A 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 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 in all material respects, on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

(b) At the time of the Closing, the Bond Resolution, the Assessment Resolutions, the Series 2019A Bonds, the Ancillary Agreements and the Financing Documents shall each be in full force and effect in accordance with their respective terms and the Bond Resolution, the Assessment Resolutions, the Indentures 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) An executed copy of each of the Financing Documents and the Ancillary Agreements in form acceptable to the Underwriter and its counsel;

(4) The opinions, dated as of the Closing Date and addressed to the District, of Greenspoon Marder LLP, Bond Counsel, in the forms included in the Limited Offering Memorandum as APPENDIX B, together with letters of such counsel, dated as of the Closing Date and addressed to the Underwriter and Trustee, to the effect that the foregoing opinions addressed to the District may be relied upon by the Underwriter and Trustee to the same extent as if such opinions were addressed to them;

(5) The supplemental opinion, dated as of the Closing Date and addressed to the District and the Underwriter, of Greenspoon Marder LLP, Bond Counsel, in the form annexed as Exhibit C hereto;

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

(7) The opinion, dated as of the Closing Date and addressed to the District, the Trustee and the Underwriter of J. Wayne Crosby, P.A., counsel to the Developer, in form and substance acceptable to the Underwriter and its counsel;

(8) An opinion, dated as of the Closing Date and addressed to the Underwriter and the District, 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) Certificates of the Developer dated as of the Closing Date, in the form annexed as Exhibit E hereto, or otherwise in form and substance satisfactory to Bond Counsel, the Underwriter, Underwriter's counsel and counsel to the District;

(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 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 2019 Special Assessments, to the extent required by and as described in the respective Indentures; and (v) the Limited Offering Memorandum (other than the information under the captions "DESCRIPTION OF THE SERIES 2019A BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," "CONTINUING DISCLOSURE" with respect to the information contained therein with respect to the Developer 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 omits 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 Underwriter's Counsel;

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

(15) Executed copies of the District's certification as to arbitrage and other matters relative to the tax status of the Series 2019A 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) An executed copy of Internal Revenue Service Form 8038-G relating to the Series 2019A Bonds;

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

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

(19) Such additional documents as may be required by the Indentures to be delivered as a condition precedent to the issuance of the Series 2019A Bonds;

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

(21) A certified copy of the final judgment of the Circuit Court in and for Lee County, Florida (the "County"), validating the Series 2019A Bonds and the certificate of no-appeal;

(22) A copy of the Master Engineer's Report dated April 2019;

(23) A certificate of the District whereby the District has deemed the Preliminary Limited Offering Memorandum final as of its date, except for permitted omissions, as contemplated by Rule 15c2-12 in connection with the limited offering of the Series 2019A Bonds;

(24) A copy of the Revised Master Special Assessment Methodology Report dated August 29, 2019 (the "Master Methodology") as supplemented by the Final Supplemental Special Assessment Methodology Report dated as of the date hereof;

(25) The Declarations executed and delivered by the Developer and any other entity owning any land in the District as of the Closing Date with respect to all real property owned by such entity(ies) within the District which is subject to the Series 2019A-1 Assessments or the Series 2019A-2 Assessments, as applicable, in recordable form and otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel and counsel to the District;

(26) A certificate of the Dissemination Agent (i) acknowledging its agreement to serve as the initial Dissemination Agent for the District with respect to the Series 2019A Bonds and undertake the obligations of the Dissemination Agent as set forth in the Continuing Disclosure Agreement and (ii) representing that the Dissemination Agent is aware of the continuing disclosure requirements set forth in the Continuing Disclosure Agreement and Rule 15c2-12, (iii) that it has policies and procedures in place to ensure its compliance with its obligations under the Continuing Disclosure Agreement, and (iv) covenanting to comply with the District's continuing disclosure undertakings entered into pursuant to Rule 15c2-12 at all times in the future; and

(27) Such additional legal opinions, certificates, instruments and other documents as the Underwriter, Underwriter's Counsel, Bond Counsel or counsel to the District may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the District's representations and warranties contained herein and of the statements and information contained in the Limited Offering Memoranda and the due performance or satisfaction by the District and the Developer on or prior to the Closing of all the agreements then to be performed and conditions then to be satisfied by each.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2019A Bonds contained in this Purchase Contract (unless waived by the Underwriter in its sole discretion), or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2019A Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the District shall be under any further obligation hereunder, except that the respective obligations of the District and the Underwriter set forth in Section 10 hereof shall continue in full force and effect.

**9. Termination.** The Underwriter shall have the right to terminate its obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Series 2019A 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 Series 2019A Bonds, which may have the purpose or effect, directly or indirectly, of materially and adversely affecting the tax status of the District, its property or income, its securities (including the Series 2019A Bonds) or the interest thereon, or any tax exemption granted or authorized by the State or, which in the reasonable opinion of the Underwriter, affects materially and adversely the market for the Series 2019A Bonds, or the market price generally of obligations of the general character of the Series 2019A Bonds; (ii) the District or the Developer has, without the prior written consent of the Underwriter, offered or issued any bonds, notes or other obligations for borrowed money, or incurred any material liabilities, direct or contingent, 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 the Builder which in the reasonable opinion of the Underwriter, affects materially and adversely the market for the Series 2019A Bonds, or the market price of the Series 2019A Bonds, other than (x) in the ordinary course of its business or (y) mortgages in favor of the Builders given to secure the release of security deposits under the Builder Contracts, as described in the Preliminary Limited Offering Memorandum; (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 prior to the issuance of the Series 2019A Bonds in connection with the levy of the Series 2019A-1 Assessments or the Series 2019A-2 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 Indentures; (ii) the cost of the preparation and printing, if applicable, of the Limited Offering Memoranda and any supplements thereto, together with a reasonable number of copies which the Underwriter may request; (iii) the cost of registering the Series 2019A Bonds in the name of Cede & Co., as nominee of DTC, which will act as securities depository for such Bonds; (iv) the fees and disbursements of counsel to the District, the District Manager, the Dissemination Agent, Bond Counsel, Underwriter's Counsel, the District's methodology consultant, the District Engineer, the Trustee, Trustee's

Counsel and any other experts or consultants retained by the District; and (v) the cost of recording in the Official Records of the County any Financing Documents, Ancillary Agreements or other documents or certificates that are required to be recorded pursuant to the terms of this Purchase Contract. It is anticipated that such expenses shall be paid from the proceeds of the Series 2019A Bonds. The District shall record all documents required to be provided in recordable form hereunder within three business days after the Closing Date, which obligation shall survive the Closing.

(b) The Underwriter agrees to pay all advertising expenses in connection with the Series 2019A Bonds, if any.

**11. No Advisory or Fiduciary Role.** The District acknowledges and agrees that (i) the purchase and sale of the Series 2019A 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 fiduciary of the District, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to the limited offering of the Series 2019A Bonds or the discussions, undertakings and procedures leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has provided any services or is currently providing other services to the District on other matters) or any other obligation to the District, and the Underwriter has no obligation to the District with respect to the limited offering contemplated hereby except the obligations expressly set forth in this Agreement, (iv) the Issuer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with the offering of the Series 2019A Bonds, (v) the Underwriter has financial and other interests that differ from those of the Issuer, and (vi) the Underwriter has provided to the District prior disclosures under Rule G-17 of the MSRB, which have been received by the District.

**12. Notices.** Any notice or other communication to be given to the District under this Purchase Contract may be given by delivering the same in writing to JPWard and Associates, LLC, 2900 NE 12 Terrace, #1, Oakland Park, Florida 33334, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to FMSbonds, Inc., 20660 W. Dixie Highway, North Miami Beach, Florida 33180, Attention: Jon Kessler.

**13. Parties in Interest; Survival of Representations.** This Purchase Contract is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the District's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect and survive the closing on the Series 2019A Bonds, regardless of: (i) any investigations made by or on behalf of the Underwriter and (ii) delivery of and payment for the Series 2019A 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.

Very truly yours,

**FMSBONDS, INC.**

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

Accepted and agreed to this  
\_\_\_\_\_ day of \_\_\_\_\_, 2019.

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

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

**EXHIBIT A**

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

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

Board of Supervisors  
Esplanade Lake Club Community Development District  
Lee County, Florida

Re: \$ \_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the "Series 2019A-1 Bonds") and \$ \_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the "Series 2019A-2 Bonds") (collectively, the "Series 2019A Bonds")

Dear Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the Series 2019A Bonds, FMSbonds, Inc. (the "Underwriter"), pursuant to a Bond Purchase Contract dated \_\_\_\_\_, 2019 (the "Bond Purchase Contract"), between the Underwriter and Esplanade Lake Club Community Development District (the "District"), furnishes the following disclosures to the District (all capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Bond Purchase Contract):

1. The underwriting discount paid to the Underwriter pursuant to the Bond Purchase Contract for the Series 2019A-1 Bonds is approximately \$\_\_\_\_ per \$1,000.00 or \$ \_\_\_\_\_; and the underwriting discount paid to the Underwriter pursuant to the Bond Purchase Contract for the Series 2019A-2 Bonds is approximately \$\_\_\_\_ per \$1,000.00 or \$ \_\_\_\_\_.
2. The names, addresses and estimated amounts of compensation of any person who is not regularly employed by, or not a partner or officer of, the Underwriter, bank, banker, or financial consultant or advisor and who enters into an understanding with either the District or the Underwriter, or both, for any paid or promised compensation or valuable consideration directly, expressly or impliedly, to act solely as an intermediary between the District and the Underwriter for the purposes of influencing any transaction in the purchase of the Series 2019A Bonds are: None.
3. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2019A Bonds are set forth in Schedule I attached hereto.
4. The management fee charged by the Underwriter is: \$0/\$1,000 or \$0.
5. Any other fee, bonus or other compensation estimated to be paid by the Underwriter in connection with the Series 2019A Bonds to any person not regularly employed or retained by the Underwriter in connection with the Series 2019A Bonds is as follows: None. GrayRobinson, P.A. has been retained as counsel to the Underwriter and will be compensated by the District.

6. The name and address of the Underwriter is:

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

The District is proposing to issue \$ \_\_\_\_\_ aggregate amount of the Series 2019A-1 Bonds for the purpose providing funds to: (i) finance a portion of the Cost of acquiring, constructing and equipping the Series 2019 Project; (ii) pay certain costs associated with the issuance of the Series 2019A-1 Bonds; (iii) make a deposit into the Series 2019A-1 Reserve Account; and (iv) pay a portion of the interest to become due on the Series 2019A-1 Bonds.

The District is proposing to issue \$ \_\_\_\_\_ aggregate amount of the Series 2019A-2 Bonds for the purpose of providing funds to: (i) finance a portion of the Cost of acquiring, constructing and equipping public assessable infrastructure and improvements (as more particularly described herein, the "Series 2019 Project"); (ii) pay certain costs associated with the issuance of the Series 2019A-2 Bonds; (iii) make a deposit into the Series 2019A-2 Reserve Account; and (iv) pay a portion of the interest to become due on the Series 2019A-2 Bonds.

The debt evidenced by the Series 2019A-1 Bonds is expected to be repaid over a period of approximately \_\_\_\_\_ ( ) years and \_\_\_\_\_ ( ) months. At the interest rates set out in Exhibit B to this Purchase Contract, total interest paid over the life of the Series 2019A-1 Bonds will be \$ \_\_\_\_\_.

The debt evidenced by the Series 2019A-2 Bonds is structured to be repaid over a period of approximately \_\_\_\_\_ ( ) years and \_\_\_\_\_ ( ) months. At the interest rates set out in Exhibit B to this Purchase Contract, total interest paid over the life of the Series 2019A-2 Bonds, if paid upon final maturity, will be \$ \_\_\_\_\_.

The source of repayment for the Series 2019A-1 Bonds and the Series 2019A-2 Bonds are the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, respectively, imposed and collected by the District. Based solely upon the assumptions set forth in the paragraphs above, (a) the issuance of the Series 2019A-1 Bonds will result in approximately \$ \_\_\_\_\_ (representing the average annual debt service payments due on the Series 2019A-1 Bonds) of the Series 2019A-1 Assessments revenues not being available to the District on an annual basis to finance other services of the District, and (b) the issuance of the Series 2019A-2 Bonds will result in approximately \$ \_\_\_\_\_ (representing the average annual debt service payments due on the Series 2019A-2 Bonds) of the Series 2019A-2 Assessments revenues not being available to the District on an annual basis to finance other services of the District; provided however, that in the event that the Series 2019A-1 Bonds or the Series 2019A-2 Bonds were not issued, the District would not be entitled to impose and collect the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, respectively, in the amount of the principal of and interest to be paid on the Series 2019A-1 Bonds and the Series 2019A-2 Bonds, respectively.

[Remainder of page intentionally left blank.]

*Signature Page to Disclosure and Truth-in-Bonding Statement*

Sincerely,

FMSBONDS, INC.

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

**SCHEDULE I**

**Expenses for the Series 2019A-1 Bonds:**

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

**Expenses for the Series 2019A-2 Bonds:**

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

**EXHIBIT B**

**TERMS OF BONDS**

1. **Purchase Price for the Series 2019A-1 Bonds:** \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Series 2019A-1 Bonds, [plus/less net original issue premium/discount of \$\_\_\_\_\_ and] less an underwriter's discount of \$\_\_\_\_\_).
2. **Purchase Price for the Series 2019A-2 Bonds:** \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Series 2019A-2 Bonds, [plus/less net original issue premium/discount of \$\_\_\_\_\_ and] less an underwriter's discount of \$\_\_\_\_\_).
3. **Principal Amounts, Maturities, Interest Rates and Prices:**

Series 2019A-1 Bonds			
Amount	Maturity Date	Rate	Price

Series 2019A-2 Bonds			
Amount	Maturity Date	Rate	Price

The Underwriter has offered the Series 2019A Bonds to the public on or before the date of this Purchase Contract at the initial offering prices set forth herein and has sold at least 10% of each maturity of the Series 2019A Bonds to the public at a price that is no higher than such initial offering prices[, except for the following maturities: \_\_\_\_\_].

4. **Redemption Provisions:**

**Optional Redemption**

Series 2019A-1 Bonds

The Series 2019A-1 Bonds are subject to redemption prior to maturity at the option of the District, in whole or part on any date, on or after November 1, 20\_\_ at the Redemption Price of the principal amount of the Series 2019A-1 Bonds or portions thereof to be redeemed together with accrued interest to the Redemption Date.

Series 2019A-2 Bonds

The Series 2019A-2 Bonds are subject to redemption prior to maturity at the option of the District, in whole or part on any date, on or after November 1, 20\_\_ at the Redemption Price of the principal amount of the Series 2019A-2 Bonds or portions thereof to be redeemed together with accrued interest to the Redemption Date.

**Mandatory Sinking Fund Redemption**

Series 2019A-1 Bonds

The Series 2019A-1 Bonds maturing November 1, 20\_\_ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019A-1 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the Redemption Date on November 1 of the years and in the principal amounts set forth below:

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

\*

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

Upon any redemption of Series 2019A-1 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2019A-1 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2019A-1 Bonds.

Series 2019A-2 Bonds

The Series 2019A-2 Bonds maturing November 1, 20\_\_ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019A-2 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the Redemption Date on November 1 of the years and in the principal amounts set forth below:

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

\*

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

Upon any redemption of Series 2019A-2 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2019A-2 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2019A-2 Bonds.

## **Extraordinary Mandatory Redemption**

### Series 2019A-1 Bonds

The Series 2019A-1 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any Redemption Date, in the manner determined by the Bond Registrar at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Date of Completion of the Series 2019 Project, by application of moneys transferred from the Series 2019A-1 Acquisition and Construction Account in the Acquisition and Construction Fund established under the Series 2019A-1 Indenture to the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account in accordance with the terms of the Series 2019A-1 Indenture; or

(b) from amounts, including Series 2019A-1 Prepayments and transfers made pursuant to the First Supplemental Indenture, required by the Series 2019A-1 Indenture to be deposited into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account; or

(c) from amounts transferred to the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account resulting from a reduction in the Series 2019A-1 Reserve Account Requirement as provided for in the Series 2019A-1 Indenture; or

(d) on and after the date on which the amount on deposit in the Series 2019A-1 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2019A-1 Bonds then Outstanding, including accrued interest thereon.

### Series 2019A-2 Bonds

The Series 2019A-2 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any Redemption Date, in the manner determined by the Bond Registrar at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Date of Completion of the Series 2019 Project, by application of moneys transferred from the Series 2019A-2 Acquisition and Construction Account in the Acquisition and Construction Fund established under the Series 2019A-2 Indenture to the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account in accordance with the terms of the Series 2019A-2 Indenture; or

(b) from amounts, including Series 2019A-2 Prepayments and transfers made pursuant to the Second Supplemental Indenture, required by the Series 2019A-2 Indenture to be deposited into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account; or

(c) from amounts transferred to the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account resulting from a reduction in the Series 2019A-2 Reserve Account Requirement as provided for in the Series 2019A-2 Indenture; or



(d) on and after the date on which the amount on deposit in the Series 2019A-2 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2019A-2 Bonds then Outstanding, including accrued interest thereon.

**EXHIBIT C**

**BOND COUNSEL'S SUPPLEMENTAL OPINION**

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

Esplanade Lake Club Community Development District  
Lee County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

Re: \$ \_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the "Series 2019A-1 Bonds") and \$ \_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the "Series 2019A-2 Bonds"), (collectively, the "Series 2019A Bonds")

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Esplanade Lake Club Community Development District (the "District") of the above-referenced Series 2019A Bonds. The Series 2019A Bonds are being issued pursuant to the Constitution and laws of the State of Florida, including particularly, Chapter 190, Florida Statutes (the Uniform Community Development District Act of 1980), as amended, and Ordinance No. 18-21 enacted by Lee County, Florida on September 18, 2018, effective September 19, 2018 (collectively, the "Act") and Resolution Nos. 2019-21 and 2019-\_\_\_\_ adopted by the Board of Supervisors of the District (the "Board") on May 15, 2019 and September 25, 2019, respectively (collectively, the "Resolution"). The Series 2019A-1 Bonds are being further issued and secured by a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2019 between the District and U.S. Bank National Association, as trustee (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2019 between the District and the Trustee (the "First Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-1 Indenture"). The Series 2019A-2 Bonds are being further issued and secured by the Master Indenture, as supplemented by a Second Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2019 between the District and the Trustee (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-2 Indenture"). All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Series 2019A-1 Indenture, in the Series 2019A-2 Indenture or in the Limited Offering Memorandum dated \_\_\_\_\_, 2019 relating to the Series 2019A Bonds.

We have examined the Act, the Resolution, the Series 2019A-1 Indenture, the Series 2019A-2 Indenture, the Federal Tax Certificate dated of even date herewith executed by the District in connection with the Series 2019A Bonds, the proceedings for validation in Case No. 2019-CA-3456 in the Twentieth Judicial Circuit Court in and for Lee County, Florida (the "Validation Proceedings") and such certified copies of the proceedings of the District and such other documents and opinions as we have deemed necessary to render this opinion and we are relying on certain findings, covenants and agreements of the District set forth therein and such certified copies of the proceedings of the District and such other documents and opinions as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the District contained in the Resolution, the Series 2019A-1 Indenture and the Series 2019A-2 Indenture and in the certified proceedings and other certifications and representations of public officials and others which have been furnished to us without undertaking to verify the same by independent investigation. In rendering the

opinions set forth herein, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified in connection with the Series 2019A Bonds, including by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings, the authenticity of documents submitted as originals, the conformity to originals of documents submitted as copies and the legal capacity of all natural persons. Reference is made to the opinion of even date herewith of Hopping Green & Sams, P.A., counsel to the District, on which we have relied, as to the due creation and valid existence of the District. We have assumed, and understand you are relying on the opinion of even date herewith of Hopping Green & Sams, P.A. as to, the due authorization, execution and delivery of the Series 2019A-1 Indenture and the Series 2019A-2 Indenture by the District and the due authorization of the Resolution and other resolutions and proceedings of the District relating to the Series 2019A Bonds, including with respect to the Series 2019A-1 Assessments included in the Series 2019A-1 Pledged Revenues and the Series 2019A-2 Assessments included in the Series 2019A-2 Pledged Revenues. We have also relied upon all findings in the final judgment of the Twentieth Circuit Court in and for Lee County, Florida rendered in the Validation Proceedings, certain certifications and representations provided as of the date hereof by the Developer, as the primary landowner and developer of the lands within the boundaries of the District subject to the Series 2019A-1 Assessments and the Series 2019A-2 Assessments and certain certifications of the District's Consulting Engineers dated of even date herewith relating to the Series 2019A Bonds. Reference is also made to the opinion of even date herewith of counsel to the Trustee, on which we have relied, as to the due authorization and execution of the Series 2019A-1 Indenture and the Series 2019A-2 Indenture, respectively, by the Trustee and of the enforceability of the Series 2019A-1 Indenture and the Series 2019A-2 Indenture, respectively, against the Trustee.

We express no opinion relating to the Limited Offering Memorandum or other offering material relating to the Series 2019A Bonds except only as to the matters set forth below.

Based on the foregoing, we are of the opinion that the information in the Limited Offering Memorandum under the caption "DESCRIPTION OF THE SERIES 2019A BONDS (other than the information thereunder in the second to last paragraph under the sub-caption "General Description," and under the sub-caption "Book-Entry Only System" as to which no opinion is expressed) and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019A BONDS" (other than the information thereunder in the fourth and ninth paragraphs under the subcaption "General," under the subcaption "Prepayment of Series 2019 Assessments" and under "Additional Considerations" under the subcaption "Additional Bonds" as to which no opinion is expressed) insofar as such statements purport to describe or summarize certain provisions of the Series 2019A-1 Indenture, the Series 2019A-2 Indenture and the Series 2019A Bonds, present fair and accurate descriptions or summaries of such provisions. The information in the Limited Offering Memorandum under the caption "TAX MATTERS" insofar as such statements purport to summarize certain provisions of the Internal Revenue Code of 1986, as amended, present a fair and accurate summary of such provisions.

All opinions referred to herein exclude financial, statistical and demographic information contained in the Limited Offering Memorandum.

Very truly yours,

**EXHIBIT D**

**ISSUER'S COUNSEL'S OPINION**

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

Esplanade Lake Club Community Development District  
Lee County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

U.S. Bank National Association, as Trustee  
Fort Lauderdale, Florida  
(solely for reliance upon Sections C.1., C.2. and C.3.)

Re: \$ \_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the "Series 2019A-1 Bonds") and \$ \_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the "Series 2019A-2 Bonds"), (collectively, the "Series 2019A Bonds")

Ladies and Gentlemen:

We serve as counsel to the Esplanade Lake Club Community Development District ("**District**"), a local unit of special-purpose government established pursuant to the laws of the State of Florida, in connection with the sale by the District of its \$ \_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the "Series 2019A-1 Bonds") and its \$ \_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the "Series 2019A-2 Bonds" and, together with the Series 2019A-1 Bonds, the "**Bonds**"). This letter is delivered to you pursuant to Section 3.01(2) of the Master Indenture (defined below), Section 2.09(c) of the Supplemental Trust Indentures (defined below), and Section 8(c)(6) of the Bond Purchase Contract (referenced below), and is effective as of the date first written above. Each capitalized term not otherwise defined herein has the meaning given it to it in the Indentures (defined herein).

**A. DOCUMENTS EXAMINED**

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

1. Ordinance No. 18-21 enacted by the Lee County Board of County Commissioners (the "County"), on September 19, 2018 (the "Ordinance") ("**Establishment Ordinance**");
2. the *Master Trust Indenture*, dated as \_\_\_\_\_ 1, 2019 ("**Master Indenture**"), as amended and supplemented, by a *First Supplemental Trust Indenture* dated as of \_\_\_\_\_ 1, 2019 (the "**First Supplemental Indenture**" and, together with the Master Indenture, the "**Series 2019A-1 Indenture**"), and as supplemented with respect to the Series 2019A-2 Bonds by a *Second Supplemental Trust Indenture* dated as of \_\_\_\_\_ 1, 2019 (the "**Second Supplemental Indenture**" and, together with the Master Indenture, the "**Series 2019A-2 Indenture**") (the Series 2019A-1 Indenture and

- the Series 2019A-2 Indenture being collectively referred to herein as the "**Indentures**"), each by and between the District and U.S. Bank National Association, as trustee ("**Trustee**");
3. Resolutions Nos. 2019-21 and 2019-\_\_\_\_ adopted by the District on May 29, 2018, and \_\_\_\_\_, 2019, respectively (collectively, "**Bond Resolution**");
  4. The *Master Engineer's Report* dated April 2019 ("**Engineer's Report**"), which describes among other things the Series 2019 Project (the, "**Project**");
  5. *Master Assessment Methodology Report*, dated August 29, 2019, and the *Supplemental Special Assessment Methodology Report*, dated \_\_\_\_\_, 2019, (collectively, "**Assessment Methodology**");
  6. Resolution Nos. \_\_\_\_\_ (collectively, "**Assessment Resolution**"), establishing the debt service special assessments ("**Debt Assessments**") securing the Bonds;
  7. the *Final Judgment* issued on August 23, 2018, and by the Circuit Court for the Fifth Judicial Circuit in and for Lee County, Florida in Case No. 2018CA000195AXMX, and Certificate of No Appeal issued on September 27, 2018;
  8. the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2019 ("**PLOM**") and Limited Offering Memorandum dated \_\_\_\_\_, 2019 ("**LOM**");
  9. certain certifications by FMSbonds, Inc. ("**Underwriter**"), as underwriter to the sale of the Bonds;
  10. certain certifications of Waldrop Engineering, P.A., as District Engineer;
  11. certain certifications of JPWard and Associates, LLC, as District Manager and Assessment Consultant;
  12. general and closing certificate of the District;
  13. an opinion of Greenspoon Marder LLP ("**Bond Counsel**"), issued to the District in connection with the sale and issuance of the Bonds;
  14. an opinion of Holland & Knight LLP ("**Trustee Counsel**"), issued to the District and Underwriter in connection with the sale and issuance of the Bonds;
  15. an opinion of J. Wayne Crosby, P.A., counsel to the Developer (defined herein), issued to the District and the Underwriter in connection with the sale and issuance of the Bonds;
  16. the following agreements (collectively, "**Bond Agreements**"):
    - (a) the Continuing Disclosure Agreement dated \_\_\_\_\_, 2019, by and among the District, Taylor Morrison of Florida, Inc., a Florida corporation (the "**Developer**") and a dissemination agent;
    - (b) the Bond Purchase Contract between Underwriter and the District and dated \_\_\_\_\_, 2019 ("**BPA**");
    - (c) the Acquisition Agreement between the District and the Developer and dated \_\_\_\_\_, 2019;
    - (d) the Completion Agreement (Series 2019 Project), between the District and the Developer and dated \_\_\_\_\_, 2019;
    - (e) the True-Up Agreement (Series 2019 Project) between the District and the Developer and dated \_\_\_\_\_, 2019; and
    - (f) the Collateral Assignment and Assumption Agreement (Series 2019 Project) between the District and the Developer and dated \_\_\_\_\_, 2019;
  17. a Declaration of Consent executed by the Developer; and
  18. such other documents as we have deemed necessary or appropriate in rendering the opinions set forth below.

## **B. RELIANCE**

This opinion is solely for the benefit of (i) the District; (ii) the Underwriter; and (iii) the Trustee; however, the Trustee may only rely on this opinion for the limited purposes of the opinions stated in Sections C.1 and C.3. This opinion may not be relied on by any other party or for any other purpose without our prior written consent. . That said, this opinion may be relied upon Greenspoon Marder LLP, serving as bond counsel to the District, for the limited purposes of the following opinions: (1) that under the Florida Constitution and laws of the State, the District has been duly established and validly exists as a local unit of special purpose government, and (2) that each member of the Board has taken and subscribed to the oath of affirmation required by the laws of the State of Florida.

## C. OPINIONS

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

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

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

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

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

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

6. ***PLOM and LOM*** – The District has duly authorized the execution, delivery and distribution by the Underwriter of the PLOM and LOM. To our knowledge, and based upon our review of the PLOM and LOM and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the PLOM and LOM, and as of the date of their respective issuances, and with respect to the PLOM the date of the BPA, and with respect to the LOM, the date hereof, nothing has come to our attention which would lead us to believe that the PLOM and LOM contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, provided however that the opinions stated herein extend only to the following provisions of the PLOM and LOM: "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019A BONDS – Prepayment of Series 2019 Special Assessments," "ENFORCEMENT OF ASSESSMENT COLLECTIONS," "THE DISTRICT" (excluding the subcaptions "District Manager and Other Consultants"), "THE DEVELOPMENT – Developer Agreements" (solely as to the description of the agreements), "AGREEMENT BY THE STATE," "LEGALITY FOR INVESTMENT," "LITIGATION – The District," "CONTINUING DISCLOSURE" (as it relates to the District only), "VALIDATION," and "AUTHORIZATION AND APPROVAL," and further provided however that the opinions stated herein do not extend to any statements that constitute descriptions of the Bonds or the Indentures. No information or opinion is offered as to any remaining provisions of the PLOM or LOM.

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

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

9. ***Authority to Undertake the Project*** - The District has good right and lawful authority under the Act to undertake, finance, acquire, construct, own, and operate the Project, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body.

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

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

## **E. CERTAIN QUALIFICATIONS**

The foregoing opinions are subject to the following qualifications:

1. The opinions or statements expressed above are based solely on the laws of Florida in effect at the time of issuance of the Bonds. Accordingly, we express no opinion nor make any statement regarding the effect or application of the laws of the federal government (including but not limited to the Internal Revenue Code or any proposed changes thereto), or any other state or other jurisdiction.
2. Our opinion as to enforceability of any document is subject to limitations imposed by bankruptcy, insolvency, reorganization, moratorium, liquidation, readjustment of debt, or similar laws, relating to or affecting creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and to the exercise of judicial discretion in appropriate cases, including the fact that specific performance and other equitable remedies are granted only in the discretion of a court.
3. Nothing herein shall be construed as an opinion regarding the possible applicability of state securities or "blue sky" laws or federal securities laws, as to which no opinion is expressed.
4. We further express no opinion as to the necessity for an interest rate waiver under Florida law, or the applicability of any provision or section of the Internal Revenue Code.
5. We express no opinion and make no representations with regard to financial, project, statistical or other similar information or data. We express no opinion as to compliance with any state or federal tax laws.
6. We have not reviewed, and therefore express no opinion, regarding any land use, real property or other related items, including but not limited to whether the Developer is able to convey good and marketable title to any particular real property or interest therein and related to the Project.
7. With respect to any of the opinions set forth in this letter which are based on or qualified by the phrase "to our knowledge," the words "to our knowledge" signify that, in the course of our representation of the District, no facts have come to our attention that would give us actual knowledge that any such opinions or other matters are not accurate. Except to the extent expressly set forth herein, we have not undertaken any independent investigation to determine the existence or absence of any such facts, and no inference as to our knowledge of the existence of such facts should be drawn from the fact of our representation of District.



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

Very truly yours,

HOPPING GREEN & SAMS P.A.

**EXHIBIT E**

**CERTIFICATE OF DEVELOPER**

TAYLOR MORRISON OF FLORIDA, INC., a Florida corporation (the "Developer"), DOES HEREBY CERTIFY, that:

1. This Certificate of Developer is furnished pursuant to Section 8(c)(10) of the Bond Purchase Contract dated \_\_\_\_\_, 2019 (the "Purchase Contract") between Esplanade Lake Club Community Development District (the "District") and FMSbonds, Inc. (the "Underwriter") relating to the sale by the District of its \$ \_\_\_\_\_ original aggregate principal amount of Capital Improvement Revenue Bonds, Series 2019A-1 and its \$ \_\_\_\_\_ original aggregate principal amount of Capital Improvement Revenue Bonds, Series 2019A-2 (collectively, the "Series 2019A Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract.

2. The Developer is a corporation organized and existing under the laws of the State of Florida.

3. Representatives of the Developer have provided information to Esplanade Lake Club Community Development District (the "District") to be used in connection with the offering by the District of its Bonds, pursuant to a Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2019 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2019, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

4. The Declaration of Consent (Series 2019 Project) executed by the Developer dated as of the Closing Date and to be recorded in the public records of Lee County, Florida (the "Declaration of Consent"), the Completion Agreement (Series 2019 Project) by and between the District and the Developer dated as of the Closing Date (the "Completion Agreement"), the Acquisition Agreement (Series 2019 Project) by and between the District and the Developer dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment Agreement (Series 2019 Project), in recordable form, by and between the District and the Developer dated as of the Closing Date (the "Collateral Assignment"), the True-Up Agreement (Series 2019 Project) in recordable form by and between the District and the Developer dated as of the Closing Date (the "True-Up Agreement") constitute valid and binding obligation of the Developer, respectively, enforceable against the Developer, respectively, in accordance with its terms.

5. The Developer have reviewed and approved the information contained in the Limited Offering Memoranda under the captions "THE CAPITAL IMPROVEMENT PLAN AND THE SERIES 2019 PROJECT," "THE DEVELOPMENT," "THE DEVELOPER," "BONDOWNERS' RISKS" (as it relates to the Developer and the Development), "LITIGATION – The Developer" and "CONTINUING DISCLOSURE" (as it relates to the Developer) and warrants and represents that such information did not as of their respective dates, and does not as of the date hereof, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, the Developer is not aware of any other information in the Limited Offering Memoranda that contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

6. The Developer represents and warrants that it has complied with and will continue to comply with Sections 190.009 and 190.048, Florida Statutes, as amended.

7. As of the date hereof, there has been no material adverse change in the business, properties, assets or financial condition of the Developer which has not been disclosed in the Limited Offering Memoranda.

8. Except as disclosed in the Limited Offering Memoranda, the Developer hereby represents that it owns all of the land in the District that will be subject to the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, and hereby consents to the levy of the Series 2019A-1 Assessments and the Series 2019A-2 Assessments on the lands in the District owned by the Developer. The levy of the Series 2019A-1 Assessments and the Series 2019A-2 Assessments on the lands in the District owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which the Developer is a party or to which its property or assets are subject.

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

10. The Developer acknowledges that the Series 2019A Bonds have the debt service requirements set forth in the Limited Offering Memorandum and that the Series 2019A-1 Assessments and the Series 2019A-2 Assessments will be levied by the District on the District Lands at times, and in amounts sufficient, to enable the District to pay debt service on the related Series of Series 2019A Bonds when due.

11. To the best of our knowledge, the Developer is not in default under any other resolution, ordinance, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which the Developer is subject or by which the Developer or its 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. The Developer is current in the payment of all ad valorem, federal and state taxes associated with the Development.

12. Except as otherwise disclosed in the Limited Offering Memoranda, there is no action, suit or proceedings at law or in equity by or before any court or public board or body pending or, solely to the best of our knowledge, threatened against the 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 either of 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 either of the Developer or of the Developer's business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Developer, or (d) that would have a material and adverse effect upon the ability of the Developer, or either of them, to (i) complete the development of lands within the District as described in the Limited Offering Memoranda, (ii) pay the Series 2019A-1 Assessments or the Series 2019A-2 Assessments, as applicable, or (iii) perform their respective various obligations as described in the Limited Offering Memoranda.

13. To the best of our knowledge after due inquiry, the Developer is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Development as described in the Limited Offering Memoranda, including applying for all necessary permits. Except as otherwise described in the Limited Offering Memoranda, (a) the Development is zoned and properly

designated for its intended use; (b) all government permits other than certain permits, which permits are expected to be received as needed, have been received; (c) the Developer is not aware of any default of any zoning condition, permit or development agreement which would adversely affect 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 Offering Memoranda will not be obtained as required.

14. The Developer acknowledges that it will have no rights under Chapter 170, Florida Statutes, as amended, to prepay without interest the Series 2019A-1 Assessments or the Series 2019A-2 Assessments imposed on the lands in the District owned by the Developer within thirty (30) days following completion of the Series 2019 Project and acceptance thereof by the District.

15. Except as set forth in the Limited Offering Memoranda, the Developer has never materially failed to comply with any continuing disclosure obligations entered into in connection with SEC Rule 15c2-12.

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

17. The current general development plans for the Development and the status of sales activity and projected absorption is as set forth in the Limited Offering Memorandum under the caption "THE DEVELOPMENT." The Developer is proceeding with all reasonable speed to develop the Development and to construct and sell lots and residential units to members of the general public, including builders, unrelated to the Developer.

We understand that Bond Counsel to the District will rely on certain representations provided herein in giving its opinion that interest on the Series 2019A Bonds is excluded from gross income for federal income tax purposes.

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

**TAYLOR MORRISON OF FLORIDA, INC.,**

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

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

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

**EXHIBIT F**

**CERTIFICATE OF ENGINEER**

WALDROP ENGINEERING, P.A. (the "Engineers"), DOES HEREBY CERTIFY, that:

1. This certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Contract dated \_\_\_\_\_, 2019 (the "Purchase Contract"), by and between Esplanade Lake Club Community Development District (the "District") and FMSbonds, Inc. with respect to the \$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 and the \$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (collectively, 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 \_\_\_\_\_, 2019 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2019, including the appendices attached thereto, relating to the Bonds (collectively, the "Limited Offering Memoranda"), as applicable.

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

3. The plans and specifications for the improvements constituting the Series 2019 Project (as described in the Limited Offering Memoranda) were approved by all regulatory bodies required to approve them. All environmental and other regulatory permits or approvals required in connection with the construction of the Series 2019 Project were obtained or are expected to be obtained in the ordinary course.

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

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

6. The improvements constituting the Series 2019 Project are or will be, as applicable, constructed in sound workmanlike manner and in accordance with industry standards.

7. The price being paid by the District to the Developer for acquisition of the improvements included within the Series 2019 Project does not exceed the lesser of the cost of such Series 2019 Project or the fair market value of the assets acquired by the District.

8. The Series 2019 Project, as described in the Report, functions as a system of improvements providing sufficient benefit to the District to support the levy of the Series 2019 Assessments.

9. To the best of our knowledge, after due inquiry, the Developer is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Developer and the Development as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) all government permits required in connection with the construction of the Development as described in the Limited Offering Memoranda have been received; (b) we are not aware of the any default of any zoning condition, land use permit or development agreement which would adversely affect the ability to complete development of the Development as described in the Limited Offering Memoranda and all appendices thereto; and (c) we have no actual knowledge and are not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the Development as described in the Limited Offering Memoranda will not be obtained in due course as required by the Developer, or any other person or entity, necessary for the development of the Development as described in the Limited Offering Memoranda and all appendices thereto.

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

11. The majority of the improvements in the Series 2019 Project to be funded by the Series 2019A Bonds are expected to be completed within twelve months from the date hereof, with all of the Series 2019 Project to be financed by the Series 2019A Bonds expected to be completed within three years from the date hereof. The Series 2019 Project consists solely of infrastructure and other improvements identified under Section 190.012, Florida Statutes. The Series 2019 Project is and will be (i) located on public property or within public rights of way or easements and (ii) accessible by the general public and/or part of a public utility or drainage system. No earthwork, grading or other improvements relating to the Series 2019 Project have been or will be constructed or performed on private lots or private property. With respect to any lakes constructed or improved with proceeds of the Series 2019A Bonds, no water is being collected therein specifically to be used for reuse on private lots or private property. All water management improvements included in the Series 2019 Project are an integral part of the water management system needed for the District and are located on public land or within public easements and not within private roads. All lakes included in Series 2019 Project were constructed in accordance with applicable requirements of governmental authorities with jurisdiction over the lands in the District and not for the purpose of creating fill for private property. It was less expensive to allow the Developer of the land in the District to use any excess fill generated by construction of the water management system than to haul such fill off-site. Any roadways financed by the Series 2019A Bonds as part of the Series 2019 Project will be operated as public roads and any member of the public will have free and unrestricted access to such roads. The Series 2019 Project does not include undergrounding of electric utility lines or reuse/irrigation facilities. Any conservation and mitigation improvements included in the portion of the Series 2019 Project financed by the Series 2019A Bonds are required by applicable governmental development orders, approvals and permits relating to the lands in the District.

12. With proper operation and maintenance, the reasonably expected average life of the Series 2019 Project is at least 40 years.

Date: \_\_\_\_\_, 2019

**WALDROP ENGINEERING, P.A.**

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

## EXHIBIT G

### CERTIFICATE OF DISTRICT MANAGER AND METHODOLOGY CONSULTANT

JPWARD AND ASSOCIATES, LLC ("JPWard"), DOES HEREBY CERTIFY:

1. This certificate is furnished pursuant to Section 8(c)(18) of the Bond Purchase Contract dated \_\_\_\_\_, 2019 (the "Purchase Contract"), by and between Esplanade Lake Club Community Development District (the "District") and FMSbonds, Inc. with respect to the \$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 and the \$\_\_\_\_\_ Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (collectively, the "Series 2019A Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Limited Offering Memoranda relating to the Series 2019A Bonds, as applicable.

2. JPWard has acted as district manager and methodology consultant to the District in connection with the sale and issuance by the District of its Series 2019A Bonds and has participated in the preparation of the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2019 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2019, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

3. In connection with the issuance of the Series 2019A Bonds, we have been retained by the District to prepare the Master Special Assessment Methodology Report dated August 29, 2019 (the "Master Methodology") as supplemented by the Final Supplemental Special Assessment Methodology Report dated \_\_\_\_\_, 2019 (collectively, the "Assessment Methodology"), which Assessment Methodology has been included as an appendix to the Limited Offering Memoranda.

4. Based on our reliance on the certificate of the District's Consulting Engineer of even date herewith reflecting that the Series 2019 Project provides a special benefit to the properties assessed, the Series 2019 Assessments are not in excess of such benefit, and the Series 2019 Assessments are fairly and reasonably allocated to the properties assessed.

5. The Series 2019A-1 Assessments, and the Series 2019A-2 Assessments, as initially levied and as may be reallocated from time to time as permitted by the District's applicable assessment resolutions and the Assessment Methodology, each constitute distinct and separately enforceable special assessment liens, are each supported by sufficient benefit from the Series 2019 Project, are fairly and reasonably allocated across the benefitted lands within the District, and are sufficient to enable the District to pay the debt service on the Series 2019A-1 Bonds and the Series 2019A-2 Bonds, through the respective final maturities thereof.

6. JPWard hereby consents to the use of the Assessment Methodology included as Appendix D to the Limited Offering Memoranda.

7. JPWard hereby consents to the references to the firm in the Limited Offering Memoranda.

8. The Assessment Methodology and the assessment methodology set forth therein were prepared in accordance with all applicable provisions of Florida law.

9. The information set forth in the Limited Offering Memoranda under the captions "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS,"



"CONTINGENT FEES," "FINANCIAL INFORMATION," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," and "APPENDIX E: 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.

10. Except as disclosed in the Limited Offering Memoranda, the firm knows of no material change in the matters described in the Assessment Methodology and is of the opinion that the considerations and assumptions used in compiling the Assessment Methodology are reasonable;

11. The information contained in the Assessment Methodology did not, and does not, contain any untrue statement of a material fact and did not, and does not, omit to state a material fact necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

12. JPWard does not represent Esplanade Lake Club Community Development District as a Municipal Advisor or Securities Broker nor is JPWard registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, JPWard does not provide the Esplanade Lake Club Community Development District with financial advisory services or offer investment advice in any form.

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

**JPWARD AND ASSOCIATES, LLC**, a Florida  
limited liability company

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

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 2019A Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The District has deemed this Preliminary Limited Offering Memorandum "final," except for permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

**DRAFT-3**  
GrayRobinson, P.A.  
November 4, 2019

**PRELIMINARY LIMITED OFFERING MEMORANDUM DATED \_\_\_\_\_, 2019**

NEW ISSUES - BOOK-ENTRY ONLY  
LIMITED OFFERING

NOT RATED

*In the opinion of Bond Counsel, under existing law, and assuming compliance with the tax covenants described herein, interest on the Series 2019A Bonds is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is further of the opinion that pursuant to the Act, the Series 2019A Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined in said Chapter 220. See "TAX MATTERS" herein regarding certain other tax considerations.*

**ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT  
(LEE COUNTY, FLORIDA)**

\$ \_\_\_\_\_\*  
**Capital Improvement Revenue Bonds,  
Series 2019A-1**

\$ \_\_\_\_\_\*  
**Capital Improvement Revenue Bonds,  
Series 2019A-2**

**Dated: Date of Delivery**

**Due: As set forth herein**

The Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-1 (the "Series 2019A-1 Bonds") and the Esplanade Lake Club Community Development District Capital Improvement Revenue Bonds, Series 2019A-2 (the "Series 2019A-2 Bonds" and, together with the Series 2019A-1 Bonds, the "Series 2019A Bonds") are being issued by the Esplanade Lake Club Community Development District (the "District" or "Issuer") only in fully registered form, without coupons, in denominations of \$5,000 and any integral multiple thereof.

The District is a local unit of special purpose government of the State of Florida, created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 18-21 enacted by the Lee County Board of County Commissioners (the "County"), effective on September 19, 2018 (the "Ordinance"). The District was created for the purpose of delivering certain community development services and facilities for the benefit of District Lands (as hereinafter defined), and has previously determined to undertake in one or more stages, the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of certain District Lands.

The Series 2019A Bonds will bear interest at the fixed rates set forth on the cover, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable semi-annually on each May 1 and November 1, commencing [ \_\_\_\_\_ 1, 20 \_\_\_\_]. The Series 2019A Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC") of New York, New York. Purchases of beneficial interests in the Series 2019A Bonds will be made only in book-entry form. Accordingly, principal of and interest on the Series 2019A Bonds will be paid from sources described below by U.S. Bank National Association, as trustee (the "Trustee") directly to DTC as the registered owner thereof. Disbursements of such payments to the DTC Participants (as hereinafter defined) is the responsibility of DTC and disbursements of such payments to the beneficial owners is the responsibility of the DTC Participants and the Indirect Participants (as hereinafter defined), as more fully described herein. Any purchaser of a beneficial interest in a Series 2019 Bond must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Series 2019 Bond. See "DESCRIPTION OF THE SERIES 2019A BONDS – Book-Entry Only System" herein.

The Series 2019A Bonds are being issued by the District pursuant to the Act, Resolution No. 2019-21, adopted by the Board of Supervisors of the District (the "Board") on May 15, 2019 and Resolution No. [2020-6], adopted by the Board on [November 13,] 2019 (collectively, the "Bond Resolution"), and a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "Master Indenture"), as supplemented with respect to the Series 2019A-1 Bonds by a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-1 Indenture"), and as supplemented with respect to the Series 2019A-2 Bonds by a Second Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-2 Indenture") (the Series 2019A-1 Indenture and the Series 2019A-2 Indenture being collectively referred to herein as the "Indentures"), each by and between the District and the Trustee. Capitalized terms not defined herein shall have the meanings assigned to them in the respective Indentures. See "APPENDIX A: PROPOSED FORMS OF INDENTURES" herein.

Proceeds of the Series 2019A-1 Bonds will be used to: (i) finance a portion of the Cost of acquiring, constructing and equipping public assessable infrastructure and improvements (as more particularly described herein, the "Series 2019 Project"); (ii) pay certain costs associated with the issuance of the Series 2019A-1 Bonds and (iii) make a deposit into the Series 2019A-1 Reserve Account. See "PURPOSE OF THE SERIES 2019A-1 BONDS" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Proceeds of the Series 2019A-2 Bonds will be used to: (i) finance a portion of the Cost of acquiring, constructing and equipping the Series 2019 Project; (ii) pay certain costs associated with the issuance of the Series 2019A-2 Bonds; (iii) make a deposit into the Series 2019A-2 Reserve Account; and (iv) pay a portion of the interest to become due on the Series 2019A-2 Bonds. See "PURPOSE OF THE SERIES 2019A-2 BONDS" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2019A-1 Bonds will be secured by a pledge of the Series 2019A-1 Trust Estate, which includes the Series 2019A-1 Pledged Revenues and the Series 2019A-1 Pledged Funds. The Series 2019A-1 Pledged Revenues consist of the revenues derived by the District from non-ad valorem special assessments levied to pay debt service on the Series 2019A-1 Bonds against the District Lands (as further described herein). The Series 2019A-1 Pledged Funds consist of the Funds and Accounts (except for the Series 2019A-1 Rebate Account) established by the Series 2019A-1 Indenture. See "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2019A BONDS."

The Series 2019A-2 Bonds will be secured by a pledge of the Series 2019A-2 Trust Estate, which includes the Series 2019A-2 Pledged Revenues and the Series 2019A-2 Pledged Funds. The Series 2019A-2 Pledged Revenues consist of the revenues derived by the District from non-ad valorem special assessments levied to pay debt service on the Series 2019A-2 Bonds against the District Lands (as further described herein). The Series 2019A-2 Pledged Funds consist of the Funds and Accounts (except for the Series 2019A-2 Rebate Account) established by the Series 2019A-2 Indenture. See "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2019A BONDS."

**While the Series 2019A-1 Bonds and Series 2019A-2 Bonds are being issued simultaneously, each Series of Series 2019A Bonds is separately secured under a separate supplemental indenture as previously noted herein. Notwithstanding the foregoing, however, the Series 2019A-1 Special Assessments (as defined herein) which secure the Series 2019A-1 Bonds and the Series 2019A-2 Special Assessments (as defined herein) which secure the Series 2019A-2 Bonds are initially being levied on the same lands within the District, so that an Event of Default (as defined herein) under, or the exercise of remedies against, one Series of the Series 2019A Bonds could adversely affect the other Series of Series 2019A Bonds.**

Each Series of Series 2019A Bonds is subject to optional, mandatory sinking fund and extraordinary mandatory redemption at the times, in the amounts and at the redemption prices as more fully described herein. See "DESCRIPTION OF THE SERIES 2019A BONDS – Redemption Provisions" herein.

NEITHER THE SERIES 2019A BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THE SERIES 2019A BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURES AUTHORIZING THE ISSUANCE OF THE SERIES 2019A BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURES OR THE SERIES 2019A BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURES, OR THE SERIES 2019A BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE APPLICABLE SERIES 2019 TRUST ESTATE, INCLUDING THE APPLICABLE SERIES 2019 PLEDGED REVENUES AND THE APPLICABLE SERIES 2019 PLEDGED FUNDS, PLEDGED TO A SERIES OF THE SERIES 2019A BONDS, ALL AS PROVIDED HEREIN, IN THE MASTER INDENTURE AND IN THE RESPECTIVE SUPPLEMENTAL INDENTURES.

**The Series 2019A 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, as amended, 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 2019A Bonds. The Series 2019A Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the Series 2019A Bonds.**

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

**MATURITY SCHEDULE**

**SERIES 2019A-1 BONDS**

\$ \_\_\_\_\_ – \_\_\_\_\_% Series 2019A-1 Term Bond due [May / November] 1, 20\_\_\_\_, Yield \_\_\_\_\_%, Price \_\_\_\_\_ CUSIP # \_\_\_\_\_ \*\*  
 \$ \_\_\_\_\_ – \_\_\_\_\_% Series 2019A-1 Term Bond due [May / November] 1, 20\_\_\_\_, Yield \_\_\_\_\_%, Price \_\_\_\_\_ CUSIP # \_\_\_\_\_ \*\*

**SERIES 2019A-2 BONDS**

\$ \_\_\_\_\_ – \_\_\_\_\_% Series 2019A-2 Term Bond due [May / November] 1, 20\_\_\_\_, Yield \_\_\_\_\_%, Price \_\_\_\_\_ CUSIP # \_\_\_\_\_ \*\*  
 \$ \_\_\_\_\_ – \_\_\_\_\_% Series 2019A-2 Term Bond due [May / November] 1, 20\_\_\_\_, Yield \_\_\_\_\_%, Price \_\_\_\_\_ CUSIP # \_\_\_\_\_ \*\*

The initial sale of the Series 2019A Bonds is subject to certain conditions precedent, including, without limitation, receipt of the opinions of Greenspoon Marder LLP, Boca Raton, Florida, Bond Counsel, as to the validity of each Series of the Series 2019A Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Hopping Green & Sams P.A., Tallahassee, Florida, for the Developer (as hereinafter defined) by their counsel, J. Wayne Crosby, P.A., Winter Park, Florida, and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. It is expected that the Series 2019A Bonds will be delivered in book-entry form through the facilities of DTC on or about \_\_\_\_\_, 2019.



# **ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT**

## **BOARD OF SUPERVISORS**

John Wollard, Chairman\*  
Rob Price, Vice Chairman\*  
Tim Martin, Assistant Secretary\*  
Ryan Futch, Assistant Secretary\*  
Andrew Miller, Assistant Secretary\*

\* Employee of, or affiliated with, the Developer

## **DISTRICT MANAGER/METHODOLOGY CONSULTANT**

JPWard and Associates, LLC  
Oakland Park, Florida

## **DISTRICT COUNSEL**

Hopping Green & Sams P.A.  
Tallahassee, Florida

## **BOND COUNSEL**

Greenspoon Marder LLP  
Boca Raton, Florida

## **DISTRICT ENGINEER**

Waldrop Engineering, P.A.  
Bonita Springs, 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 2019A BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2019A 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 OR THE DEVELOPER OR IN THE STATUS OF THE DEVELOPMENT OR THE SERIES 2019 PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 2019A BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAVE THE INDENTURES 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 2019A BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE DISTRICT, THE CITY, THE COUNTY, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2019A 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 SERIES 2019 ASSESSMENTS (AS HEREINAFTER DEFINED), AND VARIOUS OTHER FACTORS WHICH MAY BE BEYOND THE

DISTRICT'S AND 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 DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM AND WWW.EMMA.MSRB.ORG. THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS PRINTED IN ITS ENTIRETY DIRECTLY FROM EITHER OF SUCH WEBSITES.

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

**TABLE OF CONTENTS**

	<b>PAGE</b>
INTRODUCTION .....	1
PURPOSE OF THE SERIES 2019A BONDS .....	3
DESCRIPTION OF THE SERIES 2019A BONDS .....	3
General Description.....	3
Redemption Provisions.....	4
Purchase of Series 2019A Bonds .....	7
Book-Entry Only System .....	8
SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019A BONDS.....	10
General .....	10
Prepayment of Series 2019 Assessments .....	11
Covenant Against Sale or Encumbrance .....	12
Additional Bonds.....	12
Series 2019 Acquisition and Construction Account.....	13
Series 2019 Reserve Accounts .....	15
Deposit and Application of the Pledged Revenues .....	18
Investments.....	21
Master Indenture Provision Relating to Bankruptcy or Insolvency of Landowner.....	23
Events of Default.....	24
ENFORCEMENT OF ASSESSMENT COLLECTIONS .....	25
General .....	25
Direct Billing & Foreclosure Procedure.....	26
Uniform Method Procedure.....	27
BONDOWNERS' RISKS .....	30
Concentration of Land Ownership .....	30
Bankruptcy and Related Risks.....	30
Series 2019 Assessments Are Non-Recourse.....	31
Regulatory and Environmental Risks.....	31
Economic Conditions and Changes in Development Plans.....	32
Other Taxes and Assessments .....	32
Limited Secondary Market for Series 2019A Bonds.....	33
Inadequacy of Reserve Accounts .....	33
Legal Delays.....	33
IRS Examination and Audit Risk .....	34
Loss of Exemption from Securities Registration.....	35
Federal Tax Reform.....	36
State Tax Reform.....	36
Insufficient Resources or Other Factors Causing Failure to Complete the Series 2019 Project or the Construction of Homes within the District.....	36
Payment of Series 2019 Assessments after Bank Foreclosure .....	37
ESTIMATED SOURCES AND USES OF FUNDS .....	38
DEBT SERVICE REQUIREMENTS.....	39
THE DISTRICT .....	40
General Information .....	40
Legal Powers and Authority.....	40



Board of Supervisors .....	41
The District Manager and Other Consultants .....	42
No Outstanding Indebtedness .....	42
ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS .....	44
General .....	44
THE DEVELOPMENT .....	46
General Overview.....	46
Land Acquisition and Development Finance Plan .....	46
Development Plan and Status .....	47
Builder Contracts and the Builders.....	48
Residential Product Offerings .....	49
Development Approvals.....	49
Environmental .....	49
Utilities .....	50
Public Schools .....	50
Taxes, Fees and Assessments .....	50
Amenities.....	51
Competition .....	51
Developer Agreements .....	51
THE DEVELOPER .....	52
TAX MATTERS.....	52
General .....	52
Additional Federal Income Tax Consequences .....	53
Changes in Tax Law.....	53
Tax Treatment of Original Issue Discount .....	54
Tax Treatment of Original Issue Premium.....	54
Additional Matters Relating to On-going IRS Audit Program and Special Districts.....	55
AGREEMENT BY THE STATE .....	55
LEGALITY FOR INVESTMENT.....	55
SUITABILITY FOR INVESTMENT .....	55
ENFORCEABILITY OF REMEDIES .....	56
LITIGATION.....	56
The District.....	56
The Developer .....	56
CONTINGENT FEES .....	56
NO RATING.....	56
EXPERTS .....	57
FINANCIAL INFORMATION .....	57
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS.....	57
CONTINUING DISCLOSURE.....	57
UNDERWRITING .....	58
VALIDATION.....	58

LEGAL MATTERS.....	58
MISCELLANEOUS .....	59
AUTHORIZATION AND APPROVAL .....	60
APPENDIX A: PROPOSED FORMS OF INDENTURES	A-1
APPENDIX B: PROPOSED FORMS OF OPINIONS OF BOND COUNSEL	B-1
APPENDIX C: ENGINEER'S REPORT	C-1
APPENDIX D: ASSESSMENT METHODOLOGY	D-1
APPENDIX E: DISTRICT'S FINANCIAL STATEMENTS	E-1
APPENDIX F: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT	F-1

**ESPLANADE LAKE CLUB COMMUNITY DEVELOPMENT DISTRICT  
(LEE COUNTY, FLORIDA)**

\$ \_\_\_\_\_\*  
**Capital Improvement Revenue Bonds,  
Series 2019A-1**

\$ \_\_\_\_\_\*  
**Capital Improvement Revenue Bonds,  
Series 2019A-2**

**INTRODUCTION**

The purpose of this Limited Offering Memorandum is to set forth certain information in connection with the offering for sale by the Esplanade Lake Club Community Development District (the "District" or "Issuer") of its \$ \_\_\_\_\_\* Capital Improvement Revenue Bonds, Series 2019A-1 (the "Series 2019A-1 Bonds") and its \$ \_\_\_\_\_\* Capital Improvement Revenue Bonds, Series 2019A-2 (the "Series 2019A-2 Bonds" and, together with the Series 2019A-1 Bonds, the "Series 2019A Bonds").

THE SERIES 2019A BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2019A BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF CHAPTER 517, FLORIDA STATUTES, AS AMENDED, AND THE RULES OF 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 2019A BONDS. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2019A BONDS. SEE "BONDOWNERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and Ordinance No. 18-21 enacted by the Lee County Board of County Commissioners (the "County"), effective on September 19, 2018 (the "Ordinance"). The District was created for the purpose of delivering certain community development services and facilities for the benefit of District Lands (as hereinafter defined) and has previously determined to undertake in one or more stages, the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of certain District Lands. The Act authorizes the District to issue bonds for the purpose of, among others, financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping water management, water supply, sewer and wastewater management, bridges or culverts, public roads, street lights and other basic infrastructure projects within or without the boundaries of the District as provided in the Act.

The boundaries of the District include approximately 779 gross acres of land (the "District Lands"); provided, however, the District is in the process of expanding its boundaries to add an additional eighteen (18) acres of land. The District is generally located at the intersection of the Ben Hill Griffin Parkway and Alico Road in unincorporated Lee County, Florida (the "County"). The District Lands are being developed as part of a larger master-planned residential community known as "Esplanade Lake Club" (the "Development"). The Development is being developed in multiple phases and is currently planned for a total of approximately 653 residential units, consisting of 186 villas and 467 single-family homes and associated amenity facilities, as well as approximately 38.37 developable acres of commercial uses. See "THE DEVELOPMENT" herein.

Taylor Morrison of Florida, Inc., a Florida corporation (the "Developer"), is serving as the developer and one of the homebuilders for the Development. See "THE DEVELOPER" herein for more information.

The Series 2019A Bonds are being issued by the District pursuant to the Act, Resolution No. 2019-21, adopted by the Board of Supervisors of the District (the "Board") on May 15, 2019 and Resolution No. [2020-6], adopted by the Board on [November 13], 2019 (collectively, the "Bond Resolution"), and a Master Trust Indenture to be dated as of \_\_\_\_\_ 1, 2019 (the "Master Indenture"), as supplemented with respect to the Series 2019A-1 Bonds by a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-1 Indenture"), and as supplemented with respect to the Series 2019A-2 Bonds by a Second Supplemental Trust Indenture to be dated as of \_\_\_\_\_ 1, 2019 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-2 Indenture") (the Series 2019A-1 Indenture and the Series 2019A-2 Indenture being collectively referred to herein as the "Indentures"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms not defined herein shall have the meanings assigned to them in the respective Indentures. See "APPENDIX A: PROPOSED FORMS OF INDENTURES" herein.

The Series 2019A-1 Bonds will be secured by a pledge of the Series 2019A-1 Pledged Revenues (as defined herein), which consist primarily of the revenues received by the District from the Series 2019A-1 Assessments (as defined herein) levied and collected on the assessable lands within the District. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019A BONDS" herein.

The Series 2019A-2 Bonds will be secured by a pledge of the Series 2019A-2 Pledged Revenues (defined herein), which consist primarily of the revenues received by the District from the Series 2019A-2 Assessments (as defined herein) levied and collected on certain assessable lands within the District. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019A BONDS" herein.

While the Series 2019A-1 Bonds and Series 2019A-2 Bonds are being issued simultaneously, each Series of Series 2019A Bonds is separately secured under a separate supplemental indenture as previously noted herein. Notwithstanding the foregoing, however, the Series 2019A-1 Special Assessments (as defined herein) which secure the Series 2019A-1 Bonds and the Series 2019A-2 Special Assessments (as defined herein) which secure the Series 2019A-2 Bonds are initially being levied on the same lands within the District, so that an Event of Default (as defined herein) under, or the exercise of remedies against, one Series of the Series 2019A Bonds could adversely affect the other Series of Series 2019A Bonds. [Discuss - Pursuant to the terms of the Second Supplemental Indenture, the Trustee shall not pay any requisition presented under the Second Supplemental Indenture until all moneys on deposit in the Series 2019A-1 Acquisition and Construction Account created under the First Supplemental Indenture has been requisitioned.]

There follows in this Limited Offering Memorandum a brief description of the District, the Developer, the Builders (as defined herein), the Development, the Series 2019 Project (as defined herein) and summaries of the terms of the Series 2019A Bonds, the Indentures and certain provisions of the Act. All references herein to the Indentures and the Act are qualified in their entirety by reference to such documents and statute, and all references to the Series 2019A-1 Bonds and the Series 2019A-2 are qualified by reference to the respective definitive form thereof and the information with respect thereto contained in the respective Indentures. The proposed forms of the Master Indenture, First Supplemental Indenture, and Second Supplemental Indenture appear in APPENDIX A attached hereto.

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

## **PURPOSE OF THE SERIES 2019A BONDS**

Proceeds of the Series 2019A-1 Bonds will be used to: (i) finance a portion of the Cost of acquiring, constructing and equipping public assessable infrastructure and improvements (as more particularly described herein, the "Series 2019 Project"); (ii) pay certain costs associated with the issuance of the Series 2019A-1 Bonds and (iii) make a deposit into the Series 2019A-1 Reserve Account. See "PURPOSE OF THE SERIES 2019A BONDS" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Proceeds of the Series 2019A-2 Bonds will be used to: (i) finance a portion of the Cost of acquiring, constructing and equipping the Series 2019 Project; (ii) pay certain costs associated with the issuance of the Series 2019A-2 Bonds; (iii) make a deposit into the Series 2019A-2 Reserve Account; and (iv) pay a portion of the interest to become due on the Series 2019A-2 Bonds. See "PURPOSE OF THE SERIES 2019A BONDS" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

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

### **General Description**

The Series 2019A Bonds are issuable only as fully registered bonds, without coupons, in the denominations of \$5,000 and any integral multiple thereof except as otherwise provided in the Indentures. The Series 2019A Bonds will mature, subject to the redemption provisions set forth herein, on the dates and in the amounts set forth on the cover page hereof.

The Series 2019A Bonds shall be dated as of the date of initial delivery. Each Series 2019A Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such Series 2019A Bond has been paid, in which event such Series 2019A Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2019A Bonds, in which event, such Series 2019A Bond shall bear interest from its date. "Interest Payment Date" means May 1 and November 1 of each year, commencing [\_\_\_\_\_ 1, 20\_\_]. Interest on the Series 2019A Bonds will be computed in all cases on the basis of a 360-day year consisting of twelve 30-day months.

Upon initial issuance, the ownership of each Series of Series 2019A Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the initial Bond Depository. Except as provided in the respective Indentures, all of the Outstanding Series 2019A Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC.

With respect to Series 2019A Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the Series 2019A Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Series 2019A Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2019A

Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent shall treat and consider the person in whose name each Series 2019A Bond is registered in the registration books kept by the Bond Registrar as the absolute Owner of such Series 2019A Bond for the purpose of payment of principal, premium and interest with respect to such Series 2019A Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2019A-1 Bond, for the purpose of registering transfers with respect to such Series 2019A Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2019A Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2019A Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated Series 2019A Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new Nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the words "Cede & Co." in the respective Indentures shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding Series 2019A Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, is not in the best interest of the Beneficial Owners of the Series 2019A Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the Series 2019A Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, but may be registered in whatever name or names Owners transferring or exchanging the Series 2019A Bonds shall designate, in accordance with the provisions hereof. See "DESCRIPTION OF THE SERIES 2019A BONDS – Book-Entry Only System" below.

As required by the Bond Resolution, the Series 2019A Bonds will initially be sold only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, as amended, and the rules of the Florida Department of Financial Services promulgated thereunder, although there is no limitation in the Bond Resolution or the Indentures on subsequent transfers of the Series 2019A Bonds. See "SUITABILITY FOR INVESTMENT" below.

U.S. Bank National Association is initially serving as the Trustee, Registrar and Paying Agent for the Series 2019A Bonds.

## **Redemption Provisions**

### **Optional Redemption**

#### Series 2019A-1 Bonds

The Series 2019A-1 Bonds are subject to redemption prior to maturity at the option of the District, in whole or part on any date, on or after November 1, 20\_\_ at the Redemption Price of the principal amount of the Series 2019A-1 Bonds or portions thereof to be redeemed together with accrued interest to the Redemption Date.

Series 2019A-2 Bonds

The Series 2019A-2 Bonds are subject to redemption prior to maturity at the option of the District, in whole or part on any date, on or after November 1, 20\_\_ at the Redemption Price of the principal amount of the Series 2019A-2 Bonds or portions thereof to be redeemed together with accrued interest to the Redemption Date.

**Mandatory Sinking Fund Redemption**

Series 2019A-1 Bonds

The Series 2019A-1 Bonds maturing November 1, 20\_\_ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019A-1 Sinking Fund Account established under the First Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the Redemption Date on November 1 of the years and in the principal amounts set forth below:

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

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

As more particularly set forth in the Series 2019A-1 Indenture, any Series 2019A-1 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2019A-1 Bonds. Amortization Installments are also subject to recalculation, as provided in the First Supplemental Indenture, as a result of the redemption of Series 2019A-1 Bonds (other than (i) Series 2019A-1 Bonds redeemed in accordance with scheduled Amortization Installments or (ii) Series 2019A-1 Bonds redeemed at the direction of the District accompanied by a cash flow certificate as required by the Master Indenture) so as to re-amortize the remaining Outstanding principal balance of the Series 2019A-1 Bonds as set forth in the First Supplemental Indenture.

Series 2019A-2 Bonds

The Series 2019A-2 Bonds maturing November 1, 20\_\_ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019A-2 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the Redemption Date on November 1 of the years and in the principal amounts set forth below:





at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Date of Completion of the Series 2019 Project, by application of moneys transferred from the Series 2019A-2 Acquisition and Construction Account in the Acquisition and Construction Fund established under the Series 2019A-2 Indenture to the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account in accordance with the terms of the Series 2019A-2 Indenture; or

(b) from amounts, including Series 2019A-2 Prepayments and transfers made pursuant to the Second Supplemental Indenture, required by the Series 2019A-2 Indenture to be deposited into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account; or

(c) from amounts transferred to the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account resulting from a reduction in the Series 2019A-2 Reserve Account Requirement as provided for in the Series 2019A-2 Indenture; or

(d) on and after the date on which the amount on deposit in the Series 2019A-2 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2019A-2 Bonds then Outstanding, including accrued interest thereon.

#### **Notice of Redemption and of Purchase**

Notice of each redemption of Series 2019A Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the Redemption Date to each registered Owner of Series 2019A Bonds to be redeemed at the address of such registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indentures, the Series 2019A Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2019A Bonds or such portions thereof on such date, interest on such Series 2019A Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2019A Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the applicable Indenture and the Owners thereof shall have no rights in respect of such Series 2019A Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the applicable Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. As provided in the Indentures, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

#### **Purchase of Series 2019A Bonds**

The District may purchase the Series 2019A Bonds then Outstanding at any time, whether or not such Bonds shall then be subject to redemption, at the most advantageous price obtainable with reasonable diligence, having regard to maturity, option to redeem, rate and price, such price not to exceed the principal of such Series 2019A Bonds plus the amount of the premium, if any, which would be

payable on the next redemption date to the Owners of such Series 2019A Bonds under the provisions of the applicable Indenture if such Series 2019A Bonds were called for redemption on such date.

### **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 2019A Bonds. The Series 2019A 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 2019 Bond certificate will be issued for each maturity of each Series of the Series 2019A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

Purchases of Series 2019A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019 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 2019A 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 2019A Bonds, except in the event that use of the book-entry system for the Series 2019A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019A 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 2019A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019A 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 2019A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2019A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2019 Bond documents. For example, Beneficial Owners of Series 2019A Bonds may wish to ascertain that the nominee holding the Series 2019A 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 2019A Bonds of a Series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2019A Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019A 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 2019A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions,\* and interest payments on the Series 2019A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent on 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 interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2019A 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 2019 Bond certificates are required to be printed and delivered.

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\* Not applicable to the Series 2019A Bonds.

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

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

### **General**

NEITHER THE SERIES 2019A BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THE SERIES 2019A BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURES AUTHORIZING THE ISSUANCE OF THE SERIES 2019A BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURES OR THE SERIES 2019A BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURES, OR THE SERIES 2019A BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE APPLICABLE SERIES 2019 TRUST ESTATE, INCLUDING THE APPLICABLE SERIES 2019 PLEDGED REVENUES AND THE APPLICABLE SERIES 2019 PLEDGED FUNDS, PLEDGED TO A SERIES OF THE SERIES 2019A BONDS, ALL AS PROVIDED HEREIN, IN THE MASTER INDENTURE AND IN THE RESPECTIVE SUPPLEMENTAL INDENTURES.

The Series 2019A-1 Bonds will be secured by a pledge of the Series 2019A-1 Trust Estate, which includes the Series 2019A-1 Pledged Revenues and the Series 2019A-1 Pledged Funds. The Series 2019A-1 Pledged Revenues consist of the revenues derived by the District from non-ad valorem special assessments levied to pay debt service on the Series 2019A-1 Bonds against the District Lands (as further described herein). The Series 2019A-1 Pledged Funds consist of the Funds and Accounts (except for the Series 2019A-1 Rebate Account) established by the Series 2019A-1 Indenture. See "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2019A BONDS."

The Series 2019A-2 Bonds will be secured by a pledge of the Series 2019A-2 Trust Estate, which includes the Series 2019A-2 Pledged Revenues and the Series 2019A-2 Pledged Funds. The Series 2019A-2 Pledged Revenues consist of the revenues derived by the District from non-ad valorem special assessments levied to pay debt service on the Series 2019A-2 Bonds against the District Lands (as further described herein). The Series 2019A-2 Pledged Funds consist of the Funds and Accounts (except for the Series 2019A-2 Rebate Account) established by the Series 2019 A-2 Indenture. See "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2019A BONDS."

While the Series 2019A-1 Bonds and Series 2019A-2 Bonds are being issued simultaneously, each Series of Series 2019A Bonds is separately secured under a separate supplemental indenture as previously noted herein. Notwithstanding the foregoing, however, the Series 2019A-1 Special Assessments (as defined herein) which secure the Series 2019A-1 Bonds and the Series 2019A-2 Special Assessments (as defined herein) which secure the Series 2019A-2 Bonds are initially being levied on the same lands within the District, so that an Event of Default (as defined herein) under, or the exercise of remedies against, one Series of the Series 2019A Bonds could adversely affect the other Series of Series 2019A Bonds. [Discuss - Pursuant to the terms of the Second Supplemental Indenture, the Trustee shall

not pay any requisition presented under the Second Supplemental Indenture until all moneys on deposit in the Series 2019A-1 Acquisition and Construction Account created under the First Supplemental Indenture has been requisitioned.]

"Series 2019A-1 Assessments" shall mean the Assessments imposed, levied and collected by the District in respect of the Series 2019A-1 Bonds and the portion of the Series 2019 Project financed with the proceeds thereof.

"Series 2019A-2 Assessments" shall mean the Assessments imposed, levied and collected by the District in respect of the Series 2019A-2 Bonds and the portion of the Series 2019 Project financed with the proceeds thereof.

The Series 2019A-1 Assessments and the Series 2019A-2 Assessments are collectively referred to herein as the "Series 2019 Assessments."

The Series 2019 Assessments are non-ad valorem Assessments imposed and levied by the District pursuant to Section 190.022 of the Act and the Assessment Resolutions (as defined in the Indentures) and assessment proceedings conducted by the District (together with the Assessment Resolutions, the "Assessment Proceedings"). Non-ad valorem assessments are not based on millage and are not taxes, but are a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. The Series 2019A-1 Assessments and the Series 2019A-2 Assessments will constitute separate liens against the land as to which the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, respectively, are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. The Assessment Methodology, which describes the methodology for allocating the Series 2019 Assessments to the lands within the District, is included as APPENDIX D attached hereto.

In the Master Indenture, the District will covenant that, if any Series 2019 Assessments shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the District shall be satisfied that any such Series 2019 Assessments is so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such Series 2019 Assessment when it might have done so, the District shall either (i) take all necessary steps to cause a new Series 2019 Assessments to be made for the whole or any part of said improvement or against any property benefited by said improvement, or (ii) in its sole discretion, make up the amount of such Series 2019 Assessments from any legally available moneys, which moneys shall be deposited into the Series 2019A-1 Revenue Account or Series A-2 Revenue Account, as applicable. In case such second Series 2019 Special Assessment shall be annulled, the District shall obtain and make other Series 2019 Assessments until a valid Series 2019 Assessments shall be made.

### **Prepayment of Series 2019 Assessments**

[Pursuant to the Assessment Proceedings, an owner of property subject to the Series 2019A-1 Assessments or the Series 2019A-2 Assessments, as applicable, may, at its option, prepay the entire principal balance of such Special Assessment at any time or a portion of the amount such Special Assessment up to two times, plus accrued interest to the next succeeding interest payment date on the related Series of Series 2019A Bonds (or the second succeeding interest payment date if such prepayment is made within forty-five (45) calendar days before an interest payment date). Prepayment of such Special Assessment does not entitle the property owner to any discounts for early payment.

Pursuant to the Act, an owner of property subject to the levy of Series 2019 Assessments may pay the entire balance of the Series 2019 Assessments remaining due, without interest, within thirty (30) days after the related Series Project has been completed or acquired by the District and the Board has adopted a

resolution accepting such Project pursuant to Chapter 170.09, Florida Statutes. The Developer, as the sole owners of the property within the District, will covenant to waive this right on behalf of themselves and their respective successors and assigns in connection with the issuance of the Series 2019A Bonds.]

Each Series of the Series 2019A Bonds are subject to extraordinary redemption as indicated under "DESCRIPTION OF THE SERIES 2019A BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" from optional or required Prepayments of applicable Series 2019 Assessments by property owners. Pursuant to the respective Indentures, a credit against the full amount of a Prepayment of a Series 2019 Special Assessment may be available from certain moneys in the related Series Reserve Account in excess of the applicable Reserve Requirement as a result of such Prepayment. See "–Series 2019 Reserve Accounts – Reserve Accounts Generally" herein for more information.

### **Covenant Against Sale or Encumbrance**

In the Master Indenture, the District will covenant that except as otherwise permitted in the Master Indenture, it will not sell, lease or otherwise dispose of or encumber the Series 2019 Project or any part thereof. See "APPENDIX A: PROPOSED FORMS OF INDENTURES" attached hereto for more information. The Master Indenture provides that the District may: (i) dispose of all or any part of the Series 2019 Project by gift or dedication thereof to any unit of local government, or to the State or any agency or instrumentality of either of the foregoing or the United States Government; and/or (ii) impose, declare or grant title to or interests in the Series 2019 Project or a portion or portions thereof in order to create ingress and egress rights and public and private utility easements as the District may deem necessary or desirable for the development, use and occupancy of the property within the District; and/or (iii) impose or declare covenants, conditions and restrictions pertaining to the use, occupancy and operation of the Series 2019 Project.

### **Additional Bonds**

#### **Series 2019A-1 Bonds**

Other than Bonds issued to refund all of the then Outstanding Series 2019A-1 Bonds, the issuance of which results in net present value debt service savings, the District shall not, while any Series 2019A-1 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2019A-1 Trust Estate. The District will further covenant and agree that so long as the Series 2019A-1 Bonds are Outstanding, it will not impose Assessments for capital projects on any lands subject to the Series 2019A-1 Assessments other than the Series 2019A-2 Assessments, unless the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have been Substantially Absorbed. "Substantially Absorbed" shall mean the date when at least ninety percent (90%) of the principal portion of the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have been assigned to residential units within the District that have each received a certificate of occupancy. The Trustee and the District may conclusively rely on a certificate from the District Manager regarding such status of the residential units and the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, and in the absence of such certification, may assume the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have not been Substantially Absorbed. Notwithstanding the previous sentences herein, the foregoing shall not preclude the imposition of capital Assessments on property subject to the Series 2019A-1 Assessments and the Series 2019A-2 Assessments which are necessary, as determined by the District, for health, safety or welfare reasons or to remediate a natural disaster or Operation and Maintenance Assessments. The Trustee is entitled to assume that the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have not been Substantially Absorbed absent delivery to the Trustee of a certificate of the District Manager to the contrary on which the Trustee may conclusively rely.

## **Series 2019A-2 Bonds**

Other than Bonds issued to refund the then Outstanding Series 2019A-2 Bonds, the issuance of which results in net present value debt service savings, the District shall not, while any Series 2019A-2 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2019A-2 Trust Estate. The District will further covenant and agree that so long as the Series 2019A-2 Bonds are Outstanding, it will not impose Assessments for capital projects on any lands subject to the Series 2019A-2 Assessments other than the Series 2019A-1 Assessments, unless the Series 2019A-2 Assessments have been Substantially Absorbed. The Trustee and the District may conclusively rely on a certificate from the District Manager regarding such status of the residential units and the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, and in the absence of such certification, may assume the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have not been Substantially Absorbed. Notwithstanding the previous sentences herein, the foregoing shall not preclude the imposition of capital Assessments on property subject to the Series 2019A-1 Assessments and the Series 2019A-2 Assessments which are necessary, as determined by the District, for health, safety or welfare reasons or to remediate a natural disaster or Operation and Maintenance Assessments. The Trustee is entitled to assume that the Series 2019A-1 Assessments and the Series 2019A-2 Assessments have not been Substantially Absorbed absent delivery to the Trustee of a certificate of the District Manager to the contrary on which the Trustee may conclusively rely.

## **Additional Considerations**

The District and/or other public entities may impose taxes or other Assessments on the same properties encumbered by the Series 2019 Assessments without the consent of the Owners of the related Series of Series 2019A Bonds. The District expects to impose certain non-ad valorem Assessments called maintenance assessments, which are of equal dignity with the Series 2019 Assessments, on the same lands upon which the Series 2019 Assessments are imposed, to fund the maintenance and operation of the District. See "THE DEVELOPMENT – Taxes, Fees and Assessments" and "BONDOWNERS' RISKS" herein for more information.

## **Series 2019 Acquisition and Construction Account**

### **Series 2019A-1 Acquisition and Construction Account**

The First Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated therein as the "Series 2019A-1 Acquisition and Construction Account" and therein, a Series 2019A-1 Retainage Subaccount. Amounts on deposit in the Series 2019A-1 Acquisition and Construction Account shall be applied to pay the Cost of the Series 2019 Project upon compliance with the requisition provisions set forth in the Series 2019A-1 Indenture and upon receipt by the Trustee of a requisition in the form attached to the First Supplemental Indenture and executed by the District and the Consulting Engineers. Notwithstanding anything to the contrary herein, the amounts on deposit in the Series 2019A-1 Retainage Subaccount shall be retained therein and shall not be available to pay the Cost of the Series 2019 Project except under the circumstances described in the First Supplemental Indenture. The District shall direct the Trustee in writing, no later than September 30, 2020 as to whether to immediately transfer the amounts on deposit in the Series 2019A-1 Retainage Subaccount to (i) the Series 2019A-1 Acquisition and Construction Account or (ii) the Series 2019A-1 Prepayment Subaccount to be applied to the extraordinary mandatory redemption of Series 2019A-1 Bonds as provided in the First Supplemental Indenture and in the Series 2019A-1 Bonds. If such written direction directs the Trustee to make a transfer to the Series 2019A-1 Acquisition and Construction Account, the direction shall be accompanied by a certificate of the District stating that: (i) the boundaries of the District have been amended to include approximately eighteen (18) acres of land as described in the Assessment

Methodology; and (ii) the Series 2019A-1 Assessment Proceedings adopted prior to the date of issuance of the Series 2019A-1 Bonds have been supplemented as necessary to subject such land to the lien of the Series 2019A-1 Assessments. If the written direction directs the Trustee to make a transfer to the Series 2019A-1 Prepayment Subaccount, interest accrued on the Series 2019A-1 Bonds to be redeemed shall be paid from amounts transferred by the Issuer to the Trustee for deposit to the Series 2019A-1 Interest Account.

Anything in the Series 2019A-1 Indenture to the contrary notwithstanding, the Consulting Engineers shall establish a Date of Completion for the Series 2019 Project, and any balance remaining in the Series 2019A-1 Acquisition and Construction Account (taking into account the moneys currently on deposit therein to pay any accrued but unpaid Costs of the Series 2019 Project which are required to be reserved in the Series 2019A-1 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineers delivered to the District and the Trustee establishing such Date of Completion), shall be deposited pursuant to the First Supplemental Indenture to the Series 2019A-1 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2019A-1 Bonds in accordance with the First Supplemental Indenture and in the manner prescribed in the form of the Series 2019A-1 Bonds attached as an exhibit to the First Supplemental Indenture, whereupon the Series 2019A-1 Acquisition and Construction Account shall be closed.

#### **Series 2019A-2 Acquisition and Construction Account**

The Second Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated therein as the "Series 2019A-2 Acquisition and Construction Account" and therein, a Series 2019A-2 Retainage Subaccount. Amounts on deposit in the Series 2019A-2 Acquisition and Construction Account shall be applied to pay the Cost of the Series 2019 Project upon compliance with the requisition provisions set forth in the Indenture and upon receipt by the Trustee of a requisition in the form attached to the Second Supplemental Indenture and executed by the District and the Consulting Engineers. Notwithstanding anything to the contrary herein, the amounts on deposit in the Series 2019A-2 Retainage Subaccount shall be retained therein and shall not be available to pay the Cost of the Series 2019 Project except under the circumstances described in the Second Supplemental Indenture. The District shall direct the Trustee in writing, no later than September 30, 2020 as to whether to immediately transfer the amount on deposit in the Series 2019A-2 Retainage Subaccount to (i) the Series 2019A-2 Acquisition and Construction Account or (ii) the Series 2019A-2 Prepayment Subaccount to be applied to the extraordinary mandatory redemption of the Series 2019A-2 Bonds as provided in the Second Supplemental Indenture and in the Series 2019A-2 Bonds. If such written direction directs the Trustee to make a transfer to the Series 2019A-2 Acquisition and Construction Account, the direction shall be accompanied by a certificate of the District stating that (i) the boundaries of the District have been amended to include approximately eighteen (18) acres of land as described in the Assessment Methodology; and (ii) the Series 2019A-2 Assessment Proceedings adopted prior to the date of issuance of the Series 2019A-2 Bonds have been supplemented as necessary to subject such land to the lien of the Series 2019A-2 Assessments. If the written direction directs the Trustee to make a transfer to the Series 2019A-2 Prepayment Subaccount, interest accrued on the Series 2019A-2 Bonds to be redeemed shall be paid from amounts transferred by the District to the Trustee for deposit to the Series 2019A-2 Interest Account, or upon written direction by the District to the Trustee, from amount available for that purpose in the Series 2019A-2 Capitalized Interest Account.

Notwithstanding anything to the contrary in the Indenture, the District shall not present any requisition under the Second Supplemental Indenture for Costs of the Series 2019 Project until all moneys on deposit in the Series 2019A-1 Acquisition and Construction Account created under the First Supplemental Indenture have been requisitioned therefrom; provided that, while (i) amounts remain on deposit in the Series 2019A-1 Retainage Subaccount in the Series 2019A-1 Acquisition and Construction



Account and in the Series 2019A-2 Retainage Subaccount, the District may present a requisition under the Second Supplemental Indenture for Costs of the Series 2019 Project at the written direction of the District to the Trustee an (ii) at such time, if any, that amounts on deposit in such Series 2019A-1 Retainage Subaccount have been released to the Series 2019A-1 Acquisition and Construction Account, shall again not present any requisition under the Second Supplemental Indenture for Costs of the Series 2019 Project until all money on deposit in the Series 2019A-1 Acquisition and Construction Account have been requisitioned therefrom.

Anything in the Series 2019A-2 Indenture to the contrary notwithstanding, the Consulting Engineers shall establish a Date of Completion for the Series 2019 Project, and any balance remaining in the Series 2019A-2 Acquisition and Construction Account (taking into account the moneys currently on deposit therein to pay any accrued but unpaid Costs of the Series 2019 Project which are required to be reserved in the Series 2019A-2 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineers delivered to the District and the Trustee establishing such Date of Completion), shall be deposited pursuant to the Second Supplemental Indenture to the Series 2019A-2 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2019A-2 Bonds in accordance with the Second Supplemental Indenture and in the manner prescribed in the form of the Series 2019A-2 Bonds attached as an exhibit to the Second Supplemental Indenture, whereupon the Series 2019A-2 Acquisition and Construction Account shall be closed.

See "APPENDIX A: PROPOSED FORMS OF INDENTURES" attached hereto for more information.

## **Series 2019 Reserve Accounts**

### **Series 2019A-1 Reserve Account**

The First Supplemental Indenture establishes a "Series 2019A-1 Reserve Account" within the Debt Service Reserve Fund for the Series 2019A-1 Bonds (referred to herein as the "Series 2019A-1 Reserve Account"). The Series 2019A-1 Reserve Account shall be funded and maintained at all times, subject to the provisions of the First Supplemental Indenture, in an amount equal to the Series 2019A-1 Reserve Account Requirement. The "Series 2019A-1 Reserve Account Requirement" shall mean an amount equal to the Maximum Annual Debt Service Requirement for the Outstanding Series 2019A-1 Bonds (as hereinafter determined) as of the time of any such calculation; provided, however, upon the occurrence of the Reserve Account Release Conditions, the Series 2019A-1 Reserve Account Requirement shall be reduced to an amount equal to fifty percent (50%) of the Maximum Annual Debt Service Requirement for the Outstanding Series 2019A-1 Bonds (as hereinafter determined) as of the time of any such calculation. [TO BE DISCUSSED]. For purposes of the foregoing calculations, notwithstanding anything to the contrary in the Master Indenture, the determination of the "Outstanding Series 2019A-1 Bonds" shall take into account any redemptions of Series 2019A-1 Bonds to be made on the next succeeding Redemption Date immediately following the calculation date. The Series 2019A-1 Reserve Requirement shall initially be equal to \$\_\_\_\_\_, which does not exceed the lesser of (a) 125% of the average annual Debt Service for all Outstanding Series 2019A-1 Bonds calculated as of the date of original issuance thereof or (b) 10% of the proceeds of the Series 2019A-1 Bonds calculated as of the date of original issuance thereof.

"Reserve Account Release Conditions" shall mean (i) all of the residential lots planned for the land within the District as reflected in the Assessment Methodology are developed and platted as certified in writing by the Consulting Engineers and (ii) no Event of Default has occurred and is continuing with respect to any Outstanding Series 2019A-1 Bonds or Series 2019A-2 Bonds, as applicable.

Except as otherwise provided in the Indenture, amounts on deposit in the Series 2019A-1 Reserve Account shall be used only for the purpose of making payments into the Series 2019A-1 Interest Account and the Series 2019A-1 Sinking Fund Account to pay Debt Service on the Series 2019A-1 Bonds, when due, without distinction as to Series 2019A-1 Bonds and without privilege or priority of one Series 2019A-1 Bond over another, to the extent the moneys on deposit in such Accounts therein and available therefor are insufficient and for no other purpose. Such Accounts shall consist only of cash and Series 2019A-1 Investment Obligations.

Anything in the Series 2019A-1 Indenture to the contrary notwithstanding, on the forty-fifth (45th) day preceding each Redemption Date (or, if such forty-fifth (45th) day is not a Business Day, on the first Business Day preceding such forty-fifth (45th) day) (or such other date that corresponds to the date mutually determined by the Trustee and the District pursuant to the First Supplemental Indenture), the Trustee is hereby authorized and directed to recalculate the Series 2019A-1 Reserve Account Requirement and to transfer any excess on deposit in the Series 2019A-1 Reserve Account (other than excess resulting from investment earnings which shall be applied as provided in the First Supplemental Indenture) into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account to be applied to the extraordinary mandatory redemption such Series 2019A-1 Bonds.

Upon the transfer of amounts in the Series 2019A-1 Retainage Subaccount to the Series 2019A-1 Prepayment Subaccount pursuant to the First Supplemental Indenture and upon the occurrence of the Reserve Account Release Conditions, the Trustee is hereby authorized and directed to recalculate (i) the Series 2019A-1 Reserve Account Requirement and to transfer any excess on deposit in the Series 2019A-1 Reserve Account (other than excess resulting from investment earnings which shall be applied as provided in the First Supplemental Indenture), into the Series 2019A-1 Acquisition and Construction Account if the Date of Completion of the Series 2019 Project has not yet occurred, or if the Date of Completion of the Series 2019 Project has occurred, into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account to be applied to the extraordinary mandatory redemption of the Series 2019A-1 Bonds as provided for in the Series 2019A-1 Indenture.

The District Manager, on behalf of the District, shall provide written notice to the Trustee when the Reserve Account Release Condition has occurred, upon which notice the Trustee may conclusively rely. Until the Trustee has received a certificate of the Consulting Engineers establishing the Date of Completion of the Series 2019 Project, the Trustee shall assume the Date of Completion of the Series 2019 Project has not yet occurred.

On the earliest date on which there is on deposit in the Series 2019A-1 Reserve Account sufficient monies, after taking into account other monies available therefor, to pay and redeem all of the Outstanding Series 2019A-1 Bonds, together with accrued interest on such Series 2019A-1 Bonds to the earliest Redemption Date permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2019A-1 Reserve Account into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account to pay and redeem all of the Outstanding Series 2019A-1 Bonds on the earliest Redemption Date permitted in the Series 2019A-1 Indenture.

Anything in the Series 2019A-1 Indenture to the contrary notwithstanding, amounts on deposit in the Series 2019A-1 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

## **Series 2019A-2 Reserve Account**

The Second Supplemental Indenture establishes a "Series 2019A-2 Reserve Account" within the Debt Service Reserve Fund for the Series 2019A-2 Bonds (referred to herein as the "Series 2019A-2 Reserve Account"). The Series 2019A-2 Reserve Account shall be funded and maintained at all times, subject to the provisions of the Second Supplemental Indenture, in an amount equal to the Series 2019A-2 Reserve Account Requirement. The "Series 2019A-2 Reserve Account Requirement" shall mean an amount equal to the Maximum Annual Debt Service Requirement for the Outstanding Series 2019A-2 Bonds (as hereinafter determined) as of the time of any such calculation; provided, however, upon the occurrence of the Reserve Account Release Conditions (as defined above), the Series 2019A-2 Reserve Account Requirement shall be reduced to an amount equal to fifty percent (50%) of the Maximum Annual Debt Service Requirement for the Outstanding Series 2019A-2 Bonds (as hereinafter determined) as of the time of any such calculation. [TO BE DISCUSSED] For purposes of the foregoing calculations, notwithstanding anything to the contrary in the Master Indenture, the determination of the "Outstanding Series 2019A-2 Bonds" shall take into account any redemptions of Series 2019A-2 Bonds to be made on the next succeeding Redemption Date immediately following the calculation date. The Series 2019A-2 Reserve Account Requirement shall initially be equal to \$\_\_\_\_\_, which does not exceed the lesser of (a) 125% of the average annual Debt Service for all Outstanding Series 2019A-2 Bonds calculated as of the date of original issuance thereof or (b) 10% of the proceeds of the Series 2019A-2 Bonds calculated as of the date of original issuance thereof.

Except as otherwise provided in the Series 2019A-2 Indenture, amounts on deposit in the Series 2019A-2 Reserve Account shall be used only for the purpose of making payments into the Series 2019A-2 Interest Account and the Series 2019A-2 Sinking Fund Account to pay Debt Service on the Series 2019A-2 Bonds, when due, without distinction as to Series 2019A-2 Bonds and without privilege or priority of one Series 2019A-2 Bond over another, to the extent the moneys on deposit in such Accounts therein and available therefor are insufficient and for no other purpose. Such Account shall consist only of cash and Series 2019A-2 Investment Obligations.

Anything in the Series 2019A-2 Indenture to the contrary notwithstanding, on the forty-fifth (45th) day preceding each Redemption Date (or, if such forty-fifth (45th) day is not a Business Day, on the first Business Day preceding such forty-fifth (45th) day) (or such other date that corresponds to the date mutually determined by the Trustee and the District pursuant to the Second Supplemental Indenture), the Trustee is hereby authorized and directed to recalculate the Series 2019A-2 Reserve Account Requirement and to transfer any excess on deposit in the Series 2019A-2 Reserve Account (other than excess resulting from investment earnings which shall be applied as provided in the Second Supplemental Indenture) into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account to be applied to the extraordinary mandatory redemption of such Series 2019A-2 Bonds.

Upon the transfer of amounts in the Series 2019A-2 Retainage Subaccount to the Series 2019A-2 Prepayment Subaccount pursuant to the Second Supplemental Indenture and upon the occurrence of the Reserve Account Release Conditions, the Trustee is hereby authorized and directed to recalculate (i) the Series 2019A-2 Reserve Account Requirement and to transfer any excess on deposit in the Series 2019A-2 Reserve Account (other than excess resulting from investment earnings which shall be applied as provided in the Second Supplemental Indenture), into the Series 2019A-2 Acquisition and Construction Account if the Date of Completion of the Series 2019 Project has not yet occurred, or if the Date of Completion of the Series 2019 Project has occurred, into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account to be applied to the extraordinary mandatory redemption of the Series 2019A-2 Bonds as provided for in the Series 2019A-2 Indenture.

The District Manager, on behalf of the District, shall provide written notice to the Trustee when the Reserve Account Release Condition has occurred, upon which notice the Trustee may conclusively rely. Until the Trustee has received a certificate of the Consulting Engineers establishing the Date of Completion of the Series 2019 Project, the Trustee shall assume the Date of Completion of the Series 2019 Project has not yet occurred.

On the earliest date on which there is on deposit in the Series 2019A-2 Reserve Account sufficient monies, after taking into account other monies available therefor, to pay and redeem all of the Outstanding Series 2019A-2 Bonds, together with accrued interest on such Series 2019A-2 Bonds to the earliest Redemption Date permitted therein and herein, then the Trustee shall transfer the amount on deposit in the applicable Reserve Account into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account to pay and redeem all of the Outstanding Series 2019A-2 Bonds on the earliest Redemption Date permitted therein and herein.

Anything in the Series 2019A-2 Indenture to the contrary notwithstanding, amounts on deposit in the Series 2019A-2 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

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

### **Series 2019A-1 Pledged Revenues**

The First Supplemental Indenture establishes a "Series 2019 Revenue Account" within the Revenue Fund for the Series 2019A Bonds. All Funds and Accounts described under this heading are those created and established pursuant to the First Supplemental Indenture.

The Trustee shall deposit into the Series 2019 Revenue Account the Series 2019A-1 Assessment Revenues other than the Series 2019A-1 Prepayments, which shall be identified by the District to the Trustee as such in writing upon deposit and which shall be deposited into the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account, and any other revenues required by other provisions of the Series 2019A-1 Indenture to be deposited therein.

On the forty-fifth (45th) day preceding each Redemption Date with respect to the Series 2019A-1 Bonds (or if such forty-fifth (45th) day is not a Business Day, on the Business Day next preceding such forty-fifth (45th) day) (or such other date mutually determined by the Trustee and the District that is closer to a particular Redemption Date and will give the Trustee sufficient time to provide notice of the extraordinary mandatory redemption the Series 2019A-1 Bonds as provided in the First Supplemental Indenture), the Trustee shall determine the amount on deposit in the Series 2019A-1 Prepayment Subaccount of the Series 2019A-1 Redemption Account, and, if the balance therein is greater than zero, shall transfer, but only at the written direction of the District, from the Series 2019A-1 Revenue Account for deposit into the Series 2019A-1 Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to an integral multiple of \$5,000 (provided that there are sufficient funds remaining therein to pay Debt Service coming due on the Series 2019A-1 Bonds on the next Interest Payment Date), and, shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2019A-1 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2019A-1 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2019A-1 Bonds set forth in the form of Series 2019A-1 Bonds attached to the Series 2019A-1 Indenture.

On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall transfer from the amounts on deposit in the Series 2019A-1 Revenue Account to the Funds and Accounts designated below the following amounts in the following order of priority:

FIRST, to the Series 2019A-1 Interest Account, an amount equal to the amount of interest payable on all Series 2019A-1 Bonds then Outstanding on such May 1 or November 1, less any amount already on deposit in the Series 2019A-1 Interest Account not previously credited;

SECOND, on each November 1, commencing November 1, 20\_\_, to the Series 2019A-1 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2019A-1 Bonds subject to mandatory sinking fund redemption on such November 1, and the amount already on deposit in the Series 2019A-1 Sinking Fund Account not previously credited;

THIRD, to the Series 2019A-1 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2019A-1 Reserve Account Requirement with respect to the Series 2019A-1 Bonds; and

FOURTH, the balance shall be retained in the Series 2019A-1 Revenue Account subject to the following paragraph.

Anything in the Master Indenture or herein to the contrary notwithstanding, it shall not, in and of itself, constitute an Event of Default hereunder if the full amount of the foregoing deposits are not made due to an insufficiency of funds therefore. The Trustee shall within ten (10) Business Days after the last Interest Payment Date in any calendar year, at the direction of the District, withdraw any moneys held for the credit of the Series 2019A-1 Revenue Account as of November 2nd of such year which are not otherwise required to be deposited to other Funds and Accounts pursuant to this Section on such immediately preceding Interest Payment Date and deposit such moneys first to the credit of the Series 2019A-1 Rebate Account in the amount, and to the extent necessary, so the amount on deposit therein equals the accrued rebate obligation under Section 148(f) of the Code, if the Trustee has received a certification from the District by such date detailing the amount of such obligation which shall be deposited. Any remaining amounts in the Series 2019 Revenue Account on November 2nd of any calendar year after making the payment, if any, required under the immediately preceding sentence, may next be transferred to the District, at its written request, to be used for any lawful purpose of the District; provided, however, that on the proposed payment date of any proposed transfer to the District, the amount on deposit in the Series 2019A-1 Reserve Account shall be equal to the Series 2019A-1 Reserve Requirement and provided further, that the Trustee shall not have actual knowledge of an Event of Default under the Indenture, including, but not limited to, payment of Trustee's fees and expenses then due.

### **Series 2019A-2 Pledged Revenues**

The Second Supplemental Indenture establishes a "Series 2019 Revenue Account" within the Revenue Fund for the Series 2019A Bonds. All Funds and Accounts described under this heading are those created and established pursuant to the Second Supplemental Indenture.

The Trustee shall deposit into the Series 2019 Revenue Account the Series 2019A-2 Assessment Revenues other than the Series 2019A-2 Prepayments, which shall be identified by the District to the Trustee as such in writing upon deposit and which shall be deposited into the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account, and any other revenues required by other provisions of the Series 2019A-2 Indenture to be deposited therein.

On the forty-fifth (45th) day preceding each Redemption Date with respect to the Series 2019A-2 Bonds (or if such forty-fifth (45th) day is not a Business Day, on the Business Day next preceding such forty-fifth (45th) day) (or such other date mutually determined by the Trustee and the District that is closer to a particular Redemption Date and will give the Trustee sufficient time to provide notice of the extraordinary mandatory redemption the Series 2019A-2 Bonds as provided in the Second Supplemental Indenture), the Trustee shall determine the amount on deposit in the Series 2019A-2 Prepayment Subaccount of the Series 2019A-2 Redemption Account, and, if the balance therein is greater than zero, shall transfer, but only at the written direction of the District, from the Series 2019A-2 Revenue Account for deposit into the Series 2019A-2 Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to an integral multiple of \$5,000 (provided that there are sufficient funds remaining therein to pay Debt Service coming due on the Series 2019A-2 Bonds on the next Interest Payment Date), and, shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2019A-1 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2019A-2 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2019A-2 Bonds set forth in the form of Series 2019A-2 Bonds attached to the Series 2019A-2 Indenture.

On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall first transfer from the Series 2019A-2 Capitalized Interest Account to the Series 2019A-2 Interest Account the lesser of (x) the amount of interest coming due on the Series 2019A-2 Bonds on such May 1 or November 1, less the amount already on deposit therein, or (y) the amount remaining in the Series 2019A-2 Capitalized Interest Account.

Following the foregoing transfer, on such May 1 or November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall then transfer from the amounts on deposit in the Series 2019A-2 Revenue Account to the Funds and Accounts designated below the following amounts in the following order of priority:

FIRST, to the Series 2019A-2 Interest Account, an amount equal to the amount of interest payable on all Series 2019A-2 Bonds then Outstanding on such May 1 or November 1, less any amount transferred from the Series 2019A-2 Capitalized Interest Account in accordance with the Second Supplemental Indenture and less any other amount already on deposit in the Series 2019A-2 Interest Account not previously credited;

SECOND, on each November 1, commencing November 1, 20\_\_, to the Series 2019A-2 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2019A-2 Bonds subject to mandatory sinking fund redemption on such November 1, and the amount already on deposit in the Series 2019A-2 Sinking Fund Account not previously credited;

THIRD, to the Series 2019A-2 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2019A-2 Reserve Account Requirement with respect to the Series 2019A-2 Bonds; and

FOURTH, the balance shall be retained in the Series 2019A-2 Revenue Account subject to the following paragraph.

Anything in the Master Indenture or herein to the contrary notwithstanding, it shall not, in and of itself, constitute an Event of Default hereunder if the full amount of the foregoing deposits are not made due to an insufficiency of funds therefore. The Trustee shall within ten (10) Business Days after the last Interest Payment Date in any calendar year, at the direction of the District, withdraw any moneys held for

the credit of the Series 2019A-2 Revenue Account as of November 2nd of such year which are not otherwise required to be deposited to other Funds and Accounts pursuant to this Section on such immediately preceding Interest Payment Date and deposit such moneys first to the credit of the Series 2019A-2 Rebate Account in the amount, and to the extent necessary, so the amount on deposit therein equals the accrued rebate obligation under Section 148(f) of the Code, if the Trustee has received a certification from the District by such date detailing the amount of such obligation which shall be deposited. Any remaining amounts in the Series 2019 Revenue Account on November 2nd of any calendar year after making the payment, if any, required under the immediately preceding sentence, may next be transferred to the District, at its written request, to be used for any lawful purpose of the District; provided, however, that on the proposed payment date of any proposed transfer to the District, the amount on deposit in the Series 2019A-2 Reserve Account shall be equal to the Series 2019A-2 Reserve Requirement and provided further, that the Trustee shall not have actual knowledge of an Event of Default under the Indenture, including, but not limited to, payment of Trustee's fees and expenses then due.

## **Investments**

Moneys on deposit in all of the Funds and Accounts held as security for the Series 2019A Bonds shall be invested only in Series 2019 Investment Obligations, and further, earnings on the Series 2019A-1 Acquisition and Construction Account (including the Series 2019A-1 Retainage Subaccount), Series 2019A-2 Acquisition and Construction Account, the Series 2019A-1 Interest Account, Series 2019A-2 Interest Account and the Series 2019A-2 Capitalized Interest Account shall be retained, as realized, in such Accounts or subaccounts and used for the purpose of such Accounts or subaccounts; provided, however, at the written direction of the District to the Trustee, such earnings may be deposited to the Series 2019A-2 Acquisition and Construction Account established under the Second Supplemental Indenture. Earnings on investments in the Funds and Account other than the Series 2019A-1 Reserve Account and the Series 2019A-2 Reserve Account, and other than as set forth in the respective Indentures, shall be deposited, as realized, to the credit of the Series 2019 Revenue Account and used for the purpose of such Account.

### **Series 2019A-1 Reserve Account**

Earnings on investments in the Series 2019A-1 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in the Master Indenture) in the Series 2019A-1 Reserve Account as of the most recent date on which amounts on deposit in the Series 2019A-1 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2019A-1 Reserve Account since such date which have created a deficiency, then earnings on the Series 2019A-1 Reserve Account shall, prior to the date of the Series 2019A-1 Acquisition and Construction Account is closed, be deposited into the Series 2019A-1 Acquisition and Construction Account and used for the purpose of such Account or, at the written direction of the District to the Trustee, be deposited to the Series 2019A-2 Acquisition and Construction Account established under the Second Supplemental Indenture, and after such date, shall be deposited into the Series 2019A-1 Revenue Account and used for the purpose of such Account; and

(ii) if as of the last date on which amounts on deposit in the Series 2019A-1 Reserve Account were valued by the Trustee there was a deficiency, or if after such date withdrawals have been made from the Series 2019A-1 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2019A-1 Reserve Account shall be deposited into the Series 2019A-1 Reserve Account until the amount on deposit therein is equal to the Series 2019A-1 Reserve Account Requirement, and thereafter earnings on the Series 2019A-1 Reserve Account shall prior to the date of the date the Series

2019A-1 Acquisition and Construction Account is closed, be deposited into the Series 2019A-1 Acquisition and Construction Account and used for the purpose of such Account or, at the written direction of the District to the Trustee, be deposited to the Series 2019A-2 Acquisition and Construction Account established under the Second Supplemental Indenture and after such date, shall be deposited be deposited into the Series 2019A-1 Revenue Account and used for the purpose of such Account.

### **Series 2019A-2 Reserve Account**

Earnings on investments in the Series 2019A-2 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency in the Series 2019A-2 Reserve Account as of the most recent date on which amounts on deposit in the Series 2019A-2 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2019A-2 Reserve Account since such date which have created a deficiency, then earnings on the Series 2019A-2 Reserve Account shall be deposited into the Series 2019A-2 Capitalized Interest Account through November 1, 20\_\_\_\_, and, thereafter earnings on the Series 2019A-2 Reserve Account shall, prior to the date of the Series 2019A-2 Acquisition and Construction Account is closed, be deposited into the Series 2019A-2 Acquisition and Construction Account and used for the purpose of such Account, and after such date, shall be deposited into the Series 2019A-2 Revenue Account and used for the purpose of such Account; and

(ii) if as of the last date on which amounts on deposit in the Series 2019A-2 Reserve Account were valued by the Trustee there was a deficiency, or if after such date withdrawals have been made from the Series 2019A-2 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2019A-2 Reserve Account shall be deposited into the Series 2019A-2 Reserve Account until the amount on deposit therein is equal to the Series 2019A-2 Reserve Account Requirement, and then earnings on the Series 2019A-2 Reserve Account shall be deposited into the Series 2019A-2 Capitalized Interest Account through November 1, 20\_\_\_\_, and, thereafter earnings on the Series 2019A-2 Reserve Account shall prior to the date of the date the Series 2019A-2 Acquisition and Construction Account is closed, be deposited into the Series 2019A-2 Acquisition and Construction Account and used for the purpose of such Account, and after such date, shall be deposited be deposited into the Series 2019A-2 Revenue Account and used for the purpose of such Account.

The Trustee shall value the assets in each of the Funds and Accounts established under the Indentures as of September 30 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 District a report of the status of each Fund and Account as of the valuation date. For the purpose of determining the amount on deposit to the credit of any Fund or Account established under the Indentures, with the exception of the amounts on deposit in the Series 2019A-1 Reserve Account and the Series 2019A-2 Reserve Account, 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. For the purpose of determining the amount on deposit to the credit of the Series 2019A-1 Reserve Account and the Series 2019A-2 Reserve Account, obligations in which money in each such Account shall have been invested shall be valued at the maturity value thereof, plus in each case, accrued interest, Amortized cost, when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of days remaining to maturity on such obligation at the date of such purchase and by multiplying the amount thus calculated by the number of days having passed since such purchase; and (1) in the case of an obligation purchased at a premium by deducting the product thus obtained from the purchase price, and (2) in the case of an obligation purchased at a discount by adding the product thus



obtained to the purchase price. See "APPENDIX A: PROPOSED FORMS OF INDENTURES" attached hereto for more information.

### **Master Indenture Provision Relating to Bankruptcy or Insolvency of Landowner**

The following provisions of the Master Indenture apply separately to each Series of the Series 2019A Bonds.

The Master Indenture will contain the following provisions which, pursuant to the Master 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 parcel or parcels which are in the aggregate subject to at least three percent (3%) of the Assessments pledged to a Series of Bonds Outstanding (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"). If the District becomes aware of such Proceeding, it shall provide written notice thereof to the Trustee.

The District will acknowledge and agree that, although Bonds of a Series will be issued by the District, the Owners of such Series 2019A Bonds are categorically the party with a 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 will agree that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Series of Bonds Outstanding, prior to making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Assessments relating to the Series of Bonds Outstanding, the Outstanding Bonds of a Series or any rights of the Trustee under the Indentures (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series Bonds Outstanding, to the proposed action if the District does not receive a written response from the Trustee within thirty (30) days following request for consent); (b) the District will agree 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 Assessments relating to the Bonds of a Series Outstanding, the Bonds of a Series Outstanding or any rights of the Trustee under the Indentures that are inconsistent with any written consent received (or deemed received) from the Trustee the Assessments relating to the Series of Bonds Outstanding; (c) the District will agree agrees that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Bonds of a Series Outstanding, to the proposed action if the District does not receive a written response from the Trustee within thirty (30) days following request for consent); (d) the Trustee shall have the right, by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to Assessments relating to a Series of Bonds Outstanding would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise any and all 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 and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the Assessments relating to the Bonds of a Series Outstanding, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy

Code; and the District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District's claim and rights with respect to the Assessments relating to the Bonds of a Series Outstanding 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 Assessments pledged to the Bonds of a Series Outstanding, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim. See "BONDOWNERS' RISKS – Bankruptcy Risks" herein for more information.

### **Events of Default**

The Master Indenture provides that each of the following shall be an "Event of Default" under the Indentures, with respect to a Series of the Series 2019A Bonds:

- (a) Any payment of Debt Service on such Series of Bonds is not made when due; or
- (b) The District admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself or for the whole or any part of a related Series Project; or
- (d) The District is adjudged insolvent by a court of competent jurisdiction, or is adjudged a bankrupt on a petition in bankruptcy filed against the District, or an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee of the District or of the whole or any part of its property and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof; or
- (e) The District shall file a petition or answer seeking reorganization or any arrangement under the Federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or
- (f) Under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District's assets or any part thereof, and such custody or control shall not be terminated within ninety (90) days from the date of assumption of such custody or control; or
- (g) Any portion of the Assessments pledged to a Series shall have become Delinquent Assessments and, as the result thereof, the applicable Indenture provides for the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in a Series Reserve Account to pay Debt Service on the corresponding Series of Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the Series Reserve Account to pay Debt Service on the corresponding Series of Bonds) (each, a "Reserve Account Event") unless within sixty (60) days from the applicable Reserve Account Event the District has either (i) replenished the amounts, if any, withdrawn from the applicable Reserve Account, or (ii) the portion of the Delinquent Assessments giving rise to the applicable Reserve Account Event are paid and are no longer Delinquent Assessments; or
- (h) Material breach by the District of any material covenant made by it in the Indenture securing a Series of 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 Majority Owners of such Series; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the District shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(i) More than twenty-five percent (25%) of the Operation and Maintenance Assessments that are directly billed by the District and levied by the District on tax parcels subject to the Assessments the revenues from which are pledged to pay a Series of Bonds are not paid by the date such are due and payable and such default continues for sixty (60) days after the date when due

Anything in the Indentures to the contrary notwithstanding, the District will acknowledge in the Indentures that, (i) the applicable Series 2019 Pledged Funds includes, without limitation, all amounts on deposit in the applicable Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee (which includes the Series 2019A-1 Retainage Subaccount), (ii) upon the occurrence of an Event of Default with respect to either Series of the Series 2019A Bonds, the applicable Series 2019 Pledged Funds may not be used by the District (whether to pay costs of the Series 2019 Project or otherwise) without the consent of the Majority Owners of such Series, except to the extent that prior to the occurrence of the Event of Default the District had incurred a binding obligation with third parties for work on the Series 2019 Project and payment is for such work (and a certificate of an Authorized Officer as to whether such binding obligation has been incurred delivered to the Trustee in the form of Exhibit D to the applicable Supplemental Indenture shall be conclusive evidence of the same on which the Trustee may rely), and (iii) upon the occurrence of an Event of Default with respect to a Series of the Series 2019A Bonds, the applicable Series 2019 Pledged Funds may be used by the Trustee and/or the District, to the extent acting individually or jointly, to pursue remedies, at the direction or with the approval of the Majority Owners of such Series, to pay costs and expenses incurred in connection with the pursuit of remedies under the Master Indenture, as supplemented hereby, provided such action does not adversely impact the tax-exempt status of the Series 2019A Bonds and provided, further, that every use of the applicable Series 2019 Pledged Revenues for such purpose shall be accompanied by detailed invoices delivered to the District Manager of the District indicating the purpose for which the applicable Series 2019 Pledged Revenues are to be applied and such invoices shall be subject to the same public records laws, including, without limitation, Chapter 119, Florida Statutes, to which the District is subject. After the occurrence of an Event of Default, the District shall not enter into any binding agreement to expend any amounts included in the applicable Series 2019 Trust Estate unless authorized in writing by the Majority Owners of the applicable Series of the Series 2019A Bonds.

[Following an Event of Default, any direction to the District permitted to be given by the Trustee and/or Owners in accordance with the applicable Indenture must be in writing, signed by the Trustee and the Majority Owners of the applicable Series of the Series 2019A Bonds and, with respect to certain directions, in the applicable forms attached to the Indentures.]

## **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

### **General**

The primary source of payment for each Series of the Series 2019A Bonds is the collection of the related Series 2019 Assessments imposed on certain lands in the District specially benefited by the related Series Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND

## THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY."

The imposition, levy, and collection of Series 2019 Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Lee County Tax Collector ("Tax Collector") or the Lee County Property Appraiser ("Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2019 Assessments during any year. Such delays in the collection of Series 2019 Assessments, or complete inability to collect any Series of the 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 2019A Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2019 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 2019A Bonds.

For the Series 2019 Assessments to be valid, the Series 2019 Assessments must meet two requirements: (1) the benefit from the related Project to the lands subject to such Series 2019 Assessments must exceed or equal the amount of such Series 2019 Assessments, and (2) the Series 2019 Assessments must be fairly and reasonably allocated across all such benefitted properties. The Methodology Consultant will certify at closing that these requirements have been met with respect to the Series 2019 Assessments, which are comprised of three separately enforceable and distinct assessment liens each securing the repayment of the related Series of the Series 2019A Bonds. In the event that the Series 2019 Assessments are levied based on the assumptions that future contributions will be made, or that future assessments may be levied to secure future bond issuances, the Series 2019 Assessments may need to be reallocated to other platted and sold lots within the District in the event such contributions are not made and/or future assessments and bonds are not levied and issued.

Pursuant to the Act and the Assessment Proceedings, the District may collect the Series 2019 Assessments through a variety of methods. Initially, the District will directly collect the Series 2019 Assessments, unless the Trustee at the direction of the Majority Holders for a particular Series of Series 2019A Bonds directs the District otherwise. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY." As lands are platted and sold, the Series 2019 Assessments (other than the Series 2019A-2 Assessments, which shall be directly collected unless the Trustee at the direction of the Majority Holders directs the District otherwise, in accordance with the Series 2019A-2 Indenture) will be added to the County tax roll and collected pursuant to the Uniform Method unless the timing for using the Uniform Method will not yet allow for using such method. The following is a description of certain statutory provisions relating to each of these collection methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

### **Direct Billing & Foreclosure Procedure**

As noted above, and pursuant to Chapters 170 and 190 of the Florida Statutes, the District may directly levy, collect and enforce the Series 2019 Assessments. In this context, Section 170.10 of the Florida Statutes provides that upon the failure of any property owner to timely pay all or any part of the annual installment of principal and/or interest of a special assessment due, including the Series 2019 Assessments, the whole assessment, with the interest and penalties thereon, shall immediately become due and payable and subject to foreclosure. Generally stated, the governing body of the entity levying the special assessment, in this case the District, may foreclose by commencing a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or, alternatively, by commencing an action under Chapter 173, Florida Statutes, which relates to foreclosure of municipal tax and special assessment

liens. Such proceedings are in rem, meaning that the action would be brought against the land, and not against the landowner. In light of the one year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2019 Assessments and the ability to foreclose the lien of such Series 2019 Assessments upon the failure to pay such Series 2019 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 2019 Assessments. See "BONDOWNERS' RISKS."

### **Uniform Method Procedure**

Subject to certain conditions, and for developed lands (as described above), the District may alternatively elect to collect the Series 2019 Assessments using the Uniform Method. The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2019 Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2019 Assessments will be collected together with City, 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 2019 Assessments – are to be billed, and landowners in the District are required to pay, all Taxes and Assessments without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2019 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 2019 Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2019 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 2019A Bonds.

Under the Uniform Method, if the Series 2019 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 2019A Bonds (1) that the past experience of the Tax

Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2019 Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2019 Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable units within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2019 Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2019 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 2019 Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest, costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing and any applicable interest and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

If there are no bidders, the tax certificate is issued to the County. The County is to hold, but not pay for, the tax certificate with respect to the property, bearing interest at the maximum legal rate of interest, which is currently 18%. The Tax Collector does not collect any money if tax certificates are issued, or "struck off," to the County. The County may sell such certificates to the public at any time after issuance, but before a tax deed application is made, at the face amount thereof plus interest at the rate of not more than 18% per annum, costs and charges. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Series 2019 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 or as soon thereafter as is reasonable. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

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

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

If there are no bidders at the public sale, the County Clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the County Commission that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three years from the date the property was offered for sale, unsold lands escheat to the County in which they are located, free and clear, and all tax certificates and liens against the property 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 2019 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 2019 Assessments, which are the primary source of payment of the Series 2019A Bonds. Additionally, legal proceedings under Federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates. See "BONDOWNERS' RISKS."

## **BONDOWNERS' RISKS**

There are certain risks inherent in an investment in bonds issued by a public authority or governmental body in the State and secured by Assessments. Certain of these risks are described in other sections of this Limited Offering Memorandum. Certain additional risks are associated with the Series 2019A Bonds offered hereby and are set forth below. Prospective investors in the Series 2019A 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 2019A 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 2019A 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 2019A Bonds.

### **Concentration of Land Ownership**

As of the date of delivery of the Series 2019A Bonds, the Developer owns [all of the assessable lands] within District, which are the lands that will be subject to the Series 2019 Assessments securing the Series 2019A Bonds. Payment of the Series 2019 Assessments is primarily dependent upon their timely payment by the Developer and the other future landowners in District. Non-payment of the Series 2019 Assessments by any of the landowners would have a substantial adverse impact upon the District's ability to pay debt service on the related Series of the Series 2019A Bonds. See "THE DEVELOPER" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019A BONDS" herein.

### **Bankruptcy and Related Risks**

In the event of the institution of bankruptcy or similar proceedings with respect to the Developer or any other owner of benefited property, delays could occur in the payment of debt service on the Series 2019A Bonds, as such bankruptcy could negatively impact the ability of: (i) the Developer and any other landowner to pay the Series 2019 Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2019 Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2019 Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of each Series of the Series 2019A Bonds under the Indentures 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 Indentures and the Series 2019A Bonds, including, without limitation, enforcement of the obligation to pay Series 2019 Assessments and the ability of the District to foreclose the lien of the Series 2019 Assessments if not being collected pursuant to the Uniform Method, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2019A Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to a Series of the Series 2019A Bonds could have a material adverse impact on the interest of the Owners thereof.

A 2011 bankruptcy court decision in Florida held that the governing body of a community development district, and not the bondholders or indenture trustee, was the creditor of the landowners/debtors in bankruptcy with respect to claims for 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 Assessments. As a result of this non-payment of assessments, debt service payments on the district's bonds were delayed for two years or longer. The Master Indenture provides for the delegation of certain rights from the District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an "Insolvent Taxpayer" (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019A BONDS – Master Indenture Provision Relating to Bankruptcy or Insolvency of Landowner." The District cannot express any view whether such delegation would be enforceable.

The Series 2019A-1 Bonds and the Series 2019A-2 bonds are separately secured by the Series 2019A-1 Indenture and the Series 2019A-2 Indenture, respectively. Notwithstanding the foregoing, however, the Series 2019A-1 Special Assessments which secure the Series 2019A-1 Bonds and the Series 2019A-2 Special Assessments which secure the Series 2019A-2 Bonds are initially being levied on the same lands within the District, so that an Event of Default under, or the exercise of remedies against, one Series of the Series 2019A Bonds could adversely affect the other Series of Series 2019A Bonds.

### **Series 2019 Assessments Are Non-Recourse**

The principal security for the payment of the principal and interest on each Series of the Series 2019A Bonds is the timely collection of the [related] Series 2019 Assessments. The Series 2019 Assessments do not constitute a personal indebtedness of the landowners of the land subject thereto, but are secured by a lien on such land. There is no assurance that the Developer or subsequent landowners will be able to pay the Series 2019 Assessments or that they will pay such Series 2019 Assessments even though financially able to do so. Neither the Developer nor any other subsequent landowners have any personal obligation to pay the Series 2019 Assessments. Neither the Developer nor any subsequent landowners are guarantors of payment of any Series 2019 Assessments, and the recourse for the failure of the Developer or any subsequent landowner to pay the Series 2019 Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2019 Assessments, as described herein. Therefore the likelihood of collection of the Series 2019 Assessments may ultimately depend on the market value of the land subject to the Series 2019 Assessments. While the ability of the Developer or subsequent landowners to pay the Series 2019 Assessments is a relevant factor, the willingness of the Developer or subsequent landowners to pay the Series 2019 Assessments, which may also be affected by the value of the land subject to the Series 2019 Assessments, is also an important factor in the collection of Series 2019 Assessments. The failure of the Developer or subsequent landowners to pay the Series 2019 Assessments could render the District unable to collect delinquent Series 2019 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 corresponding Series of Series 2019A Bonds.

### **Regulatory and Environmental Risks**

The development of the District Lands is subject to comprehensive federal, state and local regulations and future changes to such regulations. Approval is required from various public agencies in connection with, among other things, the design, nature and extent of planned improvements, both public and private, and construction of the infrastructure in accordance with applicable zoning, land use and environmental regulations. Although all such approvals required to date have been received and any further approvals are anticipated to be received as needed, failure to obtain any such approvals in a timely manner could delay or adversely affect the completion of the development of the District Lands. See "THE DEVELOPMENT – Development Approvals," herein for more information.

The value of the land within the District, the success of the Development, the development of the District and the likelihood of timely payment of principal and interest on the Series 2019A 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 2019A Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received. Nevertheless, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the lands in the District.

The value of the lands subject to the Series 2019 Assessments could also be adversely impacted by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the District, such catastrophic events could potentially render the District Lands unable to support future development. The occurrence of any such events could materially adversely impact the District's ability to pay principal and interest on the Series 2019A Bonds. The Series 2019A Bonds are not insured, and the District's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

### **Economic Conditions and Changes in Development Plans**

The successful development of the District and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Developer. Moreover, the Developer has the right to modify or change plans for development of the Development from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of the District.

### **Other Taxes and Assessments**

The willingness and/or ability of an owner of benefited land to pay the Series 2019 Assessments could be affected by the existence of other taxes and assessments imposed upon such property by the District, the County or any other local special purpose or general purpose governmental entities. County, school, special district taxes and Assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on debt, including the Series 2019 Assessments, collected pursuant to the Uniform Method are payable at one time. Public entities whose boundaries overlap those of the District could, without the consent of the owners of the land within the District, impose additional taxes on the property within the District. The District anticipates imposing operation and maintenance assessments encumbering the same property encumbered by the Series 2019 Assessments. In addition, lands within the District may also be subject to assessments by property owners' and homeowners' associations. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for additional information.

Under Florida law, a landowner may contest the assessed valuation determined for its property that forms the basis of ad-valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2019 Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to such Series 2019 Assessment, even though the landowner is not contesting the amount of

the Series 2019 Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem taxes and at least 75% of their ad valorem taxes before they become delinquent. Likewise, taxpayers who challenge the denial of an exemption or classification or a determination that their improvements were substantially complete must pay all non-ad valorem assessments and the amount of ad valorem taxes that they admit in good faith to be owing. If a taxpayer fails to pay property taxes as set forth above, the Value Adjustment Board considering the taxpayer's challenge is required to deny such petition by written decision by April 20 of such year.

### **Limited Secondary Market for Series 2019A Bonds**

The Series 2019A Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2019A Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2019A Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2019A Bonds may be sold. Such price may be lower than that paid by the current Owners of each Series of the Series 2019A Bonds, depending on the progress of development of the Development and the lands within the District, as applicable, existing real estate and financial market conditions and other factors.

### **Inadequacy of Reserve Accounts**

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2019 Assessments, may not adversely affect the timely payment of debt service on a Series of the Series 2019A Bonds because of the Reserve Accounts corresponding to such Series. The ability of the Reserve Accounts to fund deficiencies caused by delinquencies in the corresponding Series 2019 Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in each Reserve Account may be invested in certain obligations permitted under the Indentures. Fluctuations in interest rates and other market factors could affect the amount of moneys in such Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2019 Assessments, the Reserve Accounts would be rapidly depleted and the ability of the District to pay debt service on the corresponding Series of Series 2019A Bonds could be materially adversely affected. In addition, during an Event of Default under an Indenture, the Trustee may withdraw moneys from the applicable Reserve Account and such other Funds, Accounts and subaccounts created under the applicable Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact a 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 corresponding Series 2019 Assessments in order to provide for the replenishment of the applicable Reserve Account. THE SERIES 2019A-1 RESERVE ACCOUNT IS NOT AVAILABLE TO PAY DEBT SERVICE ON THE SERIES 2019A-2 BONDS, AND THE SERIES 2019A-2 RESERVE ACCOUNT IS NOT AVAILABLE TO PAY DEBT SERVICE ON THE SERIES 2019A-1 BONDS. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019A BONDS – Reserve Accounts" herein for more information about the Reserve Accounts.

### **Legal Delays**

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2019 Assessments that are not being collected pursuant to the Uniform Method, such landowner and/or its mortgagee(s) may raise affirmative defenses to such foreclosure action. Although the District expects that such affirmative defenses would likely be proven to be without merit, they could result in delays in completing the foreclosure action. In addition, the District is required under the Indentures to fund the costs of such foreclosure. It is possible that the District will not have sufficient funds and will be compelled to request the Holders of the corresponding Series of Series 2019A Bonds to allow funds on

deposit under the applicable Indenture to be used to pay the costs of the foreclosure action. Under the Code, there are limitations on the amounts of proceeds from each Series of the Series 2019A Bonds that can be used for such purpose.

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

The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. In 2016, the IRS concluded its lengthy examination of certain issues of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District (the "Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local government body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes. Village Center CDD received a second TAM dated June 17, 2015, which granted relief to Village Center CDD from retroactive application of the IRS's conclusion regarding its failure to qualify as a political subdivision. Prior to the conclusion of the audits, the Audited Bonds were all refunded with taxable bonds. The audit of the Audited Bonds that were issued for utility improvements were closed without change to the tax exempt status of those Audited Bonds on April 25, 2016, and the audit of the remainder of the Audited Bonds (which funded recreational amenity acquisitions from entities related to the principal landowner in the Village Center CDD) was closed on July 14, 2016, without the IRS making a final determination that the interest on the Audited Bonds in question was required to be included in gross income. However, the IRS letter to the Village Center CDD with respect to this second set of Audited Bonds noted that the IRS found that the Village Center CDD was not a "proper issuer of tax-exempt bonds" and that those Audited Bonds were private-activity bonds that did not fall in any of the categories that qualify for tax-exemption. Although the TAMs and the letters to the Village Center CDD from the IRS referred to above are addressed to, and binding only on, the IRS and Village Center CDD in connection with the Audited Bonds, they reflect the audit position of the IRS, and there can be no assurance that the IRS would not commence additional audits of bonds issued by other community development districts raising issues similar to the issues raised in the case of the Audited Bonds based on the analysis set forth in the first TAM or on the related concerns addressed in the July 14, 2016 letter to the Village Center CDD.

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the interest on which is excluded from gross income for federal tax purposes. The proposed regulations require that a political subdivision (i) have the power to exercise at least one sovereign power, (ii) be formed and operated for a governmental purpose, and (iii) have a governing body controlled by or have significant uses of its funds or assets otherwise controlled by a government unit with all three sovereign powers or by an electorate that is not controlled by an unreasonably small number of unrelated electors. On October 4, 2017, the Treasury Department ("Treasury") announced that it would withdraw the proposed regulations, stating that, "while Treasury and the IRS continue to study the legal issues relating to political subdivisions, Treasury and the IRS currently believe that these proposed regulations should be withdrawn in their entirety, and plan to publish a withdrawal of the proposed regulations shortly in the Federal Register. Treasury and the IRS may propose more targeted guidance in the future after further study of the relevant legal issues." Notice of withdrawal of the proposed regulations was published in the Federal Register on October 20, 2017.

It has been reported that the IRS has closed audits of other community development districts in Florida with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within the timeframe established by the applicable state law or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. Currently, all of the members of the Board of the District were elected by the Developer and none were elected by qualified electors. The Developer will certify as to its expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act, and its expectations as to compliance with the Act by any members of the Board that it elects. Such certification by the Developer does not ensure that such certification shall be determinative of, or may influence the outcome of any audit by the IRS, or any appeal from such audit, that may result in an adverse ruling that the District is not a political subdivision for purposes of Section 103(a) of the Code. Further, there can be no assurance that an audit by the IRS of either Series of the Series 2019A Bonds will not be commenced. The District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable state or federal law.

Owners of the Series 2019A Bonds are advised that, if the IRS does audit the Series 2019A 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 2019A 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 2019A 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 2019A 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 2019A Bonds would adversely affect the availability of any secondary market for the Series 2019A Bonds. Should interest on the Series 2019A Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2019A Bonds be required to pay income taxes on the interest received on such Series 2019A Bonds and related penalties, but because the interest rate on such Series 2019A Bonds will not be adequate to compensate Owners of the Series 2019A Bonds for the income taxes due on such interest, the value of the Series 2019A Bonds may decline.

THE INDENTURES DO NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2019A BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2019A BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2019A BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2019A BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2019A 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 2019A Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, because of the exemption for political subdivisions, if the District is ever deemed by the IRS, judicially or otherwise, not to be a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could also determine that the District is not a political subdivision for purposes of federal and state

securities laws. Accordingly, the District and purchasers of Series 2019A Bonds may not be able to rely on the exemption from registration under the Securities Act relating to securities issued by political subdivisions. In that event, the Owners of the Series 2019A Bonds would need to ensure that subsequent transfers of the Series 2019A Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act and applicable state securities laws.

### **Federal Tax Reform**

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2019A Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2019A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2019A Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2019A Bonds. Prospective purchasers of the Series 2019A Bonds should consult their tax advisors as to the impact of any proposed or pending legislation as well as the impact of federal legislation enacted in December 2017. See also "TAX MATTERS."

### **State Tax Reform**

It is impossible to predict what new proposals may be presented regarding 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 2019A 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 2019 Project or the Construction of Homes within the District**

The cost to finish the Series 2019 Project [may/will] exceed the net proceeds from the Series 2019A Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the Series 2019 Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Series 2019 Project. Further, pursuant to the Indentures, the District covenants and agrees that the District shall not to issue any other Bonds or other debt obligations secured by Assessments on assessable lands within the District for any capital project until the Series 2019 Assessments are Substantially Absorbed. See "SECURITY FOR

AND SOURCE OF PAYMENT OF THE SERIES 2019A BONDS – Additional Bonds" for more information.

Although the Developer will agree to fund or cause to be funded the completion of the Series 2019 Project regardless of the insufficiency of proceeds from the Series 2019A Bonds and will enter into a completion agreement with the District as evidence thereof, there can be no assurance that the Developer will have sufficient resources to do so. Such obligation of the Developer is an unsecured obligation. See "THE DEVELOPER" herein for more information.

Further, there is a possibility that, even if the District is developed, the Builders may not close on all or any of the lots therein, and such failure to close could negatively impact the construction of a sufficient number of homes in the District. The Builder Contracts may also be terminated by the Builders upon the occurrence or failure to occur of certain conditions set forth therein. See "THE DEVELOPMENT – Builder Contracts and the Builders" herein for more information about the Builders and the Builder Contracts.

#### **Payment of Series 2019 Assessments after Bank Foreclosure**

In the event a bank forecloses on property because of a default on a mortgage in favor of such bank on any of the assessable lands within the District, and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2019 Assessments levied on such property. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.

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**ESTIMATED SOURCES AND USES OF FUNDS**

<u>Source of Funds</u>	<u>Series 2019A-1 Bonds</u>	<u>Series 2019A-2 Bonds</u>	<u>Series 2019A Bonds</u>
Par Amount			
[Original Issue Discount]			
Total Sources			
 <u>Use of Funds</u>			
Deposit to Series 2019A-1 Acquisition and Construction Account			
Deposit to Series 2019A-2 Acquisition and Construction Account			
Deposit to Series 2019A-1 Capitalized Interest Account			
Deposit to Series 2019A-2 Capitalized Interest Account			
Deposit to Series 2019A-1 Reserve Account			
Deposit to Series 2019A-2 Reserve Account			
Costs of Issuance, including Underwriter's Discount <sup>(1)</sup>			
Total Uses			

(1) Costs of issuance includes, without limitation, legal fees and other costs associated with the issuance of the Series 2019A Bonds.

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**DEBT SERVICE REQUIREMENTS**

The following table sets forth the scheduled debt service on the Series 2019A Bonds:

Year Ended [November] 1	Series 2019A-1 Bonds		Series 2019A-2 Bonds		Total
	Principal	Interest	Principal	Interest	

TOTAL

## **THE DISTRICT**

### **General Information**

The District was established by Ordinance No. 18-21 enacted by the Lee County Board of County Commissioners effective on September 19, 2018 under the provisions of the Act. The boundaries of the District include approximately 779 gross acres of land (the "District Lands") located east of C.R. 462 and north of C.R. 466A in the northern portion of Lee County, within the boundaries of the County; provided, however, the District is in the process of expanding its boundaries to add an additional eighteen (18) acres of land. The District Lands are being developed as part of a master-planned, mixed-use community known as "Esplanade Lake Club." See "THE DEVELOPMENT" herein for more information.

### **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) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems, facilities, and basic infrastructure for, among other things: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and waste-water management, reclamation and reuse systems or any combination thereof and to construct and operate connecting intercept or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) District roads equal to or exceeding the specifications of the county in which such District roads are located and street lights, landscaping, hardscaping and undergrounding of electric utility lines; (iv) conservation areas, mitigation areas, and wildlife habitat; (v) any other project, facility, or service required by a development approval, interlocal agreement, zoning condition, or permit issued by a governmental authority with jurisdiction in the District, and (vi) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses, and security; (b) borrow money and issue bonds of the District; (c) impose and foreclose 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.

## Board of Supervisors

The Act provides that a five-member Board of Supervisors (the "Board") serves as the governing body of the District. Members of the Board (the "Supervisors") must be residents of the State and citizens of the United States. Initially, the Supervisors were appointed in the Ordinance. Within 90 days after formation of the District, an election was held pursuant to which new Supervisors were elected on an at-large basis by the owners of the property within the District. Ownership of land within the District entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number). A Supervisor serves until expiration of his or her term and until his or her successor is chosen and qualified. If, during a term of office, a vacancy occurs, the remaining Supervisors may fill the vacancy by an appointment of an interim Supervisor for the remainder of the unexpired term.

At the initial election held within 90 days after formation of the District, the landowners in the District elected two Supervisors to four-year terms and three Supervisors to two-year terms. Thereafter, the elections have taken place and will take place every two years, with the first such election being held on the first Tuesday in November, and subsequent elections being held on a date in November established by the Board. Upon the later of six years after the initial appointment of Supervisors and the year when the District next attains at least 250 qualified electors, Supervisors whose terms are expiring will begin to be elected (as their terms expire) by qualified electors of the District. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the District and the State and a citizen of the United States. At the election where Supervisors are first elected by qualified electors, two Supervisors must be qualified electors and be elected by qualified electors, each elected to four-year terms. The seat of the remaining Supervisor whose term is expiring at such election shall be filled by a Supervisor who is elected by the landowners for a four-year term and who is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and must be elected by qualified electors to serve staggered four-year terms.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be elected by qualified electors in the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

The Act provides that it shall not be an impermissible conflict of interest under Florida law governing public officials for a Supervisor to be a stockholder, officer or employee of a landowner or of any entity affiliated with a landowner.

The current members of the Board and the expiration of the term of each member are set forth below:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
John Wollard*	Chairman	November 2022
Rob Price*	Vice Chairman	November 2022
Tim Martin*	Assistant Secretary	November 2020
Ryan Futch*	Assistant Secretary	November 2020
Andrew Miller *	Assistant Secretary	November 2020

\* Employee of, or affiliated with, the Developer.

A majority of the members of the Board constitutes a quorum for the purposes of conducting its business and exercising its powers and for all other purposes. Action taken by the District shall be upon a

vote of a majority of the members present unless general law or a rule of the District requires a greater number. All meetings of the Board are open to the public under Florida's open meeting or "Sunshine" law.

### **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 JPWard and Associates, LLC to serve as its district manager ("District Manager"). The District Manager's office is located at 2900 NE 12 Terrace, #1, Oakland Park, Florida 33334.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Greenspoon Marder LLP, Boca Raton, Florida, as Bond Counsel; Waldrop Engineering, P.A., Bonita Springs, Florida, as District Engineer; and Hopping Green & Sams P.A., Tallahassee, Florida, as District Counsel. The Board has also retained the District Manager to serve as Methodology Consultant and to prepare the Assessment Methodology and to serve as Dissemination Agent for the Series 2019A Bonds.

### **No Outstanding Indebtedness**

The District has not previously issued any Bonds or other debt obligations.

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## CAPITAL IMPROVEMENT PLAN AND THE SERIES 2019 PROJECT

### Overview

The infrastructure to be designed, constructed and/or acquired by the District consists of the acquisition, construction, installation and equipping of a stormwater management system, water and wastewater systems, environmental mitigation, off-site improvements including roadways, and professional fees and permitting costs. Detailed information concerning the District's Capital Improvement Plan (collectively, the "Series 2019 Project") is contained in the Master Engineer's Report dated April, 2019 and attached hereto as APPENDIX C (the "Engineer's Report"). The land will be developed in phases. See "THE DEVELOPMENT – Development Plan and Status" for more information on the phases of development in the District.

The Series 2019 Project consists of certain public infrastructure for the 653 single- and multi-family homes planned within the District. The estimated total cost of the Series 2019 Project is approximately \$25 million. Private infrastructure, which is not included in the Series 2019 Project, includes landscaping, irrigation, internal roadways, excavation and grading, and the various amenity centers serving the Development. A summary of the estimated costs of the Series 2019 Project is set forth in the following table:

<b>Infrastructure</b>	<b>Cost</b>
Exterior Landscaping & Hardscape	\$ 3,250,000.00
Subdivision Potable Water System	1,820,000.00
Subdivision Wastewater System	4,240,000.00
Stormwater Facilities	4,410,000.00
Ground Improvement	1,810,000.00
Excavation/Lake Bank Stabilization	1,634,000.00
Environmental Preservation & Mitigation	540,000.00
Off-Site Improvements	1,973,000.00
Contingency (15%)	2,951,550.00
Professional Fees	<u>2,440,000.00</u>
<b>Total</b>	<b>\$25,068,550.00</b>

Net proceeds of the Series 2019 Bonds in the amount of approximately [\$26 million] will be deposited into the applicable account of the Acquisition and Construction Fund and such proceeds will be used by the District to provide funds for the District's construction of the Series 2019 Project. Land development commenced in October 2018 and is being developed in phases. Development is completed for approximately 20 lots with an additional 252 lots expected to be completed by January 2020. The Developer will enter into a completion agreement to fund the completion of the Series 2019 Project to the extent that net proceeds of the Series 2019 Bonds are not sufficient to pay for the entire Series 2019 Project. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2019 Project or the Construction of Homes within the District."

The District Engineer has indicated that all permits necessary to construct the Series 2019 Project have either been obtained or are expected to be obtained in the ordinary course of business. In addition to the Engineer's Report, please refer to THE DEVELOPMENT – Development Approvals" for a more detailed description of the entitlement and permitting status of the District.

**ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS**

**General**

The Master Special Assessment Methodology Report dated April 29, 2019 (the "Master Methodology"), and as supplemented by the Preliminary Special Assessment Methodology Report dated June 10, 2019 (the "Supplemental Methodology" and together with the Master Methodology, the "Assessment Methodology"), included herein as APPENDIX D. The Assessment Methodology sets forth an overall method for allotting the Series 2019 Assessments to be levied against the lands within the District benefitted by the Series 2019 Project and collected by the District as a result thereof. Once the final terms of the Series 2019A Bonds are determined, the Assessment Methodology will be updated to reflect such final terms. Once levied and imposed, the Series 2019A Assessments are a first lien on those certain lands within the District against which they are assessed until paid or barred by operation of law, co-equal with one another and with other taxes and assessments levied by the District and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Series 2019A-1 Bonds and the Series 2019A-2 Bonds are payable from and secured by a pledge of Series 2019A-1 Pledged Revenues and Series 2019A-2 Pledged Revenues, respectively, which are comprised primarily of the Series 2019A-1 Assessments and the Series 2019A-2 Assessments, respectively. The Series 2019A-1 Assessments and the Series 2019A-2 Assessments will initially be levied on an equal acreage basis across the gross acreage in the the District and will be allocated to individual lots upon platting on an equivalent assessment units ("EAU") basis, in accordance with the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY." The District is expected to consist of approximately 778.93 acres planned for 653 residential homes, consisting of 186 villas and 467 single-family homes.

Upon platting of all of the planned residential units within the Development, the Series 2019 Special Assessments levied and allocated to platted units to pay debt service on the Series 2019 Bonds and the par per unit are expected to be as follows:

<b>Product Type</b>	<b># of Units Planned</b>	<b>2019A-1 Total Par Per Unit<sup>(1)</sup></b>	<b>2019A-2 Total Par Per Unit<sup>(2)</sup></b>	<b>Total 2019 Par Per Unit<sup>(1)(2)</sup></b>	<b>Annual 2019A-1 Assessments Per Unit<sup>(1)</sup></b>	<b>Annual 2019A-2 Assessments Per Unit<sup>(2)</sup></b>	<b>Total Annual Assessments Per Unit<sup>(1)(2)</sup></b>
Twin Villas	186	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
52'	224	_____	_____	_____	_____	_____	_____
62'	155	_____	_____	_____	_____	_____	_____
76'	77	_____	_____	_____	_____	_____	_____
90'	<u>11</u>	_____	_____	_____	_____	_____	_____
<b>Total:</b>	<b>653</b>						

- (1) Preliminary, subject to change. Annual Series 2019A-1 Special Assessment levels include estimated County collection costs/payment discounts.
- (2) Preliminary, subject to change. The Series 2019A-2 Special Assessments are interest only until final maturity. [At the time of closing on lots with a Builder, the Developer is obligated under the Builder Contracts to prepay in full the Series 2019A-2 Special Assessments levied on such lots; however, the numbers set forth here reflect the estimated par per unit and annual assessment levels without such prepayment taking place.]

Each landowner within the District will pay annual taxes, assessment and fees on an ongoing basis as a result of its ownership of property within the District, including local ad valorem property taxes, the maintenance and operating assessments to be levied by the District, and the property owners' association assessments to be levied by the applicable property owners' association. The District anticipates levying assessments to cover its operation and administrative costs that are initially expected

to be \$\_\_\_ per single-family unit annually, but such amounts are subject to change. In addition, residents will be required to pay homeowners association fees, which are currently estimated to be \$\_\_\_ per residential lot monthly, which amounts are subject to change. The District Lands have been and will continue to be subject to taxes and assessments imposed by taxing authorities other than the District. The total millage rate applicable to lands within the Development in 2018 was approximately \_\_\_\_\_ mills. These taxes would be payable in addition to the Series 2019 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School Board of Lee 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 2018. See "BONDOWNERS RISKS" and "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information.

[Remainder of page intentionally left blank.]

*The information appearing below under the captions "THE DEVELOPMENT" and "THE DEVELOPER" has been furnished by the Developer for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has not been independently verified by Bond Counsel, the District or its counsel, or the Underwriter or its counsel, and no persons other than the Developer make any representation or warranty as to the accuracy or completeness of such information supplied by them. The following information is provided by the Developer as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the Development. The Developer is not guaranteeing payment of the Series 2019 Bonds or the Series 2019 Special Assessments.*

## **THE DEVELOPMENT**

### **General Overview**

The District, which was created on September 19, 2018, encompasses approximately 779 acres (the "District Lands") located in unincorporated Lee County, Florida (the "County"). The District Lands are being developed as part of a [larger] master-planned residential community under the name "Esplanade Lake Club" (the "Development"). The Development is located at the intersection of the Ben Hill Griffin Parkway and Alico Road in the County, adjacent to the Miromar Lakes development.

Development residents will be in close proximity to the Southwest Florida International Airport, Florida Gulf Coast University, and several big box retailers such as Costco and Target, in addition to area attractions such as the Stoneybrook Golf Course and Regal Gulf Coast & IMAX Florida, each located within ten minutes from the Development.

The District Lands are being developed in multiple phases and are planned to contain 653 residential homes, consisting of 186 villas and 467 single-family homes, recreation and amenity areas at buildout. See "THE DEVELOPMENT – Development Plan and Status" for more information. The Development will be highly amenitized around a large lake with two main public recreation areas, which include clubhouses, pools, parks, and sport courts. Taylor Morrison of Florida, Inc., a Florida corporation (the "Developer"), is serving as the developer and one of the homebuilders for the Development. See "THE DEVELOPER" herein for more information.

### **Land Acquisition and Development Finance Plan**

The Developer acquired title to District Lands on May 24, 2018 for a purchase price of \$33,800,000. The land was acquired with Developer equity. There are no mortgages on the Developer's lands in the District.

It is expected that total land development costs for the Development will be approximately \$71.9 million, including the cost of the Series 2019 Project as well as private improvements. Costs of the Series 2019 Project in the amount of approximately \$26 million will be funded with proceeds from the Series 2019 Bonds. Costs not funded with bond proceeds will be funded by the Developer. The Developer will enter into a completion agreement at closing on the Series 2019 Bonds agreeing to fund the completion of the Series 2019 Project in the event that the net proceeds of the Series 2019 Bonds are not sufficient. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2019 Project or the Construction of Homes within the District Lands" herein.

As of August 6, 2019, the Developer has spent approximately \$20,491,909 in hard and soft costs developing the land in the District.



## Development Plan and Status

The District is being developed in phases, which are described below:

Phase I is planned for \_\_\_ single-family units. Development of Phase I commenced in October 2018 and is expected to be complete by November 2019.

Phase II is planned for \_\_\_ single-family units. Development of Phase II is expected to begin in the \_\_\_ calendar quarter of 20\_\_ and be completed by the \_\_\_ calendar quarter 2020.

Phase III is planned for \_\_\_ single-family units. Development of Phase III is expected to begin in the \_\_\_ calendar quarter of 20\_\_ and be completed by the \_\_\_ calendar quarter 2022.

Phase IV is planned for \_\_\_ single-family units. Development of Phase IV is expected to begin in the \_\_\_ calendar quarter of 20\_\_ and be completed by the \_\_\_ calendar quarter 2024.

Phase V is planned for \_\_\_ single-family units. Development of Phase V is expected to begin in the \_\_\_ calendar quarter of 20\_\_ and be completed by the \_\_\_ calendar quarter of 2026.

Home sales will commence in the fourth quarter of 2019, with deliveries commencing in the second quarter of 2020. The Developer expects that it will deliver approximately 117 homes per year until buildout. These anticipated absorption rates are based upon estimates and assumptions made by the Developer that are inherently uncertain, though considered reasonable, and are subject to significant business, economic, and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the control of the Developer. As a result, there can be no assurance such absorption rates will occur or be realized in the time frames anticipated.

Set forth below is the proposed development plan for the District:



reports, proxy statements, and other information can be inspected and copied at the Public Reference Section of the SEC, Room 1024, 450 Fifth Street NW, Judiciary Plaza, Washington, DC, and at the SEC's internet website at <http://www.sec.gov>. Copies of such materials can be obtained by mail from the Public Reference Section of the SEC at prescribed rates. All documents subsequently filed by PulteGroup pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

Pursuant to a Purchase and Sale Agreement for Platted Lots dated October 15, 2018, as amended (collectively, the "Seagate Contract") between the Developer and Seagate, Seagate has agreed to purchase 11 platted lots in two takedowns with an initial base purchase price per lot of \$425,000 subject to adjustment as set forth in the Seagate Contract. The initial closing on one lot [occurred on \_\_\_\_\_, 2019]. The second closing on 10 lots is expected to occur in [\_\_\_\_\_ 2019]. Seagate has made a deposit of \$371,250 which is nonrefundable except in the event of Developer's failure to perform under the Seagate Contract. There is a risk that Seagate may not close on any lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors causing Failure to Complete the Series 2019 Project or the Construction of Homes in the District" herein.

[Insert info on Seagate.]

### Residential Product Offerings

The Development will contain a variety of products and price points which are set forth below and are subject to change:

<u>Lot Size</u>	<u># of Lots</u>	<u>Est. Home Sizes (sf)</u>	<u>Bedrooms / Bathrooms</u>	<u>Expected Starting Home Price</u>
Twin Villas	186	1,542 - 1,579	2-3 / 2	[\$____,____]
52'	224	1,856 - 2,843	2-3 / 2-3.5	\$381,650
62'	155	2,413 - 2,921	2-3 / 2.5-3.5	\$458,650
76'	77	2,570 - 3,237	3 / 3.5	\$544,850
90'	<u>11</u>	1,542 - 1,579	[_ _ / _ _]	\$800,000
<b>Total</b>	<b>653</b>			

### Development Approvals

[UPDATE WHEN RECEIVED: The land within the Development has received zoning approval to allow for the contemplated uses described herein. [All permits and approvals for have been received by jurisdictional agencies to allow for the development contemplated herein or are expected to be received in the ordinary course.] See "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein.

### Environmental

[UPDATE WHEN RECEIVED: A Phase I Environmental Site Assessment ("ESA") was performed on the lands within the Development in \_\_\_\_\_. The ESA indicates no current evidence of recognized environmental conditions on the lands in the Development.] See "BONDOWNERS' RISKS – Regulatory and Environmental Risks."

**Utilities**

Water and sewer services will be provided by the Lee County Public Works Department to all of the Development. Florida Power and Light (FP&L) will provide electrical service to the Development. See "CAPITAL IMPROVEMENT PLAN AND THE SERIES 2019 PROJECT" and "APPENDIX C: ENGINEER'S REPORT" herein for more information regarding the ownership and maintenance of utilities within the Development.

**Public Schools**

School age residents of the Development will attend Three Oaks Elementary School, Three Oaks Middle School, and South Fort Myers High School which are located approximately 4.5 miles, 5.3 miles, and 6.4 miles away from the Development, respectively, and which were rated by the State as A, A and C, respectively, for the 2019 school year (the most recent for which grades are available). The Lee County School Board may change school boundaries from time to time, and there is no requirement that students residing in the Development be permitted to attend the schools which are closest to the Development.

**Taxes, Fees and Assessments**

The District initially will impose the Series 2019 Special Assessments across all of the lands within Development in each case on an equal acre basis. At the time parcels are platted within the Development, the debt levied on the lands will be transferred from the acres to platted lots in accordance with the Assessment Methodology. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX E: ASSESSMENT METHODOLOGY" hereto for more information.

Upon platting of all of the planned residential units within the Development, the Series 2019 Special Assessments levied and allocated to platted units to pay debt service on the Series 2019 Bonds and the par per unit are expected to be as follows:

<u>Product Type</u>	<u># of Units Planned</u>	<u>2019A-1 Total Par Per Unit<sup>(1)</sup></u>	<u>2019A-2 Total Par Per Unit<sup>(2)</sup></u>	<u>Total 2019 Par Per Unit<sup>(1)(2)</sup></u>	<u>Annual 2019A-1 Assessments Per Unit<sup>(1)</sup></u>	<u>Annual 2019A-2 Assessments Per Unit<sup>(2)</sup></u>	<u>Total Annual Assessments Per Unit<sup>(1)(2)</sup></u>
Twin Villas	186	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
52'	224	_____	_____	_____	_____	_____	_____
62'	155	_____	_____	_____	_____	_____	_____
76'	77	_____	_____	_____	_____	_____	_____
90'	11	_____	_____	_____	_____	_____	_____
<b>Total:</b>	<b>653</b>						

(1) Preliminary, subject to change. Annual Series 2019A-1 Special Assessment levels include estimated County collection costs/payment discounts.

(2) Preliminary, subject to change. The Series 2019A-2 Special Assessments are interest only until final maturity. [At the time of closing on lots with a Builder, the Developer is obligated under the Builder Contracts to prepay in full the Series 2019A-2 Special Assessments levied on such lots; however, the numbers set forth here reflect the estimated par per unit and annual assessment levels without such prepayment taking place.]

The District anticipates levying assessments to cover its operation and administrative costs that are initially expected to be \$\_\_\_ per single-family unit annually, but such amounts are subject to change. In addition, residents will be required to pay homeowners association fees, which are currently estimated to be \$\_\_\_ per residential lot monthly, which amounts are subject to change. The District Lands have been and will continue to be subject to taxes and assessments imposed by taxing authorities other than the

District. The total millage rate applicable to lands within the Development in 2018 was approximately \_\_\_\_\_ mills. These taxes would be payable in addition to the Series 2019 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School Board of Lee 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 2018.

### **Amenities**

The Development will have two main recreational amenities for the exclusive use by its residents. All amenity facilities will be funded by the Developer and will be owned and maintained by the homeowners' association. The amenities locations will include clubhouses, pools, parks and sport courts. In addition to these facilities, the amenities will accommodate boating access to the large recreational lake within and adjacent to the District boundary. This lake is shared by the residents of the adjacent Miromar Lakes development and the Florida Gulf Coast University. Development for the amenities began in June 2019 and are anticipated to be completed by October 2020. The total cost of the amenities is expected to be approximately \$8,272,925.

### **Competition**

The Development is expected to compete with projects in the County market generally, which include Miromar Lakes, Wild Blue, and Blue Lake. The foregoing does not purport to summarize all of the existing or planned communities in the area of the Development.

### **Developer Agreements**

As previously noted, the Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the Series 2019 Project not funded with proceeds of the Series 2019 Bonds.

In addition, the Developer will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment"), pursuant to which the Developer will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Developer, development rights relating the Series 2019 Project and the development of the District Lands. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2019 Special Assessments as a result of a Developer's or subsequent landowners' failure to pay such assessments, there is a risk that the District will not have all permits and entitlements necessary to complete the Series 2019 Project or the development of the District Lands.

Finally, the Developer will also enter into a True-Up Agreement in connection with its obligations to pay true-up payments in the event that debt levels remaining on unplatted lands in the District increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism."

Such obligations of the Developer are unsecured obligations. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2019 Project or the Construction of Homes within the District" and "THE DEVELOPER" herein for more information regarding the Developer.

## THE DEVELOPER

Taylor Morrison of Florida, Inc., a Florida corporation (the "Developer"), owns [all of the developable land in the District] and was incorporated on March 26, 1982. The ultimate parent of the Developer is Taylor Morrison Home Corp. ("Taylor Morrison"). Taylor Morrison's principal business is residential homebuilding throughout the United States, with operations focused in Arizona, California, Colorado, Florida and Texas. Taylor Morrison's common shares trade on the New York Stock Exchange under the symbol THMC. Taylor Morrison is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The file number for Taylor Morrison is No. 0001-562476. Such reports, proxy statements, and other information can be inspected and copied at the Public Reference Section of the SEC, Room 1024, 450 Fifth Street NW, Judiciary Plaza, Washington, DC, and at the SEC's regional offices in Chicago (Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois). Copies of such materials can be obtained by mail from the Public Reference Section of the SEC at prescribed rates. All documents subsequently filed by Taylor Morrison pursuant to the requirements of the Securities and Exchange Commission Act of 1934 after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

*Neither the Developer nor any other entity listed above is guaranteeing payment of the Series 2019A Bonds or the Series 2019 Assessments. None of the entities listed herein, other than the Developer, has entered into any agreements in connection with the issuance of the Series 2019A Bonds.*

## TAX MATTERS

PROSPECTIVE PURCHASERS OF THE SERIES 2019A BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2019A BONDS AS TO THE IMPACT OF THE CODE (HEREINAFTER DEFINED) UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2019A BONDS.

### General

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements that must be met on a continuing basis subsequent to the issuance of the Series 2019A Bonds in order to assure that interest on the Series 2019A Bonds will be excluded from gross income for federal income tax purposes under Section 103 of the Code. The District's failure to comply with these requirements may cause interest on the Series 2019A Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The District has covenanted in the Indentures to take all actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2019A Bonds. The opinion of Bond Counsel with respect to the Series 2019A Bonds, the form of which is attached hereto as "APPENDIX B," will be based upon and assume the accuracy of certain representations and certifications and are conditioned on compliance by the District with such requirements, and Bond Counsel has not been retained to monitor compliance with requirements such as described above subsequent to the issuance of the Series 2019A Bonds. The Indentures do not require the District to redeem the Series 2019A Bonds or to pay any additional interest or penalty in the event the interest on the Series 2019A Bonds becomes taxable.

In the opinion of Bond Counsel, assuming continuing compliance by the District with the tax covenants referred to above, under existing law, interest on the Series 2019A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is further of the opinion that, pursuant to the Act, the

Series 2019A Bonds and the interest thereon are exempt from taxation under the laws of the State, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income and profits on debt obligations owned by corporations as defined therein.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2019A Bonds.

Bond Counsel will render its opinions as of the issue date, and will assume no obligation to update the opinions after the issue date to reflect any future facts or circumstances, or any future changes in law or interpretation, or otherwise. The opinions of Bond Counsel are based on existing law, which is subject to change. As to questions of fact material to such opinions, Bond Counsel will rely upon representations and covenants made on behalf of the District, certificates of appropriate officers and others (including certifications as to the use of proceeds of the Series 2019A Bonds and of the property financed thereby), without undertaking to verify the same by independent investigation. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in law that may thereafter occur or become effective. Moreover, the opinions of Bond Counsel are only opinions and not a warranty or guaranty of the matters discussed or 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.

#### **Additional Federal Income Tax Consequences**

Prospective purchasers of the Series 2019A Bonds should be aware that ownership of, accrual or receipt of interest on, or disposition of tax-exempt obligations, such as the Series 2019A Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations. Prospective purchasers of the Series 2019A Bonds should also consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

**PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2019A BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.**

Purchasers of the Series 2019A Bonds at other than their original issuance at the respective prices indicated on the cover of this Limited Offering Memorandum should consult their own tax advisors regarding other tax considerations such as the consequences of market discount.

#### **Changes in Tax Law**

Federal, state or local legislation, administrative pronouncements or court decisions may affect the tax-exempt status of interest on the Series 2019A Bonds, gain from the sale or other disposition of the Series 2019A Bonds, the market value of the Series 2019A Bonds, or the marketability of the Series

2019A Bonds. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Series 2019A Bonds may occur. Prospective purchasers of the Series 2019A Bonds should consult their own tax advisors regarding the impact of any change in law on the Series 2019A Bonds.

### **Tax Treatment of Original Issue Discount**

The Series 2019A Bonds maturing on November 1, 20\_\_ through November 1, 20\_\_, inclusive collectively, the "Discount Bonds"), were sold at prices less than the stated principal amounts thereof. The difference between the principal amount of 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, is "original issue discount." Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent and subject to the same considerations discussed above as to stated interest on the Series 2019A Bonds. Such interest is taken into account for purposes of determining the alternative minimum tax liability, and other collateral tax consequences, although the owner of such Discount Bonds may not have received cash in such year. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded on interest payment dates. A purchaser who acquires a Discount Bond in the initial offering at a price equal to the initial offering price thereof will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period such purchaser holds such Discount Bond and will increase its 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 may be determined according to rules which differ from those described above. Prospective purchasers 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 the disposition of Discount Bonds and with respect to the state and local tax consequences of owning and disposing of Discount Bonds.

### **Tax Treatment of Original Issue Premium**

The Series 2019A Bonds maturing on November 1, 20\_\_ through November 1, 20\_\_, inclusive (collectively, the "Premium Bonds"), were offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity. That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering at the price for that Premium Bond stated on the cover of this Limited Offering Memorandum who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond. Purchasers of Premium Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the treatment of



bond premium upon sale, redemption or other disposition of Premium Bonds and with respect to the state and local consequences of owning and disposing of Premium Bonds.

### **Additional Matters Relating to On-going IRS Audit Program and Special Districts**

The Internal Revenue Service (the "IRS") has established an on-going program to audit tax-exempt obligations to determine whether interest on such obligations is includible in gross income for federal income tax purposes. In addition, reference is made to "BONDOWNERS' RISKS—'IRS Audit and Examination Risk' and 'Federal Tax Reform'" herein regarding recent developments with respect to certain special district financings.

Bond Counsel cannot predict whether the IRS will commence an audit of the Series 2019A Bonds. Owners of the Series 2019A Bonds are advised that, if the IRS does audit the Series 2019A Bonds, under current IRS 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 2019A Bonds may have limited rights to participate in such procedure. The commencement of audit could adversely affect the market value and liquidity of the Series 2019A Bonds until the audit is concluded, regardless of the ultimate outcome. As noted above, the Indentures do not require the District to redeem the Series 2019A Bonds or to pay any additional interest or penalty in the event the interest on the Series 2019A Bonds becomes taxable.

### **AGREEMENT BY THE STATE**

Under the Act, the State of Florida pledges to the holders of any bonds issued thereunder, including the Series 2019A Bonds, that it will not limit or alter the rights of 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 the Series 2019A Bonds are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State of Florida, and constitute securities which 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 2019A Bonds may initially be sold by the District only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, as amended, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfer in any secondary market for the Series 2019A Bonds. Investment in the Series 2019A Bonds poses certain economic risks. No dealer, broker, salesperson 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 respective Series of the Series 2019A Bonds upon an event of default under the applicable 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 Indentures and the Series 2019A Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2019A 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 enacted before or after such delivery.

## **LITIGATION**

### **The District**

There is no litigation of any nature now pending or, to the knowledge of the District threatened, against the District seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2019A Bonds, or in any way contesting or affecting (i) the validity of the Series 2019A 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 2019A Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings.

### **The Developer**

The Developer will represent that there is no litigation of any nature now pending or, to the knowledge of the Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the completion of the Series 2019 Project or the development of the lands in the District as described herein, materially and adversely affect the ability of such Landowner to pay the related Series 2019 Assessments imposed against the land within the District owned by the Developer or materially and adversely affect the ability of the Developer to perform its various obligations described in this Limited Offering Memorandum.

## **CONTINGENT FEES**

The District has retained Bond Counsel, District Counsel, the District Engineer, the Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (who has retained Trustee's Counsel), with respect to the authorization, sale, execution and delivery of the Series 2019A Bonds. Except for the payment of certain fees to [District Counsel, District Engineer and the Methodology Consultant], the payment of fees of the other professionals is each contingent upon the issuance of the Series 2019A Bonds.

## **NO RATING**

No application for a rating for the Series 2019A Bonds has been made to any rating agency, nor is there any reason to believe that an investment grade rating for the Series 2019A Bonds would have been obtained if application had been made.

## **EXPERTS**

The Engineer's Report attached as APPENDIX C to this Limited Offering Memorandum has been prepared by Waldrop Engineering, P.A., Bonita Springs, Florida, the District Engineer. APPENDIX C should be read in its entirety for complete information with respect to the subjects discussed therein. JPWard and Associates, LLC, Oakland Park, Florida, as Methodology Consultant, has prepared the Assessment Methodology set forth as APPENDIX D attached hereto. APPENDIX D should be read in its entirety for complete information with respect to the subjects discussed therein. As a condition to closing on the Series 2019A Bonds, both the District Engineer and the Methodology Consultant have consented to the inclusion of their reports in this Limited Offering Memorandum.

## **FINANCIAL INFORMATION**

This District will covenant in a Continuing Disclosure Agreement, the proposed form of which is set forth in APPENDIX F attached hereto, to provide its annual audited financial statements to certain information repositories as described in APPENDIX F, commencing with the audit for the District fiscal year ending September 30, 2019. Attached hereto as APPENDIX E is a copy of the District's monthly unaudited financial statements for the period ended [July 31, 2019]. The District does not have audited financial statements because the District was only recently established. The Series 2019A Bonds are not general obligation bonds of the District and are payable solely from the respective Series Pledged Revenues, as set forth in the Indentures.

Beginning October 1, 2015, or by the end of the first full fiscal year after its creation, each community development district in Florida must have a separate website with certain information as set forth in Section 189.069, F.S., including, without limitation, the district's proposed and final budgets and audit. Additional information regarding the District's website is available from the District Manager at the address set forth under "THE DISTRICT – The District Manager and Other Consultants."

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

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the District make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served only as a conduit issuer such as industrial development or private activity bonds issued on behalf of private business). The District is not and has never been in default as to principal or interest on its bonds or other debt obligations since December 31, 1975.

## **CONTINUING DISCLOSURE**

The District and the Developer will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement"), the proposed form of which is set forth in the attached APPENDIX F, for the benefit of the Series 2019 Bondholders (including owners of beneficial interests in such Series 2019A Bonds), to provide certain financial information and operating data relating to the District and the Development by certain dates prescribed in the Disclosure Agreement (the "Reports") with the 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 is set forth in "APPENDIX F: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or the Developer or any other future obligated party to comply with their obligations under the Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indentures, but such event of default under the

Disclosure Agreement would allow the Series 2019A-1 Bondholders and the Series 2019A-2 Bondholders (including owners of beneficial interests in such Series 2019A Bonds), as applicable, to bring an action for specific performance.

The Developer has previously entered into continuing disclosure obligations pursuant to the Rule in connection with other offerings of community development district bonds in the State. A review of filings made pursuant to such prior undertakings indicates that certain filings required to be made by the Developer were either not filed or not timely filed and that notices of such missed and late filings were not always provided. The District has not previously entered into any continuing disclosure agreements in connection with Rule 15c2-12 (the "Rule") promulgated under the Securities Exchange Act of 1934, as amended. The District will appoint the District Manager to serve as dissemination agent under the Disclosure Agreements for the Series 2019A Bonds.

## **UNDERWRITING**

FMSbonds, Inc. (the "Underwriter") has agreed, pursuant to a contract with the District, subject to certain conditions, (i) to purchase the Series 2019A-1 Bonds from the District at a purchase price of \$\_\_\_\_\_ (par amount of the Series 2019A-1 Bonds, less [an original issue discount of \$\_\_\_\_\_ and] an Underwriter's discount of \$\_\_\_\_\_), and (ii) to purchase the Series 2019A-2 Bonds from the District at a purchase price of \$\_\_\_\_\_ (par amount of the Series 2019A-2 Bonds, less [an original issue discount of \$\_\_\_\_\_ and] an Underwriter's discount of \$\_\_\_\_\_). The Underwriter's obligations are subject to certain conditions precedent and, upon satisfaction or waiver of such conditions precedent, the Underwriter will be obligated to purchase all of a Series of Series 2019A Bonds if any Series 2019A Bonds of such Series are purchased.

The Underwriter intends to offer the Series 2019A Bonds to accredited investors at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Series 2019A 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.

## **VALIDATION**

Bonds issued pursuant to the terms of the Master Indenture have been validated by a judgment of the Circuit Court of the Twentieth Judicial Circuit Court of Florida in and for Lee County, Florida, rendered on July 29, 2019. The period of time during which an appeal can be taken from such judgment has expired without an appeal having been taken.

## **LEGAL MATTERS**

Certain legal matters related to the authorization, sale and delivery of the Series 2019A Bonds are subject to the approval of Greenspoon Marder LLP, Boca Raton, Florida, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, GrayRobinson, P.A. Tampa, Florida. Certain legal matters will be passed upon for the District by its counsel, Hopping Green & Sams P.A., Tallahassee, Florida. Certain legal matters will be passed upon for the Developer by their counsel, J. Wayne Crosby, P.A., Winter Park, Florida. GrayRobinson represents the Developer in unrelated matters in the Development.

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 of delivery of the Series 2019A Bonds. 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 opinions.

### **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 2019A 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 each Series of the Series 2019A 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 2019A Bonds.

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**AUTHORIZATION AND APPROVAL**

The execution and delivery of this Limited Offering Memorandum has been duly authorized by the Board of the District.

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT**

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

**APPENDIX A**  
**PROPOSED FORMS OF INDENTURES**

**APPENDIX B**

**PROPOSED FORMS OF OPINIONS OF BOND COUNSEL**



**APPENDIX C**  
**ENGINEER'S REPORT**

**APPENDIX D**  
**ASSESSMENT METHODOLOGY**

**APPENDIX E**  
**DISTRICT'S FINANCIAL STATEMENTS**

**APPENDIX F**

**PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT**

## CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of \_\_\_\_\_, 2019 is executed and delivered by the Esplanade Lake Club Community Development District (the "Issuer" or the "District"), Taylor Morrison of Florida, Inc., a Florida corporation (the "Developer"), and JP Ward and Associates, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Capital Improvement Revenue Bonds, Series 2019A-1 (the "Series 2019A-1 Bonds") and its Capital Improvement Revenue Bonds, Series 2019A-2 (the "Series 2019A-2 Bonds" and, together with the Series 2019A-1 Bonds, the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "Master Indenture") and a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-1 Indenture"), and as supplemented with respect to the Series 2019A-2 Bonds by a Second Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2019 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Series 2019A-2 Indenture") (the Series 2019A-1 Indenture and the Series 2019A-2 Indenture being collectively referred to herein as the "Indentures"), each entered into by and between the Issuer and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Fort Lauderdale, Florida, as trustee (the "Trustee"). The Issuer, the Developer and the Dissemination Agent covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer, the Developer and the Dissemination Agent for the benefit of the Beneficial Owners (as defined herein) of the Bonds and to assist the Participating Underwriter (as defined herein) of the Bonds in complying with the Rule (as defined herein). The Issuer has no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction, a governmental regulatory agency, or an attorney specializing in federal securities law, that the Rule requires the Issuer or other Obligated Person (as defined herein) to provide additional information, the Issuer and each Obligated Person agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indentures with respect to reports, filings and notifications provided for therein, and do not in any way relieve the Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indentures (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indentures 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 Indentures. The following capitalized terms as used in this Disclosure Agreement shall have the following meanings:

"Annual Filing Date" means the date set forth in Section 3(a) hereof by which the Annual Report is to be filed with each Repository.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Assessment Area" shall mean that portion of the District lands subject to Assessments.

"Assessments" shall mean the non-ad valorem Series 2019 Special Assessments pledged to the payment of the Bonds pursuant to the Indenture.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior Fiscal Year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Audited Financial Statements Filing Date" means the date set forth in Section 3(a) hereof by which the Audited Financial Statements are to be filed with each Repository if the same are not included as part of the Annual Report.

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

"Business Day" means any day other than (a) a Saturday, Sunday or a day on which banks located in the city in which the designated corporate trust office of the Trustee is located are required or authorized by law or executive order to close for business, and (b) a day on which the New York Stock Exchange is closed.

"Disclosure Representative" shall mean (i) as to the Issuer, the District Manager or its designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing information to the Dissemination Agent; and (ii) as to each entity comprising an Obligated Person (other than the Issuer), the individuals executing this Disclosure Agreement on behalf of such entity or such person(s) as such entity shall designate in writing to the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent.

"Dissemination Agent" shall mean the Issuer or an entity appointed by the Issuer to act in the capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer pursuant to Section 8 hereof. JPWard and Associates, LLC has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean JPWard and Associates, LLC, and its successors and assigns.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures located at <http://emma.msrb.org/>.

"EMMA Compliant Format" shall mean a format for any document provided to the MSRB (as hereinafter defined) which is in an electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

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

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

"Limited Offering Memorandum" shall mean that Limited Offering Memorandum dated \_\_\_\_\_, 2019, prepared in connection with the issuance of the Bonds.

"Listed Events" shall mean any of the events listed in Section 6(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Person(s)" shall mean, with respect to the Bonds, those person(s) who either generally or through an enterprise fund or account of such persons are committed by contract or other arrangement to support payment of all or a part of the obligations on such Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the Issuer, and for the purposes of this Disclosure Agreement, the Developer and its affiliates for so long as such Developer or its affiliates, successors or assigns (excluding residential homebuyers who are end users) are the owners of District Lands responsible for payment of at least 20% of the Assessments.

"Participating Underwriter" shall mean FMSbonds, Inc.

"Quarterly Filing Date" shall mean for the quarter ending: (i) March 31, each May 1; (ii) June 30, each August 1; (iii) September 30, each November 1; and (iv) December 31, each February 1 of the following year. The first Quarterly Filing Date shall be May 1, 2020.

"Quarterly Report" shall mean any Quarterly Report provided by any Obligated Person (other than the Issuer) pursuant to, and as described in, Section 5 of this Disclosure Agreement.

"Repository" shall mean each entity authorized and approved by the SEC (as hereinafter defined) from time to time to act as a repository for purposes of complying with the Rule. The Repositories approved by the SEC may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure

submissions through its EMMA web portal. As used herein, "Repository" shall include the State Repository, if any.

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

"SEC" means the Securities and Exchange Commission.

"State" shall mean the State of Florida.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purposes of the Rule.

### 3. **Provision of Annual Reports.**

(a) Subject to the following sentence, the Issuer shall provide the Annual Report to the Dissemination Agent no later than April 1 following the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ending September 30, 2020. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided that* the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report, and may be submitted no later than the date required by State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the Issuer's Fiscal Year (the "Audited Financial Statements Filing Date"). The Issuer shall, or shall cause the Dissemination Agent to, provide to the Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty (30) days after same becomes available, but in no event later than the Annual Filing Date or Audited Financial Statements Filing Date, if applicable. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 6.

(b) If on the fifteenth (15<sup>th</sup>) day prior to each Annual Filing Date or the Audited Financial Statements Filing Date, as applicable, the Dissemination Agent has not received a copy of the Annual Report or Audited Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be via email) to remind the Issuer of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or the Audited Financial Statements, as applicable, in accordance with Section 3(a) above, or (ii) advise the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the times required under this Disclosure Agreement, state the date by which the Annual Report or the Audited Financial Statements for such year, as applicable, will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 6(a)(xvii) has occurred and to



immediately send a notice to the Repository in substantially the form attached hereto as Exhibit A.

(c) If the Dissemination Agent has not received an Annual Report by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Annual Filing Date for the Annual Report or the Audited Financial Statements by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Audited Financial Statements Filing Date for the Audited Financial Statements, then a Listed Event as described in Section 6(a)(xvii) shall have occurred and the Dissemination Agent shall immediately send a notice to the Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

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

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Issuer stating that the Annual Report or Audited Financial Statement has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing all Repositories with which it was filed.

(e) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an EMMA Compliant Format.

#### 4. **Content of Annual Reports.**

(a) Each Annual Report shall contain the following Annual Financial Information with respect to the Issuer:

(i) The amount of Assessments levied in the Assessment Area for the most recent prior Fiscal Year.

(ii) The amount of Assessments collected in the Assessment Area from the property owners during the most recent prior Fiscal Year.

(iii) If available, the amount of delinquencies in the Assessment Area greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of the Assessments due in any year, a list of delinquent property owners.

(iv) If available, the amount of tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.

(v) All fund balances in all Funds and Accounts for the Bonds.

(vi) The total amount of Bonds Outstanding.

(vii) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.

(viii) The most recent Audited Financial Statements of the Issuer.

(ix) In the event of any amendment or waiver of a provision of this Disclosure Agreement, a description of such amendment or waiver in the next Annual Report, and in each case shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

To the extent any of the items set forth in subsections (i) through (vii) above are included in the Audited Financial Statements referred to in subsection (viii) above, they do not have to be separately set forth (unless Audited Financial Statements are being delivered more than 180 days after the close of the Issuer's Fiscal Year pursuant to Section 3(a) hereof). Any or all of the items listed above may be incorporated by reference from other documents, including limited offering memorandums and official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the SEC. If the document incorporated by reference is a final limited offering memorandum or official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

(b) The Issuer and each Obligated Person agree to supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The Issuer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Issuer, Obligated Persons and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the Issuer, an Obligated Person or others as thereafter disseminated by the Dissemination Agent.

(c) Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

## 5. **Quarterly Reports.**

(a) Each Obligated Person (other than the Issuer) shall provide an electronic copy of the Quarterly Report to the Dissemination Agent no later than fifteen (15) days prior to the Quarterly Filing Date. Promptly upon receipt of an electronic copy of the Quarterly Report,

but in any event no later than the applicable Quarterly Filing Date, the Dissemination Agent shall provide a Quarterly Report to the Repository.

(b) Each Quarterly Report shall contain an update of the following information to the extent available with respect to such Obligated Person:

(i) The number and type of lots in the Assessment Area subject to the Assessments owned by the Obligated Person.

(ii) The number and type of lots owned in the Assessment Area by the Obligated Person.

(iii) The number and type of lots platted in the Assessment Area.

(iv) The number and type of lots under contract with homebuilders in the Assessment Area, if any.

(v) The number and type of lots closed with homebuilders in the Assessment Area and the name of the homebuilder, if any.

(vi) The number and type of homes under contract with homebuyers in the Assessment Area.

(vii) The number and type of homes closed with homebuyers (delivered to end users) in the Assessment Area.

(viii) Any change to the number or type of lots planned to be developed in the Assessment Area by the Obligated Person.

(ix) Materially adverse changes or determinations to permits/approvals for the development of the Assessment Area which necessitate changes to the land use plans of any Obligated Person.

(x) The occurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area, including the amount and interest rate.

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in an Assessment Area (a "Transferor Obligated Person") to a third party (a "Transferee"), which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "Transfer"), the Transferor Obligated Person hereby agrees to use its best efforts to contractually obligate such Transferee to agree to comply with the disclosure obligations of an Obligated Person hereunder for so long as such Transferee is an Obligated Person hereunder, to the same extent as if such Transferee were a party to this Disclosure Agreement (an "Assignment"). The Transferor Obligated Person shall notify the District and the Dissemination Agent in writing of any Transfer within five (5) Business Days of the occurrence thereof. Nothing herein shall be construed to relieve the Developer 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.

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 Series 2019 Reserve Account reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;\*
- (v) Substitution of credit or liquidity providers, or their failure to perform;\*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;\*
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer or any Obligated Person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer or any Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person);

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\* Not applicable to the Bonds at their date of issuance.

(xiii) Consummation of a merger, consolidation, or acquisition involving the Issuer or any Obligated Person or the sale of all or substantially all of the assets of the Issuer or any Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional Trustee or the change of name of the Trustee, if material;

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

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties;

(xvii) Failure to provide (A) any Annual Report or Audited Financial Statements as required under this Disclosure Agreement that contains, in all material respects, the information required to be included therein under Section 4(a) of this Disclosure Agreement, or (B) any Quarterly Report that contains, in all material respects, the information required to be included therein under Section 5(b) of this Disclosure Agreement, which failure shall, in all cases, be deemed material under federal securities laws; and

(xviii) Any amendment to the accounting principles to be followed in preparing financial statements as required pursuant to Section 9 hereof.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the above subsection (a) Listed Events to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after its occurrence, with the exception of the Listed Event described in Section 6(a)(xvii) and (xviii), which notice will be given in a timely manner. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (d) below. Such notice by the Issuer to the Dissemination Agent shall identify the Listed Event that has occurred, include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is in compliance within the filing dates provided within this Section 6(b)).

(c) Notwithstanding anything contained in Section 6(b) above, each Obligated Person other than the Issuer shall notify the Issuer and the Dissemination Agent of the occurrence of a Listed Event described in subsections (a)(x), (xii), (xiii), (xv), (xvi) or (xvii) that has occurred with respect to such Obligated Person in compliance with the notification and filing requirements provided in Section 6(b).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with each Repository.

(e) The Developer hereby represents and warrants that it has not previously entered into any continuing disclosure agreement in connection with a prior offering of securities in order to enable an underwriter of said securities to comply with the provisions of the Rule.

7. **Termination of Disclosure Agreement.** This Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

8. **Dissemination Agent.** Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the Issuer or the Dissemination Agent, the Issuer agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. If at any time there is not any other designated Dissemination Agent, the District shall be deemed to be the Dissemination Agent. The initial Dissemination Agent shall be JPWard and Associates, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of JPWard and Associates, LLC. JPWard and Associates, LLC, may terminate its role as Dissemination Agent at any time upon delivery of thirty (30) days prior written notice to the District and each Obligated Person.

9. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the Issuer, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Notwithstanding the above provisions of this Section 9, no amendment to the provisions of Section 5(b) hereof may be made without the consent of the each Obligated Person, if any.

10. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

11. **Default.** In the event of a failure of the Issuer, the Disclosure Representative, any Obligated Person or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Beneficial Owners of at least twenty-five percent (25%) aggregate principal amount of

Outstanding Bonds and receipt of indemnity satisfactory to the Trustee, shall), or any beneficial owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer, the Disclosure Representative, any Obligated Person or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement by any Obligated Person shall not be deemed a default by the Issuer hereunder and no default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer, the Disclosure Representative, any Obligated Person, or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

12. **Duties of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement between the District, the Developer and such Dissemination Agent. The Dissemination Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. The District, each Obligated Person and the Disclosure Representative covenant that they will supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The District, the Developer and the Disclosure Representative acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, Obligated Person(s), the Disclosure Representative and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, any Obligated Person or the Disclosure Representative as thereafter disseminated by the Dissemination Agent. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format.

13. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Developer, the Dissemination Agent, the Trustee, the Participating Underwriter and the Owners of the Bonds (the Dissemination Agent, the Trustee, Participating Underwriter and Owners of the Bonds being hereby deemed express third party beneficiaries of this Disclosure Agreement), and shall create no rights in any other person or entity.

14. **Tax Roll and Budget.** Upon the request of the Dissemination Agent, the Trustee or any Bondholder, the Issuer, through its District Manager, if applicable, agrees to provide such party with a certified copy of its most recent tax roll provided to the Lee County Tax Collector and the Issuer's most recent adopted budget.

15. **Governing Law.** The laws of the State of Florida and Federal law shall govern this Disclosure Agreement and venue shall be any state or federal court having jurisdiction in Lee County, Florida.

16. **Counterparts.** This Disclosure Agreement may be executed in several counterparts and by PDF signature and all of which shall constitute but one and the same instrument.

17. **Trustee Cooperation.** The Issuer represents that the Dissemination Agent is a bona fide agent of the Issuer and the Issuer instructs the Trustee to deliver to the Dissemination Agent at the expense of the Issuer, any information or reports readily available to and in the possession of the Trustee that the Dissemination Agent requests in writing.

18. **Binding Effect.** This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the Developer or any assignee or successor thereto that becomes an Obligated Person pursuant to the terms of this Disclosure Agreement, only successor or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

[Signature Page Follows]



**IN WITNESS WHEREOF**, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**ESPLANADE LAKE CLUB COMMUNITY  
DEVELOPMENT DISTRICT, AS ISSUER**

[SEAL]

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

ATTEST:

By: \_\_\_\_\_  
\_\_\_\_\_, Secretary

**TAYLOR MORRISON OF FLORDIA, INC.,  
AS DEVELOPER**

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

**JPWARD AND ASSOCIATES, LLC, and its  
successors and assigns, AS DISSEMINATION  
AGENT**

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

**CONSENTED TO AND AGREED TO BY:**

**DISTRICT MANAGER**

**JPWARD AND ASSOCIATES, LLC, AS  
DISTRICT MANAGER**

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

Acknowledged and agreed to for purposes of  
Sections 11, 13 and 17 only:

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

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

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

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

**EXHIBIT A**

**FORM OF NOTICE TO REPOSITORIES OF FAILURE  
TO FILE [ANNUAL REPORT]  
[AUDITED FINANCIAL STATEMENTS][QUARTERLY REPORT]**

Name of Issuer: Esplanade Lake Club Community Development District

Name of Bond Issue: \$\_\_\_\_\_ original aggregate principal amount of Capital Improvement Revenue Bonds, Series 2019A-1 and \$\_\_\_\_\_ original aggregate principal amount of Capital Improvement Revenue Bonds, Series 2019A-2

Obligated Person(s): Esplanade Lake Club Community Development District;  
\_\_\_\_\_.

Original Date of Issuance: \_\_\_\_\_, 2019

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 \_\_\_\_\_, 2019, by and between the Issuer, the Developer 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