

TERN BAY COMMUNITY DEVELOPMENT DISTRICT



AGENDA

SEPTEMBER 16, 2021

PREPARED BY:

JPWARD & ASSOCIATES, LLC, 2301 NORTHEAST 37TH STREET, FORT LAUDERDALE, FL 33308

T: 954-658-4900 E: JimWard@JPWardAssociates.com

TERN BAY COMMUNITY DEVELOPMENT DISTRICT

September 9, 2021

Board of Supervisors

Tern Bay Community Development District

Dear Board Members:

This regular meeting of the Board of Supervisors of the Tern Bay Community Development District will be held on **Thursday, September 16, 2021, at 9:00 A.M.** at the **Country Inn and Suites, 24244 Corporate Court, Port Charlotte, Florida 33954.**

The following WebEx link and telephone number are provided to join/watch the meeting.

<https://districts.webex.com/districts/onstage/g.php?MTID=e05a5e073b4d25df8a0ed2786b48d2d02>

Access Code: **179 749 5862**, Event password: **Jpward**

Phone: **408-418-9388** and enter the access code **179 749 5862** to join the meeting.

Agenda

1. Call to Order & Roll Call.
2. Consideration of Minutes:
 - I. July 13, 2021, Regular Meeting.
3. Consideration of **Resolution 2021-12**, a Resolution of the Board of Supervisors of the Tern Bay Community Development District (the "District"): (i) authorizing the Issuance of not exceeding \$32,000,000 Tern Bay Community Development District, Special Assessment Bonds, Series 2021 (the "Bonds") to finance certain Public Infrastructure within the District; (ii) determining the need for a negotiated limited offering of the Bonds and providing for a delegated award of such bonds; appointing the underwriter for the limited offering of the Bonds; (iii) approving the form of and authorizing the execution and delivery of a Bond Purchase Contract with respect to the Bonds; (iv) approving the form of and authorizing the execution and delivery of a First Supplemental Trust Indenture governing the Bonds; (v) approving the form of and authorizing the distribution of a Preliminary Limited Offering Memorandum; (vi) approving the execution and delivery of a Final Limited Offering Memorandum; (vii) approving the form of and authorizing the execution of a Continuing Disclosure Agreement, and appointing a dissemination agent; (viii) approving the application of Bond proceeds; (ix) authorizing certain modifications to the Assessment Methodology Report and Engineer's Report; (x) making certain

- declarations; (xi) providing for the registration of the Bonds pursuant to the DTC book-entry only system; and (xii) authorizing the proper officials to do all things deemed necessary in connection with the issuance, sale, and delivery of the Bonds.
4. Consideration of the Security Services Agreement dated October 1, 2021, between the District and Ramco Protective of Orlando, Inc. for security services.
 5. Consideration of **Resolution 2021-13**, a Resolution of the Board of Supervisors of the District appointing Greenburg Traurig, LLP, as Bond Counsel.
 6. Staff Reports.
 - I. District Attorney.
 - II. District Engineer.
 - III. District Manager.
 - a) Financial Statements for period ending July 31, 2021 (unaudited).
 - b) Financial Statements for period ending August 31, 2021 (unaudited).
 7. Supervisor's Requests and Audience Comments.
 8. Adjournment.

The first order of business is the call to order and roll call.

The second order of business is the consideration of the July 13, 2021, Regular Meeting.

The third order of business is the consideration of **Resolution 2021-12**, a Resolution of the Board of Supervisors of the District: (i) authorizing the Issuance of not exceeding \$32,000,000 Tern Bay Community Development District, Special Assessment Bonds, Series 2021 (the "Bonds") to finance certain Public Infrastructure within the District; (ii) determining the need for a negotiated limited offering of the Bonds and providing for a delegated award of such bonds; appointing the underwriter for the limited offering of the Bonds; (iii) approving the form of and authorizing the execution and delivery of a Bond Purchase Contract with respect to the Bonds; (iv) approving the form of and authorizing the execution and delivery of a First Supplemental Trust Indenture governing the Bonds; (v) approving the form of and authorizing the distribution of a Preliminary Limited Offering Memorandum; (vi) approving the execution and delivery of a Final Limited Offering Memorandum; (vii) approving the form of and authorizing the execution of a Continuing Disclosure Agreement, and appointing a dissemination agent; (viii) approving the application of Bond proceeds; (ix) authorizing certain modifications to the Assessment Methodology Report and Engineer's Report; (x) making certain declarations; (xi) providing for the registration of the Bonds

pursuant to the DTC book-entry only system; and (xii) authorizing the proper officials to do all things deemed necessary in connection with the issuance, sale, and delivery of the Bonds.

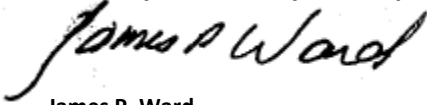
The fourth order of business is the consideration of the Security Services Agreement dated October 1, 2021, between the District and Ramco Protective of Orlando, Inc. for, among other services, providing security systems and related hardware, security officers, and security patrols.

The fifth order of business is the consideration **Resolution 2021-13**, a Resolution of the Board of Supervisors of the District appointing Greenberg Traurig, as Bond Counsel.

The sixth order of business is the consideration of Staff Reports by the District Attorney, District Engineer, and the District Manager. The District Manager will report on Financial Statements (unaudited) for the periods ending July 31, 2021, and August 31, 2021.

The remainder of the agenda is standard in nature, and I look forward to seeing you at the meeting. If you have any questions and/or comments before the meeting, please do not hesitate to contact me directly at (954) 658-4900.

Tern Bay Community Development District



James P. Ward
District Manager

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**MINUTES OF MEETING
TERN BAY
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Tern Bay Community Development District was held on Tuesday, July 13, 2021, at 10:00 a.m. at the Country Inn and Suites, 24244 Corporate Court, Port Charlotte, Florida 33954.

Present and constituting a quorum:

Russell Smith	Chairperson
Christopher Hasty	Vice Chairperson
Barry Ernst	Assistant Secretary
Anthony Burdett	Assistant Secretary
Ashley Kingston	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Counsel

Audience:

Bruce Landis
Tom Cordraw
Dennis Seligman

All resident's names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

**PORTIONS OF THIS MEETING WERE TRANSCRIBED VERBATIM. ALL VERBATIM PORTIONS
WERE TRANSCRIBED IN *ITALICS*.**

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

District Manager James P. Ward called the meeting to order at approximately 10:05 a.m. He conducted roll call and all Board Members were present, constituting a quorum.

SECOND ORDER OF BUSINESS

Consideration of Minutes

May 11, 2021 – Regular Meeting Minutes

Mr. Ward asked if there were any additions, corrections, or deletions for the Minutes; hearing none, he called for a motion.

On MOTION made by Mr. Barry Ernst, seconded by Ms. Ashley Kingston, and with all in favor, the May 11, 2021, Regular Meeting Minutes were approved.

48 **THIRD ORDER OF BUSINESS** **PUBLIC HEARING**

49
50 **Public Hearing**

51
52 Mr. Ward reviewed the public hearing process.

53
54 **a. PUBLIC HEARING – FISCAL YEAR 2022 BUDGET**

55
56 **I. Public Comment and Testimony**

57
58 Mr. Ward called for a motion to open the Public Hearing.

59
60 **On MOTION made by Mr. Russell Smith, seconded by Mr. Barry Ernst,**
61 **and with all in favor, the Public Hearing was opened.**

62
63 *Mr. Ward: This is your proposed Fiscal Year 2022 Budget which covers the period*
64 *beginning October 1, 2021 and runs through September 30, 2022. The budget for Fiscal*
65 *Year 2022 is essentially the same budget as we had in fiscal year 2021. It generates an*
66 *assessment rate of \$542.33 per unit for next fiscal year; it is \$542.34 in the current fiscal*
67 *year. There have been no changes in the operating elements which include the gate*
68 *systems, the landscaping, the stormwater management system, streetlights, irrigation*
69 *system for the community, and those are the major items within the budget. This*
70 *District Budget also includes the debt service budget related to the original set of bonds*
71 *that were related to this District for some small part of the lots that were outside of the*
72 *context of the problems this District had a number of years ago.*

73
74 Mr. Ward asked if there any audience members present in person, audio, or video, with
75 any public comments or questions with respect to the Fiscal Year 2022 Budget; hearing
76 none, he called for a motion to close the public hearing.

77
78 **On MOTION made by Mr. Barry Ernst, seconded by Ms. Ashley**
79 **Kingston, and with all in favor, the Public Hearing was closed.**

80
81 **II. Board Comment**

82
83 Mr. Ward asked if there were any Board comments or questions; there were none.

84
85 **III. Consideration of Resolution 2021-9 relating to the annual appropriations and adopting the**
86 **budget for Fiscal Year 2022**

87
88 Mr. Ward called for a motion.

89
90 **On MOTION made by Mr. Russell Smith, seconded by Mr. Christopher**
91 **Hasty, and with all in favor, Resolution 2021-9 was adopted, and the**
92 **Chair was authorized to sign.**

93

b. FISCAL YEAR 2022 IMPOSING SPECIAL ASSESSMENTS; ADOPTING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY

Mr. Ward indicated this public hearing was related to the imposition of the special assessments and adopting an assessment roll for the District for Fiscal Year 2022.

I. Public Comment and Testimony

Mr. Ward called for a motion to open the Public Hearing.

On MOTION made by Mr. Barry Ernst, seconded by Ms. Ashley Kingston, and with all in favor, the Public Hearing was opened.

Mr. Ward: This public hearing is related to the assessments that we levy for our general fund. As I mentioned, the assessment rate is \$542.33 per unit. That simply means that every existing residential unit that is in the project will pay that amount of money, plus undeveloped land pays the same amount per unit based on the estimated number of units that are anticipated to be developed on those lots. That means basically roughly 1,560 units are within the project that includes the equivalent conversion for the commercial piece that is in this project. That is the number of units that paid \$542.33 per unit.

Mr. Ward asked if there were any audience members present in person, audio or video with public comments or questions; hearing none, he called for a motion to close the Public Hearing.

On MOTION made by Mr. Barry Ernst, seconded by Ms. Ashley Kingston, and with all in favor, the Public Hearing was closed.

II. Board Comment

Mr. Ward asked if there were any questions; there were none.

III. Consideration of Resolution 2021-10 imposing special assessments, certifying an assessment roll, and approving the general fund special assessment methodology

Mr. Ward called for a motion.

On MOTION made by Mr. Barry Ernst, seconded by Mr. Christopher Hasty, and with all in favor, Resolution 2021-10 was adopted, and the Chair was authorized to sign.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2021-11

Consideration of Resolution 2021-11 designating dates, time, and location for regular meeting of the Board of Supervisor’s for Fiscal Year 2022

141 Mr. Ward indicated the meetings were scheduled for the second Tuesday of each month at 10:00 a.m.
142 at the Country Inn and Suites, 24244 Corporate Court, Port Charlotte, Florida 33954. He explained this
143 resolution did not bind the Board to the dates and times; meetings could be added or removed as the
144 Board deemed appropriate.

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146
147 **On MOTION made by Mr. Barry Ernst, seconded by Ms. Ashley**
148 **Kingston, and with all in favor, Resolution 2021-11 was adopted, and**
149 **the Chair was authorized to sign.**

150
151 **FIFTH ORDER OF BUSINESS**

Consideration of Acceptance

152
153 **Consideration of the Acceptance of the Audited Financial Statements for the Fiscal Year ended**
154 **September 30, 2020**

155
156 *Mr. Ward: Our auditor is not with us today. I usually make a presentation of the audit, but this is not*
157 *required. The Audit is essentially the same as what has been seen in prior years with the numbers*
158 *update for Fiscal Year 2020. It is important to note that you have received a clean opinion which means*
159 *that there are no matters that came to the attention of the auditor that would want him to qualify the*
160 *conditions contained in the preparation and the submittal of the audit before you. It is completed. It is*
161 *filed with the Auditor General, the Department of Banking and Finance, as required by law. He asked if*
162 *there were any questions; hearing none, he called for a motion.*

163
164 **On MOTION made by Mr. Russell Smith, seconded by Mr. Barry Ernst,**
165 **and with all in favor, the Audited Financial Statements for the Fiscal**
166 **Year ended September 30, 2020, were accepted.**

167
168 **SIXTH ORDER OF BUSINESS**

Staff Reports

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170 **Staff Reports**

171
172 **I. District Attorney**

173
174 *Mr. Greg Urbancic: A new law was passed that will require us to do a stormwater needs analysis.*
175 *I know there will be more stormwater facilities transferred to this District in the future, but the*
176 *stormwater needs analysis is something that will need to be done prior to June 30, 2022. I'm sure*
177 *that will be something we will have to have Banks take a look at so we can report that to the*
178 *County. Otherwise, I didn't have anything else unless the Board had any specific questions for me.*

179
180 Mr. Smith asked what a stormwater needs analysis was.

181
182 *Mr. Ward: It basically says you have to estimate the value of your stormwater system over the*
183 *next 20- or 30-year period including inflation, etc., and then you have to provide that information*
184 *to the County on a periodic basis, although I do know it is due June 30, 2022. It has never been*
185 *done in this State, so this will be interesting.*

187 *Mr. Urbancic: I think this has to be filed every three to five years or something. There is a*
 188 *reporting period you have to go through. The County is obligated to collect all this information*
 189 *from all municipalities and special Districts and then submit it to the State. I do not know what*
 190 *they are going to do with it unless it is some determination. I speculate it may be, for purposes of*
 191 *being able to allow counties to speculate and levy assessments for stormwater, and they are trying*
 192 *to figure out what special districts have and what they are doing. I don't know. We will see. This*
 193 *was a late evolving bill which just was signed on June 29. I guess we will see what they do with it.*

194
195 **II. District Engineer**

196 No report.

197
198 **III. District Manager**

199 **a) Financial Statements for period ending May 31, 2021 (unaudited)**

200 **b) Financial Statements for period ending June 30, 2021 (unaudited)**

201
202 No report.

203
204 **SEVENTH ORDER OF BUSINESS**

Supervisor's Requests and Audience Comments

205
206 Mr. Ward asked if there were any Supervisor's requests; there were none. He asked if there were any
207 audience comments.

208
209 Mr. Dennis Seligman asked about the anticipated end of year fund balance for Fiscal year 2021.

210
211 *Mr. Ward: All funds that are not used roll over to the next fiscal year's operations as needed. The*
212 *anticipation is that we will do roving patrols at the appropriate time. The thought was initially 2021.*
213 *Obviously, we are rolling that into 2022.*

214
215 **EIGHTH ORDER OF BUSINESS**

Adjournment

216
217 Mr. Ward adjourned the meeting at approximately 10:20 a.m.

<p>218 219 On MOTION made by Mr. Barry Ernst, seconded by Mr. Russell Smith, 220 and with all in favor, the meeting was adjourned.</p>
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223 **ATTEST:**

Tern Bay Community Development District

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227 _____
228 **James P. Ward, Secretary**

_____ **Russell Smith, Chairperson**

RESOLUTION NO. 2021-12

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TERN BAY COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$32,000,000 TERN BAY COMMUNITY DEVELOPMENT DISTRICT, SPECIAL ASSESSMENT BONDS, SERIES 2021 (THE "BONDS") TO FINANCE CERTAIN PUBLIC INFRASTRUCTURE WITHIN THE DISTRICT; DETERMINING THE NEED FOR A NEGOTIATED LIMITED OFFERING OF THE BONDS AND PROVIDING FOR A DELEGATED AWARD OF SUCH BONDS; APPOINTING THE UNDERWRITER FOR THE LIMITED OFFERING OF THE BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT WITH RESPECT TO THE BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST INDENTURE GOVERNING THE BONDS; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM; APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT, AND APPOINTING A DISSEMINATION AGENT; APPROVING THE APPLICATION OF BOND PROCEEDS; AUTHORIZING CERTAIN MODIFICATIONS TO THE ASSESSMENT METHODOLOGY REPORT AND ENGINEER'S REPORT; MAKING CERTAIN DECLARATIONS; PROVIDING FOR THE REGISTRATION OF THE BONDS PURSUANT TO THE DTC BOOK-ENTRY ONLY SYSTEM; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

WHEREAS, the Tern Bay Community Development District (the "District") is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), created pursuant to Rule 42VV-1 F.A.C. duly adopted by the Florida Land and Water Adjudicating Commission, effective September 15, 2004; and

WHEREAS, the District was created for the purpose of delivering certain community development services and facilities within and outside its jurisdiction; and

WHEREAS, the Board of Supervisors of the District (herein, the "Board") has previously adopted Resolution No. 2020-05 on April 14, 2020 (the "Initial Bond Resolution"), pursuant to which the District authorized the issuance of not to exceed \$35,000,000 of its Special Assessment Bonds to be issued in one or more Series to finance all or a portion of the District's capital improvement program; and

WHEREAS, any capitalized term used herein and not otherwise defined shall have the meaning ascribed to such term in the Initial Bond Resolution; and

WHEREAS, pursuant to the Initial Bond Resolution, the Board approved the form of Master Trust Indenture and issued its first series of special assessment bonds thereunder (the “Master Indenture”), by the District and U.S. Bank National Association, as trustee (the “Trustee”); and

WHEREAS, the Board hereby determines to issue its Tern Bay Community Development District Special Assessment Bonds, Series 2021 (the “2021 Bonds”) in the principal amount of not exceeding \$32,000,000 for the purpose of providing funds to finance all or a portion of the public infrastructure within the District – specifically, the “2021 Project” as described in the District’s *Engineer’s Report* dated April 2020, as supplemented (“Engineer’s Report”); and

WHEREAS, the 2021 Project is hereby determined to be necessary to coincide with the developer’s plan of development; and

WHEREAS, there has been submitted to this meeting, with respect to the issuance and sale of the 2021 Bonds, and submitted to the Board forms of:

(i) a Bond Purchase Contract with respect to the 2021 Bonds by and between FMSbonds, Inc., as the underwriter (the “Underwriter”) and the District, together with the form of a disclosure statement attached to the Bond Purchase Contract pursuant to Section 218.385, Florida Statutes, substantially in the form attached hereto as Exhibit A (the “Bond Purchase Contract”);

(ii) a Preliminary Limited Offering Memorandum substantially in the form attached hereto as Exhibit B (the “Preliminary Limited Offering Memorandum”);

(iii) a Continuing Disclosure Agreement among the District, the dissemination agent named therein and the obligated parties named therein, substantially in the form attached hereto as Exhibit C; and

(iv) a First Supplemental Trust Indenture (the “First Supplemental”) between the District and the Trustee, substantially in the form attached hereto as Exhibit D and, together with the Master Indenture previously approved, the “2021 Indenture.”

WHEREAS, in connection with the sale of the 2021 Bonds, it may be necessary that certain modifications be made to the *Master Special Assessment Methodology* dated April 7, 2020, as supplemented (“Assessment Methodology Report”) and the Engineer’s Report to conform such reports to the final terms of the 2021 Bonds; and

WHEREAS, the proceeds of the 2021 Bonds shall also fund a debt service reserve account, pay capitalized interest and pay the costs of the issuance of the 2021 Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the Tern Bay Community Development District (the “Board”), as follows:

Section 1. Negotiated Limited Offering of 2021 Bonds. The District hereby finds that because of the complex nature of assessment bond financings in order to better time the sale of the 2021 Bonds and secure better interest rates, it is necessary and in the best interest of the District that the 2021 Bonds, in the aggregate principal amount of not exceeding \$32,000,000, be sold on a negotiated limited offering basis. The District hereby further finds that it will not be adversely affected if the 2021 Bonds are not sold pursuant to competitive sales.

Section 2. Purpose. The District has authorized its capital improvement plan for the development of the District, as set forth in the Engineer's Report, and hereby authorizes the financing of all or a portion of the acquisition and construction of certain public infrastructure benefiting the assessable lands within the District by issuing the 2021 Bonds to finance all or a portion of such public infrastructure described in the Engineer's Report (herein, the "2021 Project"). The 2021 Project includes, but is not limited to, stormwater drainage facilities including related earthwork, water and sewer facilities, including related connection charges, public roadway improvements, including related impact fees, landscaping and hardscaping in public rights-of-way, and related costs, all as more particularly described in the Engineer's Report.

Section 3. Sale of the 2021 Bonds. Except as otherwise provided in the last sentence of this Section 3, the proposal submitted by the Underwriter offering to purchase the 2021 Bonds at the purchase price established pursuant to the parameters set forth below and on the terms and conditions set forth in the Bond Purchase Contract (attached hereto as Exhibit A), are hereby approved and adopted by the District in substantially the form presented. Subject to the last sentence of this Section 3, the Chairperson (or, in the absence of the Chairperson, any other member of the Board) is hereby authorized to execute and deliver on behalf of the District, and the Secretary of the District is hereby authorized (if so required) to affix the Seal of the District and attest to the execution of the Bond Purchase Contract in substantially the form presented at this meeting. The disclosure statements of the Underwriter, as required by Section 218.385, Florida Statutes, to be delivered to the District prior to the execution of the Bond Purchase Contract, a copy of which is attached as an exhibit to the Bond Purchase Contract, will be entered into the official records of the District. The Bond Purchase Contract, in final form as determined by counsel to the District and the Chairperson, may be executed by the District without further action provided that (i) the 2021 Bonds mature not later than the statutory permitted period; (ii) the principal amount of the 2021 Bonds issued does not exceed \$32,000,000; (iii) the arbitrage bond yield shall not exceed 4.50%; (iv) if the 2021 Bonds are subject to optional redemption which determination will be made on or before the sale date of the 2021 Bonds, the first optional call date and optional redemption price shall be determined on or before the Purchase Contract is executed; and (v) the purchase price to be paid by the Underwriter for the 2021 Bonds is not less than 98% of the principal amount of the 2021 Bonds issued (exclusive of any original issuance discount).

Section 4. The Limited Offering Memorandum. The Limited Offering Memorandum, in substantially the form of the Preliminary Limited Offering Memorandum (as herein defined and subject to the other conditions set forth herein) attached hereto as Exhibit B, with such changes as are necessary to conform to the details of the 2021 Bonds and the requirements of

the Bond Purchase Contract, is hereby approved. The District hereby authorizes the execution of the Limited Offering Memorandum and the District hereby authorizes the Limited Offering Memorandum, when in final form, to be used in connection with the limited offering and sale of the 2021 Bonds. The District hereby authorizes and consents to the use by the Underwriter of a Preliminary Limited Offering Memorandum substantially in the form attached hereto as Exhibit B, in connection with the limited offering of the 2021 Bonds (the "Preliminary Limited Offering Memorandum"). The final form of a Preliminary Limited Offering Memorandum shall be determined by the Underwriter and the professional staff of the District. The Limited Offering Memorandum may be modified in a manner not inconsistent with the substance thereof and the terms of the 2021 Bonds as shall be deemed advisable by Bond Counsel and counsel to the District, with final approval by the Chairperson. The Chairperson (or, in the absence of the Chairperson, any other member of the Board) is hereby further authorized to execute and deliver on behalf of the District, the Limited Offering Memorandum and any amendment or supplement thereto, with such changes, modifications and deletions as the member of the Board executing the same may deem necessary and appropriate with the advice of Bond Counsel and counsel to the District, with final approval by the Chairperson, such execution and delivery to be conclusive evidence of the approval and authorization thereof by the District. The District hereby authorizes the Chairperson (or, in the absence of the Chairperson, any other member of the Board) to deem "final" the Preliminary Limited Offering Memorandum except for permitted omissions all within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 and to execute a certificate in that regard.

Section 5. Details of the 2021 Bonds. The proceeds of the 2021 Bonds shall be applied in accordance with the provisions of the 2021 Indenture. The 2021 Bonds shall mature in the years and in the amounts, bear interest at such rates and be subject to redemption, all as provided in the First Supplemental. The execution of the First Supplemental shall constitute approval of such terms as set forth in the 2021 Indenture and this Resolution. The maximum aggregate principal amount of the 2021 Bonds authorized to be issued pursuant to this Resolution and the 2021 Indenture shall not exceed \$32,000,000.

Section 6. Continuing Disclosure; Dissemination Agent. The Board does hereby authorize and approve the execution and delivery of a Continuing Disclosure Agreement by the Chairperson (or, in the absence of the Chairperson, any other member of the Board) substantially in the form presented to this meeting and attached hereto as Exhibit C. The Continuing Disclosure Agreement is being executed by the District and the other parties thereto in order to assist the Underwriter in the marketing of the 2021 Bonds and compliance with Rule 15c2-12 of the Securities and Exchange Commission. JPWard & Associates LLC is hereby appointed the initial dissemination agent.

Section 7. Authorization of Execution and Delivery of the First Supplemental Trust Indenture; Application of Master Indenture. The District does hereby authorize and approve the execution by the Chairperson (or, in the absence of the Chairperson, the Vice Chairperson or any other member of the Board) and the Secretary or any Assistant Secretary to attest and authorize the delivery of the previously approved Master Indenture and First Supplemental, both

between the District and the Trustee. The Board hereby authorizes the use and application of the Master Indenture for the 2021 Bonds. The 2021 Indenture shall provide for the security of the 2021 Bonds and express the terms of the 2021 Bonds. The First Supplemental shall be substantially in the form attached hereto as Exhibit D and is hereby approved, with such changes therein as are necessary or desirable to reflect the terms of the sale of the 2021 Bonds as shall be approved by the Chairperson (or, in the absence of the Chairperson, the Vice Chairperson, or any other member of the Board) executing the same upon the advice of Bond Counsel and counsel to the District, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of the First Supplemental attached hereto as Exhibit D.

Section 8. Authorization and Ratification of Prior Acts. All actions previously taken by or on behalf of District in connection with the issuance of the 2021 Bonds are hereby authorized, ratified and confirmed.

Section 9. Appointment of Underwriter. The Board hereby formally appoints FMSbonds, Inc., as the Underwriter for the 2021 Bonds.

Section 10. Book-Entry Only Registration System. The registration of the 2021 Bonds shall initially be by the book-entry only system established with The Depository Trust Company.

Section 11. Assessment Methodology Report. The Board hereby authorizes any modifications to the Assessment Methodology Report prepared by JPWard & Associates LLC in connection with the 2021 Bonds if such modifications are determined to be appropriate in connection with the issuance of the 2021 Bonds.

Section 12. Engineer's Report. The Board hereby authorizes any modifications to the Engineer's Report prepared by Banks Engineering in connection with the 2021 Bonds if such modifications are determined to be appropriate in connection with the issuance of the 2021 Bonds or modifications to the 2021 Project.

Section 13. Further Official Action. The Chairperson, the Vice Chairperson, the Secretary and each other member of the Board and any other proper official or member of the professional staff of the District are each hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or desirable for carrying out the transactions contemplated by this Resolution. In the event that the Chairperson, the Vice Chairperson or the Secretary is unable to execute and deliver the documents herein contemplated, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the District herein authorized. The Secretary or any Assistant Secretary is hereby authorized and directed to apply and attest the official seal of the District to any agreement or instrument authorized or approved herein that requires such a seal and attestation.

Section 14. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this

Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Section 15. Inconsistent Proceedings. All resolutions or proceedings, or parts thereof, in conflict with the provisions hereof are to the extent of such conflict hereby repealed or amended to the extent of such inconsistency.

PASSED in public session of the Board of Supervisors of the Tern Bay Community Development District, this 16th day of September, 2021.

**TERN BAY COMMUNITY DEVELOPMENT
DISTRICT**

ATTEST:

By: _____
Name: _____
Title: Secretary

By: _____
Name: _____
Title: Chairperson/Vice Chairperson
Board of Supervisors

EXHIBIT A

FORM OF BOND PURCHASE CONTRACT

§ _____
**TERN BAY COMMUNITY DEVELOPMENT DISTRICT
(CHARLOTTE COUNTY, FLORIDA)
SPECIAL ASSESSMENT BONDS, SERIES 2021**

BOND PURCHASE CONTRACT

_____, 2021

Board of Supervisors
Tern Bay Community Development District
Charlotte County, Florida

Dear Gentlemen:

FMSbonds, Inc. (the "Underwriter") offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the Tern Bay Community Development District (the "District"). The District is located entirely within an unincorporated area of Charlotte 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 [5:00 P.M.] prevailing time within the jurisdiction of the District on the date hereof, unless previously withdrawn or extended in writing by the Underwriter. This Purchase Contract shall be binding upon the District and the Underwriter upon execution and delivery. Any capitalized word not defined herein shall have the meaning ascribed thereto in the Preliminary Limited Offering Memorandum (as hereinafter defined). In conformance with Section 218.385, Florida Statutes, as amended, the Underwriter hereby delivers to the District the Disclosure and Truth-In-Bonding Statements attached hereto as Exhibit A.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District, and the District hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of its \$_____ aggregate principal amount of Tern Bay Community Development District Special Assessment Bonds, Series 2021 (the "Bonds"). The Bonds shall be dated their date of delivery and shall mature on the dates, shall bear interest at the rates, and shall be subject to redemption prior to maturity, all as provided in Exhibit B attached hereto. The purchase price for the Bonds shall be \$_____ (representing the \$_____ aggregate principal amount of the 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 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 Bonds. The Bonds are to be issued by the District, a local unit of special-purpose government of the State of Florida (the "State") created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any

successor statute thereto, the Florida Constitution, and other applicable provisions of law (the "Act"), by Rule 42VV-1 F.A.C. adopted by the Florida Land and Water Adjudicating Commission effective September 15, 2004 (the "Ordinance"). The Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of _____ 1, 2021 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture, and together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"), and Resolution No. 2020-05 adopted by the Board of Supervisors of the District (the "Board") on April 14, 2020 and Resolution No. 2021-__ adopted by the Board on _____, 2021 (collectively, the "Bond Resolution"). The Series 2021 Special Assessments comprising the Series 2021 Pledged Revenues have been levied by the District on those lands within the District specially benefited by the 2021 Project pursuant to the Assessment Resolutions (as such terms are defined in the First Supplemental Indenture).

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

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

(b) Except as otherwise indicated in Exhibit B, the District will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the District the price or prices at which the Underwriter has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity, the Underwriter agrees to promptly report to the District the prices at which the Bonds of that maturity have been sold by the Underwriter to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(c) The Underwriter confirms that it has offered the Bonds to accredited investors constituting the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields,

set forth in Exhibit B attached hereto, except as otherwise set forth therein. Exhibit B also sets forth, as of the date of this Purchase Contract, the maturities of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

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

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

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

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The District acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(f) The Underwriter acknowledges that sales of any Bond to any person that is a related party to an Underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

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

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public

(including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

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

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

4. Use of Documents. Prior to the date hereof, the District has caused to be prepared and provided to the Underwriter the Preliminary Limited Offering Memorandum, dated _____, 2021 (the "Preliminary Limited Offering Memorandum"), of the District, relating to the Bonds that the District has deemed final as of its date, except for certain permitted omissions (the "Permitted Omissions"), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") in connection with the limited offering of the Bonds. The Underwriter has reviewed the Preliminary Limited Offering Memorandum prior to the execution of this Purchase Contract. The District hereby ratifies and approves the use of the Preliminary Limited Offering Memorandum by the Underwriter. The District shall deliver, or cause to be delivered, at its expense, to the Underwriter within seven (7) business days after the date hereof but not later than the Closing Date (as hereinafter defined) and in sufficient time to accompany any confirmation that requests payment from any customer such number of copies of the final Limited Offering Memorandum (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda") as the Underwriter shall reasonably request to comply with the requirements of the Rule and all applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The District hereby authorizes the use by the Underwriter of the Limited Offering Memoranda with respect to the Bonds.

5. Definitions. For purposes hereof, (a) this Purchase Contract, the Bonds, the Indenture, the Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District, Lennar Homes, LLC, a Florida limited liability company (the "Developer"), and JP Ward and Associates, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") and district manager (the "District Manager"), the Trustee and the District Manager in substantially the form attached to the Preliminary Limited Offering Memorandum as APPENDIX E thereto (the "Disclosure Agreement"), and the DTC Blanket Issuer Letter of Representations entered into by the District, are referred to herein collectively as the "Financing Documents" and (b) [insert ancillary agreements] (collectively, the "Ancillary Agreement").

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 Agreement to which it is a party; (iii) sell, issue and deliver the Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Bonds for the purposes described in the Preliminary Limited Offering Memorandum; (v) authorize and acknowledge the use of the Limited Offering Memoranda and authorize the execution of the Limited Offering Memorandum; and (vi) carry out and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary Agreement, and the Preliminary Limited Offering Memorandum. The District has complied, and on the Closing Date will be in compliance in all material respects, with the applicable terms of the Act and with the obligations on its part contained in the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary Agreement and the Bonds;

(c) At meetings of the Board that were duly called and noticed and at which a quorum was present and acting throughout, the Board duly adopted the Bond Resolution and the Assessment Resolutions, and the same are in full force and effect and have not been supplemented, amended, modified or repealed, except as set forth therein. By all necessary official Board action, the District has duly authorized and approved the use and delivery of the Preliminary Limited Offering Memorandum and the execution and delivery of the Financing Documents, the Ancillary Agreement, the Bonds and the Limited Offering Memorandum, has duly authorized and approved the performance by the District of the obligations on its part contained in the Financing Documents, the Ancillary Agreement and the Bonds and the consummation by it of all other transactions contemplated by this Purchase Contract and the Preliminary Limited Offering Memorandum in connection with the issuance of the Bonds. Upon execution and delivery by the District and the Trustee (and assuming the due authorization, execution and delivery of the Indenture by the Trustee), the Indenture will constitute a legal, valid and binding obligation of the District, enforceable in accordance with its terms, subject only to applicable bankruptcy, insolvency, and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law). Upon execution by the District and the other parties thereto (and assuming the due authorization, execution and delivery of such agreements by the other parties thereto) the Financing Documents and the Ancillary Agreement 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 Bonds, the Financing Documents, the Ancillary Agreement 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 Assessments Resolutions, the Bonds and the Indenture. To the best of its knowledge, no event has occurred which, with the lapse of time or the giving of notice, or both, would constitute an event of default (as therein defined) under the Bonds, the Financing Documents or the Ancillary Agreement;

(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 Bonds, or under the Bonds, the Bond Resolution, the Assessment Resolutions, the Financing Documents or the Ancillary Agreement have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds;

(f) The descriptions of the Bonds, the Financing Documents, the Ancillary Agreement and the 2021 Project, to the extent referred to in the Preliminary Limited Offering Memorandum, conform or with, respect to the Limited Offering Memorandum, will conform, in all material respects to the Bonds, the Financing Documents, the Ancillary Agreement and the 2021 Project, respectively;

(g) The Bonds, when issued, executed and delivered in accordance with the Indenture and when sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the District, entitled to the benefits of the Indenture and upon such issuance, execution and delivery of the Bonds, the Indenture will provide, for the benefit of the holders from time to time of the Bonds, a legally valid and binding pledge of and first lien on the Series 2021 Pledged Revenues. On the Closing Date, all conditions

precedent to the issuance of the Bonds set forth in the Indenture will have been complied with or fulfilled;

(h) As of the date hereof, there is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to its best knowledge, threatened against the District: (i) contesting the corporate existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (ii) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the application of the proceeds of the sale thereof for the purposes described in the Preliminary Limited Offering Memorandum or the collection of the Series 2021 Special Assessments or the pledge of and lien on the Series 2021 Pledged Revenues, pursuant to the Indenture; (iii) contesting or affecting specifically as to the District the validity or enforceability of the Act or any action of the District in any respect relating to the authorization for the issuance of the Bonds, or the authorization of the 2021 Project, the Bond Resolution, the Assessment Resolutions, the Financing Documents and Ancillary Agreement, or the application of the proceeds of the Bonds for the purposes set forth in the Preliminary Limited Offering Memorandum; (iv) contesting the federal tax status of the Bonds; or (v) contesting the completeness or accuracy of the Preliminary Limited Offering Memorandum (other than Permitted Omissions);

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

(j) As of its date (unless an event occurs of the nature described in paragraph (1) of this Section 6) and at all times subsequent thereto, up to and including the Closing Date, the statements and information contained in the Preliminary Limited Offering Memorandum (other than Permitted Omissions) and in the Limited Offering Memorandum are and will be accurate in all material respects for the purposes for which their use is authorized and do not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representation is made concerning information contained in the Limited Offering Memoranda under the captions "DESCRIPTION OF THE SERIES 2021 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – 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 be accurate in all material respects for the purposes for which their use is authorized and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representation is made concerning information contained in the Limited Offering Memoranda under the captions "DESCRIPTION OF THE SERIES 2021 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," and "UNDERWRITING";

(l) If between the date of this Purchase Contract and the earlier of (i) the date that is ninety (90) days from the "end of the underwriting period" as defined below, 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 Bonds, the Financing Documents or the Ancillary Agreement, direct or contingent, other than as set forth in or contemplated by the Preliminary Limited Offering Memorandum;

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

(o) Except as may be expressly disclosed in the Preliminary Limited Offering Memorandum, the District has never failed to comply with any continuing disclosure

obligations undertaken by the District in accordance with the continuing disclosure requirements of the Rule;

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

(q) 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

(r) From the date of this Purchase Contract through the Closing Date, the District will not issue any bonds, notes or other obligations payable from the Series 2021 Pledged Revenues.

7. **Closing.** At 10:00 a.m. prevailing time on _____, 2021 (the "Closing Date") or at such later time as may be mutually agreed upon by the District and the Underwriter, the District will, subject to the terms and conditions hereof, deliver to the Underwriter, the Bonds in definitive book-entry only form, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof, in federal or other immediately available funds to the order of the District. Delivery of the Bonds as aforesaid shall be made pursuant to the FAST system of delivery of The Depository Trust Company, New York, New York, or at such other place as may be mutually agreed upon by the District and the Underwriter. The Bonds shall be typewritten, shall be prepared and delivered as fully registered bonds in book-entry only form, with one bond for each maturity, registered in the name of Cede & Co. and shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection and packaging, unless otherwise agreed by the District and the Underwriter.

8. **Closing Conditions.** The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the District contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds are conditioned upon the performance by the District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and are also subject to the following additional conditions:

(a) The representations and warranties of the District contained herein shall be true, complete and correct, on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

(b) At the time of the Closing, the Bond Resolution, the Assessment Resolutions, the Bonds, the Financing Documents and the Ancillary Agreement shall each be in full force and effect in accordance with their respective terms and the Bond

Resolution, the Assessment Resolutions, the Indenture and the Limited Offering Memoranda shall not have been supplemented, amended, modified or repealed, except in any such case as may have been agreed to by the Underwriter;

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

(1) The Limited Offering Memorandum and each supplement or amendment, if any, thereto, executed on behalf of the District by the Chairperson of the Board or such other authorized member of the Board;

(2) A copy of each of the Bond Resolution and the Assessment Resolutions certified by the Secretary or an Assistant Secretary of the Board under seal as having been duly adopted by the Board of the District and as being in full force and effect;

(3) Executed copies of each of the Financing Documents and the Ancillary Agreement in form and substance acceptable to the Underwriter and Underwriter's counsel;

(4) The opinion, dated as of the Closing Date and addressed to the District, of Greenberg Traurig, P.A., Bond Counsel, in the form included in the Preliminary Limited Offering Memorandum as APPENDIX B or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel, together with a letter of such counsel, dated as of the Closing Date and addressed to the Underwriter and the Trustee, to the effect that the foregoing opinion addressed to the District may be relied upon by the Underwriter and the Trustee to the same extent as if such opinion were addressed to them;

(5) The supplemental opinion, dated as of the Closing Date and addressed to the Underwriter, of Greenberg Traurig, P.A., Bond Counsel, in substantially the form annexed as Exhibit C hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(6) The opinion, dated as of the Closing Date and addressed to the District, Bond Counsel, the Underwriter and Underwriter's Counsel, of Coleman, Yovanovich & Koester, P.A., counsel to the District, in substantially the form annexed as Exhibit D hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(7) 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;

(8) A customary authorization and incumbency certificate, dated as of the Closing Date, signed by authorized officers of the Trustee in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(9) The opinion, dated as of the Closing Date and addressed to the District, the Trustee, Bond Counsel and the Underwriter, of Pavese Law Firm, counsel to the Developer, in substantially the form annexed as Exhibit E hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(10) Certificate of the Developer dated as of the Closing Date, in the form annexed as Exhibit F hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(11) A copy of the Ordinance;

(12) A certificate, dated as of the Closing Date, signed by the Chairperson or Vice-Chairperson and the Secretary or an Assistant Secretary of the Board, setting forth that: (i) each of the representations of the District contained herein was true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continues to be true and accurate in all material respects on the Closing Date as if made on such date; (ii) the District has performed all obligations to be performed hereunder as of the Closing Date; (iii) except as may be disclosed in the Limited Offering Memorandum, the District has never been in default as to principal or interest with respect to any obligation issued or guaranteed by the District; (iv) the District agrees to take all reasonable action necessary to use the Uniform Method as the means of collecting the Series 2021 Special Assessments as described in the Indenture; and (v) the Limited Offering Memoranda (other than the information under the captions "DESCRIPTION OF THE SERIES 2021 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," and "UNDERWRITING," as to which no view need be expressed) as of their respective dates, and as of the date hereof, do not contain any untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Limited Offering Memoranda are to be used, or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

(13) A customary signature and no litigation certificate, dated as of the Closing Date, signed on behalf of the District by the Chairperson or Vice-Chairperson and Secretary or an Assistant Secretary of the Board in form and substance acceptable to the Underwriter and Underwriter's Counsel;

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

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

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

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

(18) A certificate of the District manager and methodology consultant in the form annexed as Exhibit H hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(19) A certificate of the District whereby the District deemed the Preliminary Limited Offering Memorandum final for purposes of the Rule as of the date of the Preliminary Limited Offering Memorandum except for the Permitted Omissions;

(20) To the extent required under the First Supplemental Indenture, an investor letter from each initial beneficial owner of the Bonds in substantially the form attached to the First Supplemental Indenture;

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

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

(23) A certified copy of the final judgment of the Circuit Court of the Twentieth Judicial Circuit of Florida, in and for the County, validating the Bonds and appropriate certificate of no-appeal;

(24) A copy of the Master Assessment Methodology dated [April 14, 2020], as supplemented by the Supplemental Special Assessment Methodology Report dated the date hereof;

(25) A copy of the Engineer's Report;

(26) A Declaration of Consent to Jurisdiction of the District, Imposition of Special Assessments and Imposition of Lien of Record by the Developer with respect to all real property which is subject to the Series 2021 Special Assessments in recordable form and otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel; and

(27) Such additional legal opinions, certificates, instruments and other documents as the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the District's representations and warranties contained herein and of the statements and information contained in the Limited Offering Memoranda and the due performance or satisfaction by the District and the

Developer on or prior to the Closing of all the agreements then to be performed and conditions then to be satisfied by each.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance as set forth herein or as described herein or as otherwise satisfactory to the Underwriter. Receipt of, and payments for, the Series 2021 Bonds shall constitute evidence of the satisfactory nature of such as to the Underwriter. The performance of conditions set forth hereunder may be waived by the Underwriter, in the Underwriter's sole discretion.

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

9. Termination. The Underwriter shall have the right to terminate its obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the District in writing of its election to do so if, after the execution hereof and prior to the Closing: (i) legislation shall have been introduced in or enacted by the Congress of the United States or enacted by the State, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairperson or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such committee, by any member thereof, or legislation shall have been favorably reported for passage to either House of Congress of the United States by a committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or the State, including the Tax Court of the United States, or a ruling shall have been made or a regulation shall have been proposed or made or a press release or other form of notice shall have been issued by the Treasury Department of the United States, or the Internal Revenue Service or other federal or State authority, with respect to federal or State taxation upon revenues or other income of the general character to be derived by the District or by any similar body, or upon interest on obligations of the general character of the Bonds, which may have the purpose or effect, directly or indirectly, of materially and adversely affecting the tax exempt status of the District, its property or income, its securities (including the Bonds) or the interest thereon, or any tax exemption granted or authorized by the State or, which in the reasonable opinion of the Underwriter, affects materially and adversely the market for the Bonds, or the market price generally of obligations of the general character of the Bonds; (ii) the District 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 or the Developer, other than in the ordinary course of their respective business; (iii) any event shall have occurred or shall exist which, in the reasonable opinion of the Underwriter, would or might cause the information contained in the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (iv) the District fails to adopt the Assessment Resolutions or fails to perform any action to be performed by it in connection with the levy of the Series 2021 Special Assessments.

10. Expenses.

(a) The District agrees to pay, and the Underwriter shall not be obligated to pay, any expenses incident to the performance of the District's obligations hereunder, including, but not limited to: (i) the cost of the preparation and distribution of the Indenture; (ii) the cost of the preparation and printing, if applicable, of the Limited Offering Memoranda and any supplements thereto, together with a reasonable number of copies which the Underwriter may request; (iii) the cost of registering the Bonds in the name of Cede & Co., as nominee of DTC, which will act as securities depository for such Bonds; (iv) the fees and disbursements of counsel to the District, the District Manager, the Dissemination Agent, Bond Counsel, the Consulting Engineer, the Underwriter, Underwriter's Counsel, the District's methodology consultant, the Consulting Engineer, and any other experts or consultants retained by the District; and (v) the cost of recording in the Official Records of the County any Financing Documents, the Ancillary Agreement or other documents or certificates that are required to be recorded pursuant to the terms of this Purchase Contract. It is anticipated that such expenses shall be paid from the proceeds of the Series 2021 Bonds. The District shall submit for recording 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 Bonds, if any.

11. No Advisory or Fiduciary Role. The District acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an advisor (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), agent or a fiduciary of the District, (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the District with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the District on other matters) or any other obligation to the District except the obligations expressly set forth in this Agreement, (iv) the Underwriter has financial and other interests that differ from those of the District, (v) the District has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds, and (vi) the Underwriter has provided to the District prior disclosures under Rule G-17 of the MSRB, which have been received by the District.

12. Notices. Any notice or other communication to be given to the District under this Purchase Contract may be given by delivering the same in writing to the District Manager at JP Ward and Associates, LLC, 2900 Northeast 12th Terrace, Ste. #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 Bonds, regardless of: (i) any investigations made by or on behalf of the Underwriter and (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract.

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

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

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

17. Governing Law. This Purchase Contract shall be governed and construed in accordance with the laws of the State.

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

[Signature page follows.]

Very truly yours,

FMSBONDS, INC.

By: _____
Theodore A. Swinarksi,
Senior Vice President - Trading

Accepted and agreed to this
___ day of _____, 2021.

**TERN BAY COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
[_____] ,
Chairperson, Board of Supervisors

EXHIBIT A

DISCLOSURE AND TRUTH-IN-BONDING STATEMENT

_____, 2021

Tern Bay Community Development District
Charlotte County, Florida

Re: \$_____ Tern Bay Community Development District Special Assessment Bonds,
Series 2021

Dear Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced bonds (the "Series 2021 Bonds"), FMSbonds, Inc. (the "Underwriter"), having purchased the Series 2021 Bonds pursuant to a Bond Purchase Contract dated _____, 2021 (the "Bond Purchase Contract"), by and between the Underwriter and Tern Bay Community Development District (the "District"), furnishes the following information in connection with the limited offering and sale of the Series 2021 Bonds. Capitalized terms used and not defined herein shall have the meanings assigned to them in the Bond Purchase Contract.

1. The total underwriting discount paid to the Underwriter pursuant to the Bond Purchase Contract is approximately \$20.00 per \$1,000.00 or \$_____.
2. There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Series 2021 Bonds.
3. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2021 Bonds are set forth in Schedule I attached hereto.
4. Any other fee, bonus or other compensation estimated to be paid by the Underwriter in connection with the Bonds to any person not regularly employed or retained by the Underwriter in connection with the Bonds to any person not regularly employed or retained by the Underwriter is as follows: None. GrayRobinson, P.A. has been retained as counsel to the Underwriter and will be compensated by the District.
5. Pursuant to the provisions of Sections 218.385(2) and (3), Florida Statutes, as amended, the following truth-in-bonding statements are made with respect to the Series 2021 Bonds.
6. The address of the Underwriter is:

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

The District is proposing to issue \$ _____ aggregate amount of the Series 2021 Bonds. Proceeds of the Series 2021 Bonds together with certain other legally available moneys of the District will be used to provide funds for (i) the Costs of acquiring and/or constructing a portion of the 2021 Project (as hereinafter defined), (ii) funding interest on the Series 2021 Bonds through at least [December 15, 2021,] (iii) the funding of the Series 2021 Reserve Account in an amount equal to the Series 2021 Reserve Requirement, and (iv) the payment of the costs of issuance of the Series 2021 Bonds. This debt or obligation is expected to be repaid over a period of approximately _____ () years and _____ () months. At a net interest cost of approximately _____ % for the Series 2021 Bonds, total interest paid over the life of the Series 2021 Bonds will be \$ _____.

The source of repayment for the Series 2021 Bonds is the Series 2021 Special Assessments imposed and collected by the District and other Series 2021 Pledged Revenues. Based solely upon the assumptions set forth in the paragraph above, the issuance of the Series 2021 Bonds will result in approximately \$ _____ of the District's special assessment revenues not being available to the District on an annual basis to finance other services of the District; provided however, that in the event that the Series 2021 Bonds were not issued, the District would not be entitled to impose and collect the Series 2021 Special Assessments in the amount of the principal of and interest to be paid on the Series 2021 Bonds.

[Remainder of page intentionally left blank.]

Sincerely,

FMSbonds, Inc.

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

SCHEDULE I

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

EXHIBIT B

TERMS OF BONDS

1. **Purchase Price:** \$_____ (representing the \$_____ aggregate principal amount of the Series 2021 Bonds, [plus/less net original issue premium/discount of \$_____ and] less an underwriter's discount of \$_____).

2. **Principal Amounts, Maturities, Interest Rates and Prices:**

<u>Amount</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Price</u>
---------------	-----------------	----------------------	--------------

The Underwriter has offered the Series 2021 Bonds to the public on or before the date of this Purchase Contract at the initial offering prices set forth herein and has sold at least 10% of each maturity of the Series 2021 Bonds to the public at a price that is no higher than such initial offering prices[, except for the following maturities: _____].

3. **Redemption Provisions:**

Optional Redemption

The Series 2021 Bonds may, at the option of the District, provided written notice thereof has been sent to the Trustee at least forty-five (45) days prior to the redemption date (unless the Trustee will accept less than forty-five (45) days' notice), be called for redemption prior to maturity as a whole or in part, at any time, on or after June 15, 20__ (less than all Series 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date from moneys on deposit in the Series 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

Mandatory Sinking Fund Redemption

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	Mandatory Sinking Fund Redemption Amount
	\$

*

*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on June 15 in the years

and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

*

*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. [Such principal amounts shall be reduced as specified by the District by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture].

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

*

*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. [Such principal amounts shall be reduced as specified by the District by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture].

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

*

*Maturity

Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2021 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2021 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2021 Bonds in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a mandatory sinking

fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amount due in the year in which such redemption occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

Extraordinary Mandatory Redemption

The Series 2021 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole or in part, on any date (other than in the case of clause (i) below which extraordinary mandatory redemption in part must occur on a March 15, June 15, September 15 and December 15 of any calendar year), at a Redemption Price equal to 100% of the principal amount of the Series 2021 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account (taking into account the credit from the Series 2021 Reserve Account pursuant to the First Supplemental Indenture) following the Prepayment in whole or in part of Series 2021 Special Assessments on any assessable property within the District in accordance with the provisions of the First Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and Subaccounts (other than the Series 2021 Rebate Fund, the Series 2021 Cost of Issuance Account and the Series 2021 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2021 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Indenture.

(iii) from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account not otherwise reserved to complete the 2021 Project (including any amounts transferred from the Series 2021 Reserve Account) all of which have been transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account.

Except as otherwise provided in the Indenture, if less than all of the Series 2021 Bonds subject to redemption shall be called for redemption, the particular such Bonds or portions of such Bonds to be redeemed shall be selected randomly by the Trustee as provided in the Indenture.

EXHIBIT C

BOND COUNSEL'S SUPPLEMENTAL OPINION

_____, 2021

Tern Bay Community Development District
Charlotte County, Florida

FMSbonds, Inc.
North Miami Beach, Florida

Re: \$_____ Tern Bay Community Development District Special Assessment Bonds,
Series 2021

Ladies and Gentlemen:

We have acted as Bond Counsel to the Tern Bay Community Development District (the "District"), a community development district established and existing pursuant to Chapter 190 of the Florida Statutes, as amended (the "Act"), in connection with the issuance by the District of its \$_____ original aggregate principal amount of Tern Bay Community Development District Special Assessment Bonds, Series 2021 (the "Bonds"). The Bonds are secured pursuant to that certain Master Trust Indenture, dated _____ 1, 2021, as supplemented and amended by that certain First Supplemental Trust Indenture, dated as of _____ 1, 2021 by and between the District and U.S. Bank National Association, as trustee (the "Trustee").

In connection with the rendering of this opinion, we have reviewed records of the acts taken by the District in connection with the authorization, sale and issuance of the Bonds, were present at various meetings and participated in various discussions in connection therewith and have reviewed such other documents, records and other instruments as we deem necessary to deliver this opinion.

The District has entered into a Bond Purchase Contract dated _____, 2021 (the "Purchase Agreement"), for the purchase of the Bonds. Capitalized words used but not defined herein shall have the meanings ascribed thereto in the Purchase Agreement.

Based upon the forgoing, we are of the opinion that:

1. The sale of the Bonds by the District is not subject to the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the exemption provided in Section 3(a)(2) of the Securities Act.

2. The Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

3. The information in the Limited Offering Memorandum under the captions "INTRODUCTION," "DESCRIPTION OF THE SERIES 2021 BONDS" (other than the

subheading "Book-Entry Only System"), "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS" and "APPENDIX A: PROPOSED FORMS OF INDENTURES," insofar as such statements constitute descriptions of the Bonds or the Indenture, are accurate as to the matters set forth or documents described therein, and the information under the captions "TAX MATTERS" and "AGREEMENT BY THE STATE," insofar as such information purports to describe or summarize certain provisions of the laws of the State of Florida (the "State") and the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), are accurate.

This letter is furnished by us as Bond Counsel. No attorney-client relationship has existed or exists between our firm and FMSbonds, Inc. (the "Underwriter") in connection with the Bonds or by virtue of this letter. This letter is delivered to the Underwriter solely for its benefit as Underwriter and may not be used, circulated, quoted or otherwise referred to or relied upon by the Underwriter for any other purpose or by any other person other than the addressee hereto. This letter is not intended to, and may not be, relied upon by holders of the Bonds.

Very truly yours,

EXHIBIT D

ISSUER'S COUNSEL'S OPINION

_____, 2021

Tern Bay Community Development District
Charlotte County, Florida

FMSbonds, Inc.
North Miami Beach, Florida

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

Greenberg Traurig, P.A.
West Palm Beach, Florida

GrayRobinson, P.A.
Tampa, Florida

Re: \$ _____ Tern Bay Community Development District (Charlotte County, Florida)
 Special Assessment Bonds, Series 2021

Ladies and Gentlemen:

We have acted as counsel to the Tern Bay Community Development District (the "District"), a local unit of special-purpose government existing under the laws of the State of Florida (the "State"), particularly Chapter 190, Florida Statutes, as amended (the "Act") in connection with the authorization, issuance and sale of its \$ _____ Special Assessment Bonds, Series 2021 (the "Bonds"). In that capacity, we are familiar with matters relating to the preparation, execution and delivery of the Master Trust Indenture dated as of _____ 1, 2021 (the "Master Indenture") as supplemented by a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indentures"), each by and between the District and U.S. Bank National Association, as successor trustee (the "Trustee").

The Bonds have been authorized and issued pursuant to the Act, the Florida Constitution and other applicable provisions of Florida law. The District was established by the Board of County Commissioners of Charlotte County, Florida, Rule 42VV-1 F.A.C. adopted by the Florida Land and Water Adjudicating Commission effective September 15, 2004 (the "Ordinance"). The District was established for the purposes, among other things, of financing and managing the planning, acquisition, construction, maintenance and operation of the major infrastructure within and without the boundaries governed by the District.

The Bonds are being issued pursuant to the Act, the Indentures and the Bond Resolution (as defined herein).

In our capacity as counsel to the District, we have examined Resolution No. 2020-05 and Resolution No. 2021-__ adopted by the Board of Supervisors of the District (the "Board") on April 14, 2020 and _____, 2021, Resolution Nos. ____, ____, and ____, adopted by the District on _____, _____, and _____, respectively (collectively, the "Assessment Resolutions"), the final Supplemental Special Assessment Methodology - Series 2021 dated _____, 2021 (the "Assessment Methodology"), for the Bonds, an opinion of counsel to the Trustee, an opinion of Bond Counsel, the Final Judgment Validating Bonds, certain certifications of the District Manager and District Assessment Consultant and such other documents as we have deemed necessary or appropriate in rendering the opinions set forth below. Additionally, we have examined the Continuing Disclosure Agreement by and among the District, Lennar Homes, LLC, and JPWard and Associates, LLC, dated _____, 2021 (the "Continuing Disclosure Agreement"), the Bond Purchase Agreement between the District and FMSbonds, Inc. dated _____, 2021 (the "Bond Purchase Agreement"), [insert ancillary agreements] and the Declaration of Consent to Jurisdiction of Community Development District and to Imposition of Special Assessments (Series 2021 Special Assessments) in recordable form and executed by the Developer dated as of the Closing Date, are collectively referred to herein as the "Bond Agreements".

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 the District.

Based upon the foregoing and subject to the qualifications set forth below, we are of the opinion that:

1. 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 with such powers as set forth in the Act, with good, right and lawful authority: (a) to enter into and to consummate the transactions contemplated by the Bond Resolution, the Bond Purchase Agreement, and the Limited Offering Memorandum dated _____, 2021 for the Bonds (the "Limited Offering Memorandum"); (b) to issue the Bonds for the purpose for which they are issued; (c) to impose, levy and collect the applicable special assessments securing the Bonds (herein, the "Series 2021 Special Assessments") and pledge the Series 2021 Trust Estate (as defined in the Indentures) to secure the Bonds as provided in the Indentures; (d) to adopt the Bond Resolution and the Assessment Resolutions; (e) to own and operate the 2021 Project; and (f) to perform its obligations under the terms and conditions of the Bond Resolution, the Assessment Resolutions, the Bond Agreements, the Bonds and the Indentures.

2. The Bonds, Indentures, and the Bond Agreements have been duly authorized, executed and delivered by the District, are valid and binding upon the District and are enforceable against the District in accordance with their respective terms. The terms and provisions of the Indentures and the Bond Agreements are in full force and effect on the date hereof and compliance by the District therewith neither conflicts with, constitutes a default under or results in a breach of

the terms of any constitutional provision, law or, to our knowledge, any regulation, order, writ, injunction, decree of any court or governmental entity, any agreement or instrument to which the District is a party or results or will result in the creation or imposition of any encumbrance upon any of the properties or assets of the District other than those contemplated by the Indentures.

3. All conditions precedent to the issuance of the Bonds, as prescribed in the Indentures, have been fulfilled.

4. The proceedings by the District with respect to the Series 2021 Special Assessments have been in accordance with Florida law. The District has taken all action necessary to levy and impose the Series 2021 Special Assessments. The Series 2021 Special Assessments constitute legal, valid, binding and enforceable first liens upon the property against which such Series 2021 Special Assessments are assessed, co-equal with the lien of all state, county, district and municipal taxes and assessments, and superior in dignity to all other liens, titles and claims, until paid.

5. To the best of our knowledge, there is no litigation pending or threatened against the District (i) 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 Series 2021 Special Assessments or the Series 2021 Trust Estate pledged for the payment of the debt service on the Bonds; (ii) contesting or affecting 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; (iii) 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 collect and pledge the Series 2021 Trust Estate for the payment of the debt service on the Bonds; and (iv) specifically contesting the exclusion from federal gross income of interest on the Bonds.

6. As of the date hereof, all necessary consents, approvals, waivers or other actions by or filings with any governmental authority or other entity, required for the adoption of the Bond Resolution and the Assessment Resolutions and the execution and delivery of the Indentures, the Bonds, and the Bond Agreements and for the performance by the District of the transactions required hereby, have been duly obtained or made and are in full force and effect.

7. The District has duly authorized the execution, delivery, use and distribution of the Limited Offering Memorandum and has duly authorized the delivery, use and distribution of the Preliminary Limited Offering Memorandum dated _____, 2021 (the "Preliminary Limited Offering Memorandum" and, together with the Limited Offering Memorandum, the "Limited Offering Memoranda").

8. To our knowledge, based upon our review of the Limited Offering Memoranda and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Limited Offering Memoranda, as of the date hereof, nothing has come to our attention which would lead us to believe that the Limited Offering Memoranda when taken as a whole, contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading (except for the financial information and statistical data contained in

the Limited Offering Memoranda or in the Appendices thereto, the information regarding DTC and its book-entry only system of registration, the information contained in the sections titled ""UNDERWRITING", "LITIGATION – The Developer," "DESCRIPTION OF THE SERIES 2021 BONDS," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "NO RATING," "MISCELLANEOUS," or any Appendices thereto, all information related to the tax-exempt status of the Bonds, or those matters contained in opinions of Bond Counsel, as to all of which no opinion is expressed).

9. The Bonds have been validated by a final judgment of the Circuit Court in and for Charlotte County, Florida, of which no timely appeal was filed.

10. To the best of our knowledge, all conditions precedent to the issuance of the Bonds to be performed by the District, as prescribed in the applicable Indentures and the Bond Purchase Contract, have been fulfilled.

This opinion is solely for the benefit of the addressees and this opinion may not be relied upon in any manner, nor used, by any other persons or entities.

In rendering all of the foregoing opinions, 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 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 on such public records, certifications, documents and proceedings. We have also assumed the due authorization, execution and delivery of each document by each of the other parties thereto.

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.

The opinions or statements expressed above are based solely on the laws of Florida. Accordingly, we express no opinion nor make any statement regarding the effect or application of the laws of the federal government, any other state or other jurisdiction. We express no opinion and make no representations with regard to taxes, assessments or other financial information or statistical data.

Very truly yours,

Coleman, Yovanovich & Koester, P.A.

For the Firm

EXHIBIT E

FORM OF DEVELOPER'S COUNSEL OPINION

_____, 2021

Tern Bay Community Development District
Charlotte County, Florida

Greenberg Traurig, P.A.
West Palm Beach, Florida

FMSbonds, Inc.
North Miami Beach, Florida

U.S. Bank National Association
Fort Lauderdale, Florida

Re: \$_____ Tern Bay Community Development District (Charlotte County, Florida)
 Special Assessment Bonds, Series 2021 (the "Bonds")

Ladies and Gentlemen:

We have acted as special counsel for Lennar Homes, LLC, a Florida limited liability company ("Developer"), which owns land within the single-family residential community known as Heritage Landing ("Development") located within the Tern Bay Community Development District ("District"), in Charlotte County, Florida, in connection with the issuance of the District's above-referenced Bonds ("Bond Transaction"), as described in:

- (a) The Preliminary Limited Offering Memorandum dated _____, 2021 ("Preliminary Limited Offering Memorandum"); and
- (b) The Limited Offering Memorandum dated _____, 2021 (the "Limited Offering Memoranda"), including but not limited to Appendix C of which is the [Master Engineer's Report prepared by Banks Engineering dated March 2020, as supplemented by the First Supplemental Engineer's Report for Tern Bay Community Development District dated January 2021 (collectively, "Engineer's Report")].

This opinion is delivered specifically in connection with the execution and delivery by Developer of the following documents, each of even date herewith, all relating to the Bonds (collectively, the "Developer Documents"), all dated as of _____, 2021 (the "Closing Date"), which we have examined in our limited capacity as special counsel:

- (c) [insert ancillary agreements];

(d) The Declaration of Consent to Jurisdiction of the Tern Bay Community Development District, Imposition of Special Assessments, and Imposition of Lien of Record by Developer dated as of the Closing Date;

(e) The Certificate of Developer dated as of the Closing Date ("Certificate of Developer"); and

(f) The Continuing Disclosure Agreement, dated as of the Closing Date, by and among the District and Developer and the Dissemination Agent named therein.

Further, we have reviewed the following organizational documents (collectively, the "Developer Organizational Documents"):

(g) Articles of Organization filed with the Florida Secretary of State on November 30, 2006 as Document No. L0600114706, as amended from time to time;

(h) Operating Agreement of Lennar Homes, LLC, a Florida limited liability company, dated November 20, 2006 ("Developer's Operating Agreement"); and

(i) Certificate of Good Standing and Active Status, dated _____, 2020, issued by the Florida Secretary of State as to _____;

Finally, we have examined the following permitting and related engineering documents (collectively, the "Developer Permitting Documents"): [insert any necessary documents.]

The opinions expressed herein are subject to the following assumptions and qualifications:

[Insert customary assumptions and qualifications.]

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

1. The Developer is a Florida limited liability company, duly organized, whose status is "Active" under the laws of the State of Florida.

2. The Developer has the power to conduct its business and to undertake the Development as described in the Limited Offering Memoranda and to enter into the Developer Documents.

3. The Developer Documents have been authorized by all necessary corporate action, executed and delivered by Developer, and the Developer Documents constitute legal, valid and binding obligations of Developer, enforceable in accordance with their respective terms.

4. The execution, delivery, and performance of the Developer Documents by Developer do not violate (a) Developer's Operating Agreement, (b) to our knowledge, any agreement, instrument or Federal or Florida law, rule or regulation to which Developer is a party

or by which Developer's assets are or may be bound; or (c) to our knowledge, any judgment, decree or order of any administrative tribunal, which judgment, decree, or order is binding on Developer or its assets.

5. Nothing has come to our attention that would lead us to believe the information contained in the Limited Offering Memoranda under the captions "THE DEVELOPMENT," "THE DEVELOPER," "LITIGATION – The Developer" and "CONTINUING DISCLOSURE" (as it relates to the Developer only) does not accurately and fairly present the information purported to be shown or contains any untrue statement of a material fact, nor omits to state any material fact necessary to make the statement made therein, in light of the circumstances under which they were made, not misleading as of the respective dates of the Limited Offering Memoranda or as of the date hereof.

6. To our knowledge, the Developer is in compliance in all material respects with all provisions of applicable law in all material matters relating to the development of the Development including the 2021 Project, as described in the Limited Offering Memoranda. Except as described in the Limited Offering Memoranda, including, without limitation the section thereof entitled "THE DEVELOPMENT – Zoning and Permitting": (a) we have confirmed Developer has received the approvals and permits for the development of the District as described in the Limited Offering Memoranda, and that the Developer intends to obtain the remaining permits for the Development in the ordinary course; and (b) we have no actual knowledge of any default of any zoning condition, land use permit, or development agreement which would adversely affect Developer's ability to complete development of the District of the Development as described in the Limited Offering Memoranda.

7. The levy of the Series 2021 Special Assessments on the lands within the District will not conflict with or constitute a breach of or default under any agreement, indenture or other instrument to which Developer is a party or to which Developer or any of its property or assets is subject.

8. There is no pending or threatened litigation which would prevent or prohibit the development of the Development in accordance with the description thereof in the Limited Offering Memoranda and the 2021 Project in accordance with the description thereof in the Engineer's Report, or which may result in any material adverse change in the business, properties, assets or financial condition of Developer.

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 is not in default under any mortgage, trust indenture, lease or other instrument to which it is subject or by which it or its properties are or may be bound, which would have a material adverse effect on the Bonds or the development of the District of the Development.

Very truly yours,

Pavese Law Firm

EXHIBIT F

CERTIFICATE OF LENNAR HOMES, LLC

LENNAR HOMES, LLC, a Florida limited liability company ("Lennar Homes"), DOES HEREBY CERTIFY, that:

1. This Certificate of Lennar Homes is furnished pursuant to Section 8(c)(10) of the Bond Purchase Contract dated _____, 2021 (the "Purchase Contract") between Tern Bay Community Development District (the "District") and FMSbonds, Inc. (the "Underwriter") relating to the sale by the District of its \$_____ original aggregate principal amount of Tern Bay Community Development District Special Assessment Bonds, Series 2021 (the "Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract.

2. Lennar Homes is a limited liability company organized and existing under the laws of the State of Florida.

3. Representatives of Lennar Homes have provided information to the District to be used in connection with the offering by the District of its Bonds, pursuant to a Preliminary Limited Offering Memorandum dated _____, 2021, and a final Limited Offering Memorandum dated _____, 2021 (collectively, the "Limited Offering Memoranda").

4. The Declaration of Consent to Jurisdiction of Tern Bay Community Development District and to Imposition of Special Assessments dated _____, 2021 executed by Lennar Homes and to be recorded in the public records of Charlotte County, Florida (the "Declaration of Consent"), constitutes a valid and binding obligation of Lennar Homes, enforceable against Lennar Homes in accordance with its terms.

5. Lennar Homes has reviewed and approved the information contained in the Limited Offering Memoranda under the captions "THE CAPITAL IMPROVEMENT PLAN AND THE 2021 PROJECT," "THE DEVELOPMENT," "THE DEVELOPER" and "LITIGATION – The Developer" and, with respect to Lennar Homes and the Development (as defined in the Limited Offering Memoranda), under the captions "BONDOWNERS' RISKS" and "CONTINUING DISCLOSURE" 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, Lennar Homes 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. Lennar Homes represents and warrants that, to its knowledge, it has complied with and will continue to comply with Chapter 190.048, Florida Statutes, as amended.

7. As of the date hereof, there has been no material adverse change in the business, properties, assets or financial condition of Lennar Homes which would have a material adverse

effect on the consummation of the transactions contemplated by the Financing Documents, the Ancillary Agreement or on the Development, which has not been disclosed in the Limited Offering Memoranda or in the other information provided in writing by Lennar Homes to the Underwriter.

8. Lennar Homes hereby consents to the levy of the Series 2021 Special Assessments on the lands in the District owned by Lennar Homes. The levy of the Series 2021 Special Assessments on the District owned by Lennar Homes will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which Lennar Homes is a party or to which its property or assets are subject.

9. Lennar Homes 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. Lennar Homes 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. Lennar Homes acknowledges that the Bonds have the debt service requirements set forth in the Limited Offering Memorandum and that the Series 2021 Special Assessments will be levied by the District at times, and in amounts sufficient, to enable the District to pay debt service on the Bonds when due.

11. To the best of its knowledge, Lennar Homes is not in default under any resolution, ordinance, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which Lennar Homes is subject or by which Lennar Homes or its properties are or may be bound, which would have a material adverse effect on the consummation of the transactions contemplated by the Financing Documents, the Ancillary Agreement or on the Development and is not delinquent in the payment of any ad valorem, federal or 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 its knowledge, threatened against Lennar Homes (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of Financing Documents, the Declaration of Consent or the Ancillary Agreement to which Lennar Homes is a party, (b) contesting or affecting the validity or enforceability of the Financing Documents, the Declaration of Consent or the Ancillary Agreement, 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 Lennar Homes, or of Lennar Homes' business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of Lennar Homes; or (d) which would materially and adversely affect the ability of Lennar Homes to pay the Series 2021 Special Assessments imposed against the land within the District owned by Lennar Homes or materially and adversely affect the ability of Lennar Homes to perform its various obligations described in this Limited Offering Memorandum.

13. To the best of its knowledge after due inquiry, Lennar Homes 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, without limitation, applying for all necessary permits for the development of the District. 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) Lennar Homes is not aware of any default of any zoning condition, permit or development agreement which would adversely affect Lennar Homes' ability to complete or cause the completion of the Development as described in the Limited Offering Memoranda and all appendices thereto; and (d) there is no reason to believe that any permits, consents and licenses required to complete the Development as described in the Limited Offering Memoranda will not be obtained as required.

14. Lennar Homes acknowledges that it has irrevocably waived its rights under Chapter 170, Florida Statutes, as amended, to prepay without interest the Series 2021 Special Assessments imposed on lands in the District owned by Lennar Homes within thirty (30) days following completion of the 2021 Project and acceptance thereof by the District.

15. Lennar Homes is not insolvent and is not in default of any obligations to pay special assessments levied by the District.

16. Lennar Homes represents and warrants that, to its knowledge, it has provided on a timely basis all reporting information requested by the applicable dissemination agent with respect to prior continuing disclosure agreements entered into pursuant to the Rule 15c2-12 of the Securities and Exchange Commission. Lennar Homes has been made aware of instances where the information required to be provided to the dissemination agents was not timely requested, not filed with the appropriate repository or, if filed, not filed on a timely basis. Lennar Homes represents that it has instituted internal processes to provide information to the dissemination agents on a timely basis and obtained assurances from the dissemination agents that they will in turn request the required reporting information timely and file such information timely with the appropriate repository.

Dated: _____, 2021.

LENNAR HOMES, LLC, a Florida limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT G

CERTIFICATE OF DISTRICT ENGINEER

_____, 2021

Tern Bay Community Development District
Charlotte County, Florida

FMSbonds Inc.
North Miami Beach, Florida

U.S. Bank National Association
Fort Lauderdale, Florida

GrayRobinson, P.A.
Tampa, Florida

Re: \$ _____ Tern Bay Community Development District Special Assessment Bonds,
Series 2021

Ladies and Gentlemen:

The undersigned representative of Banks Engineering (the "Engineers"), DOES HEREBY CERTIFY, that:

1. This certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Contract dated _____, 2021 (the "Purchase Contract"), by and between Tern Bay Community Development District (the "District") and FMSbonds, Inc. with respect to the \$ _____ Tern Bay Community Development District Special Assessment Bonds, Series 2021 (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 _____, 2021 (the "Preliminary Limited Offering Memorandum") and the Limited Offering Memorandum dated _____, 2021 (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, 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 2021 Project (as described in the Limited Offering Memoranda) were approved by all regulatory bodies required to approve them. All environmental and other regulatory permits or approvals required in connection with the construction of the 2021 Project were obtained.

4. The Engineers prepared a report entitled [Master Engineer's Report dated _____ 20__, as supplemented by the Supplemental Engineer's Report dated January 2021] (collectively, the "Report"). The Report was prepared in accordance with generally accepted engineering principles. The [Supplemental Engineer's] Report is included as "APPENDIX C: ENGINEER'S REPORT" to the Limited Offering Memoranda and a description of the Report and certain other

information relating to the 2021 Project are included in the Limited Offering Memoranda under the captions "THE CAPITAL IMPROVEMENT PLAN AND THE 2021 PROJECT" and "THE DEVELOPMENT." The Report and said information are true and complete in all material respects, contain no untrue statement of a material fact, and do not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. The Engineers hereby consent to the inclusion of the [Supplemental Engineer's] Report as "APPENDIX C: ENGINEER'S REPORT" to the Limited Offering Memoranda and to the references to the Engineers in the Limited Offering Memoranda.

6. The 2021 Project improvements are or will be constructed in sound workmanlike manner and in accordance with industry standards.

7. The price being paid by the District to Lennar Homes for acquisition of the improvements included within the 2021 Project does not exceed the lesser of the cost of the 2021 Project or the fair market value of the assets acquired by the District.

8. To the best of our knowledge, after due inquiry, Lennar Homes is in compliance in all material respects with all provisions of applicable law in all material matters relating to Lennar Homes and the development of the District 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 Lennar Homes, or any other person or entity, necessary for the development of the District as described in the Limited Offering Memoranda and all appendices thereto.

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

Date: _____, 2021

BANKS ENGINEERING

By: _____

Print Name: _____

Title: _____

EXHIBIT H

CERTIFICATE OF DISTRICT MANAGER AND METHODOLOGY CONSULTANT

_____, 2021

Tern Bay Community Development District
Charlotte County, Florida

FMSbonds Inc.
North Miami Beach, Florida

U.S. Bank National Association
Fort Lauderdale, Florida

GrayRobinson, P.A.
Tampa, Florida

Re: \$ _____ Tern Bay Community Development District Special Assessment Bonds,
Series 2021

Ladies and Gentlemen:

The undersigned representative of 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 _____, 2021 (the "Purchase Contract"), by and between Tern Bay Community Development District (the "District") and FMSbonds, Inc. with respect to the \$ _____ original aggregate principal amount of Special Assessment Bonds, Series 2021 (the "Series 2021 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Limited Offering Memoranda relating to the Series 2021 Bonds, as applicable.

2. 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 2021 Bonds.

3. In connection with the issuance of the Series 2021 Bonds, we have been retained by the District to prepare the Master Special Assessment Methodology dated [April 14, 2020] (the "Master Methodology") as supplemented by the Preliminary Supplemental Special Assessment Methodology - Series 2021 dated [_____,] 2021 (the "Preliminary Report") and the Final Supplemental Special Assessment Methodology dated _____, 2021 (the "Final Report"), which Master Methodology, as supplemented by the Preliminary Report, has been included as an appendix to the Preliminary Limited Offering Memorandum dated _____, 2021 and which Master Methodology, as supplemented by the Final Report, has been included as an appendix to the Limited Offering Memorandum, dated _____, 2021, including the appendices attached thereto (collectively, 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 2021 Project provides a special benefit to the properties assessed, the Series 2021 Assessments are not in excess of such benefit, and the Series 2021 Assessments are each fairly and reasonably allocated to the properties assessed.

5. The Series 2021 Assessments, as initially levied and as may be reallocated from time to time as permitted by the District's applicable assessment resolutions and the Master Methodology, as supplemented by the Final Report, are sufficient to enable the District to pay the debt service on the Series 2021 Bonds, through the final maturities thereof.

6. JPWard hereby consents to the use of the Master Methodology and the Preliminary Report included as Appendix D to the Preliminary Limited Offering Memorandum and the Master Methodology and the Final Report 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 Master Methodology, Preliminary Report and Final Report 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," and "FINANCIAL INFORMATION," 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 Master Methodology, as supplemented by the Final Report, and is of the opinion that the considerations and assumptions used in compiling the Master Methodology, as supplemented by the Final Report, are reasonable;

11. JPWard does not represent Tern Bay 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 Tern Bay Community Development District with financial advisory services or offer investment advice in any form.

Dated: _____, 2021.

JPWARD AND ASSOCIATES, LLC, a
Florida limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT B

DRAFT COPY OF PRELIMINARY LIMITED OFFERING MEMORANDUM

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED _____, 2021

NEW ISSUE - BOOK-ENTRY ONLY
LIMITED OFFERING

NOT RATED

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications and the continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Series 2021 Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes; and, further, interest on the Series 2021 Bonds will not be an item of tax preference for purposes of the alternative minimum tax imposed on individuals. See "TAX MATTERS" herein for a description of certain other federal tax consequences of ownership of the Series 2021 Bonds. Bond Counsel is further of the opinion that the Series 2021 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See "TAX MATTERS" herein.

[\$30,180,000]*
TERN BAY COMMUNITY DEVELOPMENT DISTRICT
(CHARLOTTE COUNTY, FLORIDA)
SPECIAL ASSESSMENT BONDS, SERIES 2021

Dated: Date of Delivery

Due: As set forth herein.

The Tern Bay Community Development District Special Assessment Bonds, Series 2021 (the "Series 2021 Bonds") are being issued by the Tern Bay 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 (the "State"), created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Rule 42VV-1 F.A.C. adopted by the Florida Land and Water Adjudicating Commission effective September 15, 2004 (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 2021 Bonds will bear interest at the fixed rates set forth below, calculated on the basis of a 360-day year comprised of twelve 30 day months, payable semi-annually on each June 15 and December 15, commencing [_____] 15, 202[____]. The Series 2021 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 2021 Bonds will be made only in book-entry form. Accordingly, principal of and interest on the Series 2021 Bonds will be paid from sources provided 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 2021 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 2021 Bond. See "DESCRIPTION OF THE SERIES 2021 BONDS - Book-Entry Only System" herein.

The Series 2021 Bonds are being issued by the District pursuant to the Act, Resolutions No. 2020-05 and No. 2021-[____] adopted by the Board of Supervisors of the District (the "Board") on April 14, 2020 and September 14, 2021, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture, dated as of _____ 1, 2021 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee. Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture.

Proceeds of the Series 2021 Bonds will be used to provide funds for (i) the Costs of acquiring and/or constructing a portion of the 2021 Project (as hereinafter defined), (ii) funding interest on the Series 2021 Bonds through at least [_____] 15, 202[____], (iii) the funding of the Series 2021 Reserve Account, and (iv) the payment of the costs of issuance of the Series 2021 Bonds. See "THE 2021 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2021 Bonds will be secured by a pledge of the Series 2021 Pledged Revenues. "Series 2021 Pledged Revenues" shall mean, with respect to the Series 2021 Bonds, (a) all revenues received by the District from the Series 2021 Special Assessments levied and collected on the assessable lands within the District, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 Special Assessments, and (b) all moneys on deposit in the Funds, Accounts and subaccounts established under the Indenture created and established with respect to or for the benefit of the Series 2021 Bonds; provided, however, that Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2021 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification 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.

understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS" herein.

The Series 2021 Bonds are subject to optional, 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 2021 BONDS – Redemption Provisions" herein.

THE SERIES 2021 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE SERIES 2021 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE, AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2021 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION SERIES 2021 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2021 BONDS. THE SERIES 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2021 Bonds involve a degree of risk (see "BONDOWNERS' RISKS" herein) and are not suitable for all investors (see "SUITABILITY FOR INVESTMENT" herein). The Underwriter named below is limiting this offering to "accredited investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2021 Bonds. The Series 2021 Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the Series 2021 Bonds.

This cover page contains information for quick reference only. It is not a summary of the Series 2021 Bonds. Investors must read the entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE

\$ _____	–	_____ % Series 2021 Term Bond due June 15, 20__	, Yield _____ %	, Price _____	CUSIP # _____	**
\$ _____	–	_____ % Series 2021 Term Bond due June 15, 20__	, Yield _____ %	, Price _____	CUSIP # _____	**
\$ _____	–	_____ % Series 2021 Term Bond due June 15, 20__	, Yield _____ %	, Price _____	CUSIP # _____	**
\$ _____	–	_____ % Series 2021 Term Bond due June 15, 20__	, Yield _____ %	, Price _____	CUSIP # _____	**

The initial sale of the Series 2021 Bonds is subject to certain conditions precedent, including, without limitation, receipt of the opinion of Greenberg Traurig, P.A., West Palm Beach, Florida, Bond Counsel, as to the validity of the Series 2021 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Coleman, Yovanovich & Koester, P.A., Naples, Florida, for the Developer (as hereinafter defined) by its counsel, Pavese Law Firm, Fort Myers, Florida, and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. It is expected that the Series 2021 Bonds will be delivered in book-entry form through the facilities of DTC on or about _____, 2021.

FMSbonds, Inc.

Dated: _____, 2021

* Preliminary, subject to change.

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

TERN BAY COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS

[Russell Smith,* Chairperson
Christopher Hasty,* Vice-Chairperson
Anthony Burdett,* Assistant Secretary
Ashley Kingston,* Assistant Secretary
Barry Ernst,* Assistant Secretary]

* [Employee of the Developer]

DISTRICT MANAGER/METHODOLOGY CONSULTANT

JPWard and Associates, LLC
Oakland Park, Florida

DISTRICT COUNSEL

Coleman, Yovanovich & Koester, P.A.
Naples, Florida

BOND COUNSEL

Greenberg Traurig, P.A.
West Palm Beach, Florida

DISTRICT ENGINEER

Banks Engineering
Fort Myers, Florida

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE DISTRICT TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE DISTRICT. THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY OF THE SERIES 2021 BONDS, AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2021 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE 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 2021 PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 2021 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON CERTAIN EXEMPTIONS SET FORTH IN SUCH ACTS. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE SERIES 2021 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE DISTRICT, THE COUNTY, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2021 BONDS, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS LIMITED OFFERING MEMORANDUM.

"FORWARD-LOOKING STATEMENTS" ARE USED IN THIS DOCUMENT BY USING FORWARD LOOKING WORDS SUCH AS "MAY," "WILL," "SHOULD," "INTENDS," "EXPECTS," "BELIEVES," "ANTICIPATES," "ESTIMATES," OR OTHERS. THE READER IS CAUTIONED THAT FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A VARIETY OF UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER FROM THE PROJECTED RESULTS. THOSE RISKS AND UNCERTAINTIES INCLUDE GENERAL ECONOMIC AND BUSINESS CONDITIONS, CONDITIONS IN THE FINANCIAL MARKETS AND REAL ESTATE MARKET, THE DISTRICT'S COLLECTION OF SERIES 2021 SPECIAL 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 DO NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS 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).

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\$(30,180,000)*
TERN BAY COMMUNITY DEVELOPMENT DISTRICT
(CHARLOTTE COUNTY, FLORIDA)
SPECIAL ASSESSMENT BONDS, SERIES 2021

INTRODUCTION

The purpose of this Limited Offering Memorandum is to set forth certain information in connection with the offering for sale by the Tern Bay Community Development District (the "District" or "Issuer") of its \$(30,180,000)* Special Assessment Bonds, Series 2021 (the "Series 2021 Bonds").

THE SERIES 2021 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2021 BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2021 BONDS. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2021 BONDS. SEE "BONDOWNERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN. OTHER THAN AS REFERENCED UNDER THE HEADING CAPTIONED "SUITABILITY FOR INVESTMENT" HEREIN, NO PERSON HAS BEEN AUTHORIZED BY THE DISTRICT OR THE UNDERWRITER TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OF THE FOREGOING.

The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Rule 42VV-1 F.A.C. adopted by the Florida Land and Water Adjudicating Commission effective September 15, 2004 (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 the 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 1,778.78 acres of land (the "District Lands") located entirely within an unincorporated area of southeastern Charlotte County. For more complete information about the District, its Board of Supervisors and the District Manager, see "THE DISTRICT" herein. The District Lands are being developed in multiple phases as a single-family residential community known as "Heritage Landing" (the "Development"), which is expected to contain approximately [1,533] single-family units at build out. The District is issuing its Series 2021 Bonds to fund public infrastructure improvements on [] acres of planned for 1,464 single-family residential lots (the "2021 Project Area"). See "THE DEVELOPMENT" herein for more information. Lennar Homes, LLC, a Florida limited liability

* Preliminary, subject to change.

company (the "Developer") is the developer and homebuilder of the Development and currently owns [all of] the land in the District. See "THE DEVELOPER" herein for more information regarding the Developer.

The Series 2021 Special Assessments (as defined herein) will be levied on and assigned to the 1,464 lots in the District. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" and "APPENDIX D: ASSESSMENT METHODOLOGY" for more information regarding allocation of the Series 2021 Special Assessments. See "THE DEVELOPMENT – Development Plan and Status" herein for more information regarding the development status of the District.

The Series 2021 Bonds are being issued by the District pursuant to the Act, Resolutions No. 2020-05 and No. 2021-__ adopted by the Board of Supervisors of the District (the "Board") on April 14, 2020 and September 14, 2021, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture, dated as of _____ 1, 2021 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture, dated as of _____, 2021 (the "First Supplemental Indenture," and together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association (the "Trustee"). All capitalized terms used in this Limited Offering Memorandum that are defined in the Indenture and not defined herein shall have the respective meanings set forth in the Indenture. See "APPENDIX A: PROPOSED FORMS OF INDENTURES" hereto.

Proceeds of the Series 2021 Bonds will be used to provide funds for: (i) the Costs of acquiring and/or constructing a portion of the 2021 Project (as hereinafter defined), (ii) funding interest on the Series 2021 Bonds through at least [_____ 15, 202__,] (iii) the funding of the Series 2021 Reserve Account in an amount equal to the Series 2021 Reserve Requirement, and (iv) the payment of the costs of issuance of the Series 2021 Bonds. See "THE 2021 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2021 Bonds will be secured by a pledge of the Series 2021 Pledged Revenues. "Series 2021 Pledged Revenues" shall mean, with respect to the Series 2021 Bonds, (a) all revenues received by the District from the Series 2021 Special Assessments levied and collected on the assessable lands within the District, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 Special Assessments, and (b) all moneys on deposit in the Funds, Accounts and subaccounts established under the Indenture created and established with respect to or for the benefit of the Series 2021 Bonds; provided, however, that Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS."

There follows in this Limited Offering Memorandum a brief description of the District, the Developer, the Development, the 2021 Project and summaries of certain terms of the Series 2021 Bonds, the Indenture and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and statute, and all references to the Series 2021 Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in the Indenture. Proposed forms of the Master Indenture and the First Supplemental Indenture appear in APPENDIX A hereto.

This Limited Offering Memorandum speaks only as of its date and the information contained herein is subject to change.

DESCRIPTION OF THE SERIES 2021 BONDS

General Description

The Series 2021 Bonds are issuable only as fully registered bonds, without coupons, in the denominations of \$5,000 and any integral multiple thereof. The Series 2021 Bonds will initially be offered only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, as amended, and the rules of the Florida Department of Financial Services promulgated thereunder; provided, however, the limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2021 Bonds. See "SUITABILITY FOR INVESTMENT" herein.

The Series 2021 Bonds shall be dated as of the date of initial delivery. Regularly scheduled interest on the Series 2021 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. "Interest Payment Date" means June 15 and December 15 of each year, commencing [_____ 15, 202__] and any date principal is paid including any Quarterly Redemption Date. Interest on the Series 2021 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a June 15th or December 15th to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to the first Interest Payment Date, in which case from the date of initial delivery or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date. Interest on the Series 2021 Bonds will be computed in all cases on the basis of a 360-day year consisting of twelve 30-day months. The Series 2021 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.

Upon initial issuance, the Series 2021 Bonds shall be issued as one fully registered bond for each maturity of Series 2021 Bonds and deposited with The Depository Trust Company ("DTC"), New York, New York, which is responsible for establishing and maintaining records of ownership for its participants. As long as the Series 2021 Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes of the Indenture. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2021 Bonds ("Beneficial Owners"). Principal and interest on the Series 2021 Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC nor its nominee, the Trustee or the District. Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated Series 2021 Bonds, through DTC Participants and Indirect Participants. During the period for which Cede & Co. is registered owner of the Series 2021 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to DTC Participants and DTC Participants shall be responsible for notices to Indirect Participants, and DTC Participants and Indirect Participants shall be responsible for notices to Beneficial Owners. In the event DTC, any successor of DTC or the District, but only in accordance with the procedures of DTC, elects to discontinue the book-entry only system for the Series 2021 Bonds, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor, and after such time the Series 2021 Bonds

may be exchanged for an equal aggregate principal amount of Series 2021 Bonds in Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee. See "– Book-Entry Only System."

U.S. Bank National Association, is initially serving as the Trustee, Registrar and Paying Agent for the Series 2021 Bonds.

Redemption Provisions

Optional Redemption

The Series 2021 Bonds may, at the option of the District, provided written notice thereof has been sent to the Trustee at least forty-five (45) days prior to the redemption date (unless the Trustee will accept less than forty-five (45) days' notice), be called for redemption prior to maturity as a whole or in part, at any time, on or after June 15, 20__ (less than all Series 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date from moneys on deposit in the Series 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

Mandatory Sinking Fund Redemption

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

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

\$

*

*Maturity

[Remainder of page intentionally left blank.]

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	Mandatory Sinking Fund Redemption Amount
	\$

*

*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. [Such principal amounts shall be reduced as specified by the District by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.]

<u>Year</u>	Mandatory Sinking Fund Redemption Amount
	\$

*

*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. [Such principal amounts shall be reduced as specified by the District by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.]

<u>Year</u>	Mandatory Sinking Fund Redemption Amount
	\$

*

*Maturity

Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2021 Bonds in substantially equal annual installments of principal and interest (subject to

rounding to Authorized Denominations of principal) over the remaining term of the Series 2021 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2021 Bonds in any year. In the event of a redemption or purchase occurring less than forty-five (45) days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amount due in the year in which such redemption occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

Extraordinary Mandatory Redemption

The Series 2021 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole or in part, on any date (other than in the case of clause (i) below which extraordinary mandatory redemption in part must occur on a March 15, June 15, September 15 and December 15 of any calendar year), at a Redemption Price equal to 100% of the principal amount of the Series 2021 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account (taking into account the credit from the Series 2021 Reserve Account pursuant to the First Supplemental Indenture) following the Prepayment in whole or in part of Series 2021 Special Assessments on any assessable property within the District in accordance with the provisions of the First Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and Subaccounts (other than the Series 2021 Rebate Fund, the Series 2021 Cost of Issuance Account and the Series 2021 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2021 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Indenture.

(iii) from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account not otherwise reserved to complete the 2021 Project (including any amounts transferred from the Series 2021 Reserve Account) all of which have been transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account.

Except as otherwise provided in the Indenture, if less than all of the Series 2021 Bonds subject to redemption shall be called for redemption, the particular such Bonds or portions of such Bonds to be redeemed shall be selected randomly by the Trustee as provided in the Indenture.

Notice of Redemption and of Purchase

When required to redeem or purchase Series 2021 Bonds under any provision of the Indenture or directed to do so by the District, the Trustee shall cause notice of the redemption to be mailed by the Registrar, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption or purchase date to all Owners of Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5th) day prior to such mailing), at their registered addresses, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Series 2021 Bonds for which notice was duly mailed in accordance with the Indenture. The District is authorized to direct the Trustee to give a conditional notice of redemption.

Purchase of Series 2021 Bonds

At the written direction of the District, the Trustee shall apply moneys from time to time available in the Series 2021 Sinking Fund Account to the purchase of the Series 2021 Bonds in accordance with the Indenture, at prices not higher than the principal amount thereof, in lieu of redemption, provided that firm purchase commitments can be made before the notice of redemption would otherwise be required to be given.

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 2021 Bonds. The Series 2021 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2021 Bond certificate will be issued for each maturity of the Series 2021 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates

representing their ownership interests in the Series 2021 Bonds, except in the event that use of the book-entry system for the Series 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2021 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 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2021 Bond documents. For example, Beneficial Owners of Series 2021 Bonds may wish to ascertain that the nominee holding the Series 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2021 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2021 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2021 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 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the 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.

* Not applicable to the Series 2021 Bonds.

DTC may discontinue providing its services as depository with respect to the Series 2021 Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2021 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2021 Bond certificates will be printed and delivered to DTC.

SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS

General

THE SERIES 2021 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE SERIES 2021 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2021 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2021 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2021 BONDS. THE SERIES 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2021 Bonds will be secured by a pledge of the Series 2021 Pledged Revenues. "Series 2021 Pledged Revenues" shall mean, with respect to the Series 2021 Bonds, (a) all revenues received by the District from Series 2021 Special Assessments levied and collected on the assessable lands within the District, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 Special Assessments, and (b) all moneys on deposit in the Funds, Accounts and subaccounts established under the Indenture created and established with respect to or for the benefit of the Series 2021 Bonds; provided, however, that Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso).

The Series 2021 Special Assessments consist of the non-ad valorem special assessments imposed and levied by the District against certain assessable lands within the District, as a result of the District's acquisition and/or construction of a portion of the 2021 Project, corresponding in amount to the debt service on the Series 2021 Bonds and designated as such in the Assessment Methodology (as defined herein) relating thereto. The Series 2021 Special Assessments are levied pursuant to Section 190.022 of the Act, resolutions of the District adopted prior to delivery of the Series 2021 Bonds, as amended and supplemented from time to time (collectively, the "Assessment Resolutions") and assessment proceedings conducted by the District (together with the Assessment Resolutions, the "Assessment Proceedings"). The Assessment Methodology, which describes the methodology for allocating the Series 2021 Special Assessments to certain assessable lands within the District, is included as APPENDIX D hereto. See also "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein.

Non-ad valorem assessments are not based on millage and are not taxes, but can become a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. The Series 2021 Special Assessments will constitute a lien against the land as to which the Series 2021 Special Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

Covenant to Levy the Series 2021 Special Assessments

The District will covenant to levy the Series 2021 Special Assessments to the extent and in the amount sufficient to pay debt service requirements on the Series 2021 Bonds. If any Series 2021 Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the District shall be satisfied that any such Series 2021 Special Assessment is so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such Series 2021 Special Assessment when it might have done so, the District has additionally covenanted in the Indenture to either (i) take all necessary steps to cause a new Series 2021 Special Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement, or (ii) in its sole discretion, make up the amount of such Series 2021 Special Assessment from legally available moneys, which moneys shall be deposited into the Series 2021 Revenue Account. In case such second Series 2021 Special Assessment shall be annulled, the District shall obtain and make other Series 2021 Special Assessments until a valid Series 2021 Special Assessment shall be made.

Prepayment of Series 2021 Special Assessments

Pursuant to the Act and the Assessment Proceedings, an owner of property subject to the levy of Series 2021 Special Assessments may pay the entire balance of the Series 2021 Special Assessments remaining due, without interest, within thirty (30) days after the 2021 Project has been completed or acquired by the District, and the Board has adopted a resolution accepting the 2021 Project pursuant to Chapter 170.09, Florida Statutes. The Developer, as the [sole] owner of the property within the District, will waive this right in connection with the issuance of the Series 2021 Bonds pursuant to a "Declaration of Consent to Jurisdiction of Tern Bay Community Development District and to Imposition of Special Assessments." Such declaration will be recorded in the public records of the County, and the covenants contained therein will be binding on the Developer and its successors and assigns.

[Pursuant to the Assessment Proceedings, an owner of land against which a Series 2021 Special Assessment has been levied may, at its option, (i) pre-pay the entire amount of the Series 2021 Special Assessment attributable to such owner's property subject to Assessment at any time; (ii) pre-pay a portion of the entire amount of the Series 2021 Special Assessment attributable to such owner's property subject to Assessment one time; or (iii) pre-pay a portion of the amount of the Series 2021 Special Assessment attributable to such owner's property subject to a Series 2021 Special Assessment without a limit in number following a default (and while such default exists) by such owner in the payment of the Series 2021 Special Assessment as to such owner's property, provided that any prepayment hereunder includes all accrued interest to the next succeeding interest payment date or to the second succeeding interest payment date if such a prepayment is made within forty-five (45) calendar days before an interest payment date. See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein.]

Any prepayment of Series 2021 Special Assessments will result in the extraordinary mandatory redemption of Series 2021 Bonds, as indicated under "DESCRIPTION OF THE SERIES 2021 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption." The prepayment of Series 2021 Special Assessments does not entitle the owner of the property to a discount for early payment.

Additional Obligations

In the Indenture, the District will covenant not to issue any other Bonds or other debt obligations secured by the Series 2021 Special Assessments. Such covenant shall not prohibit the District from issuing refunding Bonds. In addition, the District will covenant not to issue any other Bonds or debt obligations for capital projects secured by special assessments on the land within the District which secures the [Series 2021 Bonds], until the Series 2021 Special Assessments are Substantially Absorbed. "Substantially Absorbed" means the date at least seventy-five percent (75%) of the principal portion of the Series 2021 Special Assessments have been assigned to residential units within the District that have received certificates of occupancy. The District shall provide the Trustee with a certification that the Series 2021 Special Assessments are Substantially Absorbed and the Trustee may conclusively rely upon such certification and shall have no duty to verify if the Series 2021 Special Assessments are Substantially Absorbed. Notwithstanding any provision in the Indenture to the contrary, the District may issue other Bonds or debt obligations secured by other Special Assessments levied within the District that is subject to the Series 2021 Special Assessments at any time upon the written consent of the Majority Holders.

Except as set forth above, the District and/or other public entities may impose taxes or other special assessments on the same properties encumbered by the Series 2021 Special Assessments without the consent of the Owners of the Series 2021 Bonds. Additionally, the District expects to impose certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the Series 2021 Special Assessments, on the same lands upon which the Series 2021 Special Assessments are imposed, to fund the maintenance and operation of the District. See "THE DEVELOPMENT – Taxes, Fees and Assessments" and "BONDOWNERS' RISKS" herein.

Covenant Against Sale or Encumbrance

In the Master Indenture, the District will covenant that (a) except for those improvements comprising any Project that are to be conveyed by the District to the County, the State Department of Transportation or another governmental entity and (b) except as otherwise permitted in the Indenture, it will not sell, lease or otherwise dispose of or encumber any Project or any part thereof, including the 2021 Project. See "APPENDIX A: PROPOSED FORMS OF INDENTURES" herein for more information.

Series 2021 Acquisition and Construction Account

The First Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2021 Acquisition and Construction Account." Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Acquisition and Construction Account in the amount set forth in the First Supplemental Indenture, together with any other moneys that may be transferred to the Series 2021 Acquisition and Construction Account as provided for therein. Such moneys in the Series 2021 Acquisition and Construction Account shall be disbursed by the Trustee as set forth in the Indenture and upon disbursement, the District shall apply such moneys as provided for in the Acquisition Agreement.

Subject to the provisions of the First Supplemental Indenture, any moneys remaining in the Series 2021 Acquisition and Construction Account after the Completion Date, and after the expenditure of all moneys remaining therein that have not been requisitioned within thirty (30) days after satisfaction of the Release Conditions (as defined herein), except for any moneys reserved therein for the payment of any Costs of the 2021 Project owed but not yet requisitioned, as evidenced in a certificate from the District Engineer to the Trustee, upon which the Trustee may conclusively rely, and the adoption of a resolution by the District accepting the 2021 Project, as evidenced by a certificate from the District Manager delivered to the Trustee, upon which the Trustee may conclusively rely, shall be transferred by the Trustee to the Series

2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. Subject to the provisions of the First Supplemental Indenture, the Series 2021 Acquisition and Construction Account shall be closed upon the expenditure of all funds therein including moneys deposited therein as a result of satisfaction of the Release Conditions. Upon presentment to the Trustee of a properly signed requisition in substantially the form attached as an exhibit to the First Supplemental Indenture, the Trustee shall withdraw moneys from the Series 2021 Acquisition and Construction Account and make payment to the Persons so designated in such requisition.

Series 2021 Reserve Account

The Indenture establishes a Series 2021 Reserve Account within the Debt Service Reserve Fund for the Series 2021 Bonds. The Series 2021 Reserve Account will, at the time of delivery of the Series 2021 Bonds, be funded from a portion of the proceeds of the Series 2021 Bonds in the amount of the Series 2021 Reserve Requirement. The "Series 2021 Reserve Requirement" or "Reserve Requirement" shall mean an amount initially equal to fifty percent (50%) of the maximum annual debt service with respect to the initial principal amount of the Series 2021 Bonds determined on the date of issue. Upon satisfaction of the Release Conditions (as defined below), the Series 2021 Reserve Requirement shall be reduced to an amount equal to ten percent (10%) of the maximum annual debt service with respect to the then Outstanding principal amount of Series 2021 Bonds. If a portion of the Series 2021 Bonds are redeemed pursuant to the First Supplemental Indenture, the Reserve Requirement shall be reduced to fifty percent (50%) (prior to satisfaction of the Release Conditions) or ten percent (10%) (after satisfaction of the Release Conditions) of the maximum annual debt service of the Series 2021 Bonds after taking into account such extraordinary mandatory redemption. Any amount in the Series 2021 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2021 Bonds, be used to pay principal of and interest on the Series 2021 Bonds at that time. The initial Series 2021 Reserve Requirement shall be equal to \$_____.

"Release Conditions" shall mean all of the following: (i) all of the principal portion of the Series 2021 Special Assessments has been assigned to residential units that have been constructed and have been sold and closed with homebuyers; and (ii) no Event of Default under the Master Indenture has occurred, all as evidenced pursuant to the First Supplemental Indenture.

On each May 1 and November 1 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2021 Reserve Account and transfer any excess therein above the Reserve Requirement for the Series 2021 Bonds caused by investment earnings to the Series 2021 Acquisition and Construction Account, and after the Completion Date, to the Series 2021 Revenue Account in accordance with the First Supplemental Indenture.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2021 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by a majority of the Holders of the Series 2021 Bonds, to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account, if as a result of the application of the provisions of the Master Indenture regarding Events of Default, the proceeds received from lands sold subject to the Series 2021 Special Assessments and applied to redeem a portion of the Series 2021 Bonds is less than the principal amount of Series 2021 Bonds indebtedness attributable to such lands.

Subject to the provisions of the First Supplemental Indenture, on any date the District receives notice from the District or the District Manager, on behalf of the District, that a landowner wishes to prepay its Series 2021 Special Assessments relating to the benefited property of such landowner within the District, or as a result of a mandatory true-up payment, the District shall, or cause the District Manager, on behalf of the District to, or, if such notice is received by the District Manager, the District Manager shall calculate

the principal amount of such Prepayment taking into account a credit against the amount of the Series 2021 Prepayment Principal due by the amount of money in the Series 2021 Debt Service Reserve Account that will be in excess of the applicable Reserve Requirement, taking into account the proposed Prepayment. Such excess in the Series 2021 Debt Service Reserve Account shall be transferred by the Trustee to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account, as a result of such Prepayment. The District Manager, on behalf of the District, shall make such calculation within ten (10) Business Days after notice of such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the landowner from the Series 2021 Debt Service Reserve Account to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2021 Bonds in accordance with the First Supplemental Indenture. The Trustee is authorized to make such transfers and has no duty to verify such calculations. Notwithstanding the foregoing, upon satisfaction of the Release Conditions, the Trustee shall deposit such excess on deposit in the Series 2021 Reserve Account to the Series 2021 Acquisition and Construction Account and pay such amount deposited in the Series 2021 Acquisition and Construction Account to the Person or Persons designated in a requisition in the form attached hereto as Exhibit "C" submitted by the Developer within thirty (30) days of such transfer which requisition shall be executed by the District and the Consulting Engineer. Such payment is authorized notwithstanding that the Completion Date might have been declared provided the Developer can establish, to the satisfaction of the Consulting Engineer, Costs of the 2021 Project that were not paid from moneys initially deposited in the Series 2021 Acquisition and Construction Account. In the event that there are no unreimbursed Costs to pay to the Developer, such excess moneys transferred from the Series 2021 Reserve Account to the Series 2021 Acquisition and Construction Account shall be deposited into the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account.

Upon satisfaction of the Release Conditions as evidenced by a written certificate of the District Manager delivered to the District and the Trustee, stating that the Release Conditions have been satisfied and setting forth the amount of the new Series 2021 Reserve Requirement, the Trustee shall without further direction reduce the Series 2021 Reserve Requirement to ten percent (10%) of the maximum annual debt service of the then Outstanding principal amount of the Series 2021 Bonds as calculated by the District Manager. The excess amount in the Series 2021 Reserve Account shall be transferred to the Series 2021 Acquisition and Construction Account. The Trustee may conclusively rely on such written certificate of the District Manager.

In addition, in the event of an extraordinary mandatory redemption pursuant to Section 3.01(b)(iii), the Trustee shall calculate the applicable Reserve Requirement and apply any excess in the Series 2021 Reserve Account toward such extraordinary mandatory redemption

It shall be an event of default under the Indenture if at any time the amount in the Series 2021 Reserve Account is less than the Series 2021 Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Series 2021 Debt Service Requirement and such amount has not been restored within thirty (30) days of such withdrawal.

Deposit and Application of the Series 2021 Pledged Revenues

The Indenture establishes a Series 2021 Revenue Account within the Revenue Fund for the Series 2021 Bonds. Series 2021 Special Assessments (except for Prepayments of the Series 2021 Special Assessments, which shall be identified as such by the District to the Trustee and deposited in the Series 2021 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2021 Revenue Account and applied as set forth in the Indenture. Pursuant to the Indenture, the Trustee shall transfer from amounts on deposit in the Series 2021 Revenue Account to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt but no later than the Business Day next preceding each December 15, commencing [December] 15, 2021, to the Series 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds becoming due on the next succeeding December 15, less any amount on deposit in the Series 2021 Interest Account not previously credited;

SECOND, upon receipt but no later than the Business Day next preceding each June 15, commencing June 15, 2022, to the Series 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds due on the next succeeding June 15, less any amounts on deposit in the Series 2021 Interest Account not previously credited;

THIRD, no later than the Business Day next preceding each December 15, commencing December 15, 20[___], to the Series 2021 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2021 Bonds subject to sinking fund redemption on such December 15, less any amount on deposit in the Series 2021 Sinking Fund Account not previously credited;

FOURTH, no later than the Business Day next preceding each December 15, which is the principal payment date for any Series 2021 Bonds, to the Series 2021 Principal Account of the Debt Service Fund, an amount equal to the principal amount of Series 2021 Bonds Outstanding maturing on such December 15, less any amounts on deposit in the Series 2021 Principal Account not previously credited;

FIFTH, notwithstanding the foregoing, at any time the Series 2021 Bonds are subject to redemption on a date which is not a June 15 or December 15 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2021 Interest Account, the amount necessary to pay interest on the Series 2021 Bonds subject to redemption on such date;

SIXTH, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2021 Bonds remain Outstanding, to the Series 2021 Reserve Account, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2021 Reserve Requirement for the Series 2021 Bonds; and

SEVENTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be deposited into the Series 2021 Costs of Issuance Account to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2021 Bonds and next, any balance in the Series 2021 Revenue Account shall remain on deposit in such Series 2021 Revenue Account, unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2021 Rebate Fund, in which case, the District shall direct the Trustee to make such deposit thereto.

Investments

The Trustee shall, as directed by the District in writing, invest moneys held in the Series 2021 Accounts in the Debt Service Fund and the Series 2021 Bond Redemption Account only in Government Obligations and certain types of securities listed within the definition of Investment Securities. All deposits in time accounts shall be subject to withdrawal without penalty and all investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for the purposes set forth in the Indenture. All securities securing investments under the Indenture shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee, as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined

net capital and surplus of not less than \$50,000,000. The interest and income received upon such investments and any interest paid by the Trustee or any other depository of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund or Account for which such investments are made; provided, however, that if the amount in any Fund or Account equals or exceeds the amount required to be on deposit therein, subject to the provisions of the Indenture, any interest and other income so received shall be deposited in the Series 2021 Revenue Account. Upon request of the District, or on its own initiative whenever payment is to be made out of any Fund or Account, the trustee shall sell such securities as may be requested to make the payment and restore the proceeds to the Fund or Account in which the securities were held. The Trustee shall not be accountable for any depreciation in the value of any such security or for any loss resulting from the sale thereof. If net proceeds from the sale of securities held in any Fund or Account shall be less than the amount invested and, as a result, the amount on deposit in such Fund or Account is less than the amount required to be on deposit in such Fund or Account, in the amount of such deficit shall be transferred to such Fund or Account from the related Series Account of the Revenue Fund. See "APPENDIX A: PROPOSED FORMS OF INDENTURES" hereto.

The Trustee shall value the assets in each of the Funds and Accounts established under the Indenture forty-five (45) days prior to each Interest Payment Date, and as soon as practicable after each such valuation date (but no later than ten (10) days after such valuation date) shall provide the District a report of the status of each Fund and Account as of the valuation date.

Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner

The Indenture contains the following provisions which, pursuant to the Indenture, shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against the Developer or other "obligated person" (as defined in the Continuing Disclosure Agreement) (as defined in the Indenture, the "Landowner") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). For as long as any Series 2021 Bonds remain Outstanding, in any Proceeding involving the District, any Landowner, or the Series 2021 Special Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the Series 2021 Bonds.

In the Master Indenture, the District will acknowledge and agree that, although the Bonds will be issued by the District, the Beneficial Owners of the Bonds are categorically the party with a financial stake in the repayment of the Bonds and, consequently, the party with a vested interest in a Proceeding. In the event of any Proceeding involving any Landowner (a) the District agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Special Assessments, the Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee, (b) the Trustee shall have the right, but is not obligated to, vote in any such Proceeding any and all claims of the District, and, if the Trustee chooses to exercise such right, the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Landowner, including without limitation, the right to file and/or prosecute any claims, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the Bankruptcy Code and (c) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of any lands submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District's claim with respect to the Special Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District has agreed

that the Trustee shall have the right (i) to file a proof of claim with respect to the Special Assessments, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim. See "BONDOWNERS' RISKS – Bankruptcy Risks" herein for more information.

Events of Default and Remedies

The Indenture provides that each of the following shall be an "Event of Default" under the Indenture, with respect to the Series 2021 Bonds:

(a) if payment of any installment of interest on any Series 2021 Bond is not made when it becomes due and payable; or

(b) if payment of the principal or Redemption Price of any Series 2021 Bond is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or

(c) if the District, for any reason, fails in, or is rendered incapable of, fulfilling its obligations under the Indenture or under the Act which may be determined solely by the Majority Holders of the Series 2021 Bonds; or

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

(e) if the District defaults in the due and punctual performance of any other covenant in the Indenture or in any Series 2021 Bond and such default continues for sixty (60) days after written notice requiring the same to be remedied shall have been given to the District by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Majority Holders of the Series 2021 Bonds; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the District shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) if at any time the amount in the Series 2021 Reserve Account is less than the Series 2021 Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement on the Series 2021 Bonds and such amount has not been restored within thirty (30) days of such withdrawal; or

(g) more than twenty percent (20%) of the "maintenance special assessments" levied by the District on District lands upon which the Series 2021 Special Assessments are levied to secure the Series 2021 Bonds pursuant to Section 190.021(3), Florida Statutes, as amended, and collected directly by the District have become due and payable and have not been paid, when due.

The Trustee shall not be required to rely on any official action, admission or declaration by the District before recognizing that an Event of Default under (c) above has occurred.

No Series 2021 Bonds shall be subject to acceleration. Upon the occurrence and continuance of an Event of Default, no optional redemption or extraordinary mandatory redemption of the Series 2021 Bonds pursuant to the Indenture shall occur unless all of the Series 2021 Bonds where an Event of Default has occurred will be redeemed or if 100% of the Holders of the Outstanding Series 2021 Bonds agree to such redemption.

If any Event of Default with respect to the Series 2021 Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Holders of not less than a majority of the aggregate principal amount of the Outstanding Series 2021 Bonds and receipt of indemnity to its satisfaction shall, in its own name:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Series 2021 Bonds, including, without limitation, the right to require the District to carry out any agreements with, or for the benefit of, the Series 2021 Bondholders and to perform its or their duties under the Act;

(b) bring suit upon the Series 2021 Bonds;

(c) by action or suit in equity require the District to account as if it were the trustee of an express trust for the Holders of the Series 2021 Bonds;

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Series 2021 Bonds; and

(e) by other proceeding in law or equity, exercise all rights and remedies provided for by any other document or instrument securing the Series 2021 Bonds.

If any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, then the District, the Trustee, the Paying Agent and the Bondholders shall be restored to their former positions and rights under the Indenture as though no such proceeding had been taken.

The Majority Holders of the Series 2021 Bonds then subject to remedial proceedings under the Indenture shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee under the Indenture, provided that such directions shall not be otherwise than in accordance with law or the provisions of the Indenture.

ENFORCEMENT OF ASSESSMENT COLLECTIONS

General

The primary source of payment for the Series 2021 Bonds is the Series 2021 Special Assessments imposed on certain lands in the District specially benefited by the 2021 Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY."

The determination, order, levy, and collection of Series 2021 Special Assessments must be done in compliance with procedural requirements and guidelines provided by State law. Failure by the District, the Charlotte County Tax Collector (the "Tax Collector") or the Charlotte County Property Appraiser (the "Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2021 Special Assessments during any year. Such delays in the collection

of Series 2021 Special Assessments, or complete inability to collect the Series 2021 Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on such Series 2021 Bonds. To the extent that landowners fail to pay the Series 2021 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2021 Bonds. See "BONDOWNERS' RISKS" herein. The Act provides for various methods of collection of delinquent Series 2021 Special Assessments by reference to other provisions of the Florida Statutes. The following is a description of certain statutory provisions of assessment payment and collection procedures appearing in the Florida Statutes but is qualified in its entirety by reference to such statutes.

Uniform Tax Collection Procedure for Series 2021 Special Assessments

Pursuant to the Indenture, the District shall collect the Series 2021 Special Assessments through the Uniform Method of Collection afforded by Chapter 197, Florida Statutes (the "Uniform Method"), except that, pursuant to the Indenture and the terms of the Assessment Resolutions, the District shall collect the Series 2021 Special Assessments directly in lieu of using the Uniform Method with respect to any assessable lands which have not yet been platted or such lands are still owned by the Developer or the timing for using the Uniform Method will not yet allow for using such method or as otherwise directed by the Majority Holders upon the occurrence of the Event of Default. At such time as the Series 2021 Special Assessments are collected pursuant to the Uniform Method, the provisions described under this heading shall be come applicable. The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2021 Special Assessments to be levied and then collected in this manner. See "-Foreclosure" below with respect to collection of delinquent assessments not collected pursuant to the Uniform Method.

If the Uniform Method of collection is utilized, the Series 2021 Special Assessments will be collected together with County, special district, and other ad valorem taxes and non-ad valorem 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 ad valorem taxes and non-ad valorem assessments provide that such taxes and assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector, and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes and assessments (including the Series 2021 Special Assessments, if any, being collected by the Uniform Method) are to be billed, and landowners in the District are required to pay all such taxes and assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2021 Special Assessments. Upon any receipt of moneys by the Tax Collector from the Series 2021 Special Assessments, such moneys will be delivered to the District, which will remit such Series 2021 Special Assessments to the Trustee for deposit to the Series 2021 Revenue Account within the Revenue Fund, except that any Prepayments of Series 2021 Special Assessments shall be deposited to the Series 2021 Prepayment Subaccount within the Series 2021 Bond Redemption Account of the Bond Redemption Fund created under the Indenture and applied in accordance therewith.

All County, school and special district, including the District, ad valorem taxes, non-ad valorem special assessments, including the Series 2021 Special Assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, are payable at one time, except for partial payment schedules as may be provided by 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. In such cases, the tax Collector does not accept such partial payment and the partial payment is returned

to the taxpayer. Therefore, in the event the Series 2021 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2021 Special Assessments to not be collected to that extent, which could have a significant adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2021 Bonds. See "BONDOWNERS' RISKS – Other Taxes and Assessments."

Under the Uniform Method, if the Series 2021 Special Assessments are paid during November when due or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. All unpaid taxes and assessments become delinquent on April 1 of the year following assessment. The Tax Collector is required to collect the ad valorem taxes and non-ad valorem special assessments on the tax bill prior to April 1 and, after that date, to institute statutory procedures upon delinquency to collect such taxes and assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process.

Neither the District nor the Underwriter can give any assurance to the holders of the Series 2021 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2021 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2021 Special Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable parcels within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2021 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2021 Special Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Series 2021 Special Assessments due. In the event of a delinquency in the payment of taxes and assessments on real property, the landowner may, prior to the sale of tax certificates, pay the total amount of delinquent ad valorem taxes and non-ad valorem assessments plus the cost of advertising and the applicable interest charge on the amount of such delinquent taxes and assessments. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates on such property to the person who pays the delinquent taxes and assessments owing, penalties and interest thereon and certain costs, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%). Tax certificates are sold by public bid. 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 (currently 18%). The Tax Collector does not collect any money if tax certificates are "struck off" (issued) to the County. The County may sell such certificates to the public at any time at the principal amount thereof plus interest at the rate of not more than 18% per annum and a fee. Proceeds from the sale of tax certificates are required to be used to pay taxes and assessments (including the Series 2021 Special Assessments), interest, costs and charges on the real property described in the certificate. The demand for such certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2021 Special Assessments, which are the primary source of payment of the Series 2021 Bonds. 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.

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 or the property is

placed on the list of lands available for sale, at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, charges and omitted taxes due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of 5%, unless the rate borne by the certificates is zero percent. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the tax certificate such proceeds less service charges, and the certificate is canceled. Redemption of tax certificates held by the County is effected by purchase of such certificates from the County, as described in the preceding paragraph.

Any holder, other than the County, of a tax certificate that has not been redeemed has seven years from the date of issuance of the tax certificate during which to act against the land that is the subject of the tax certificate. After an initial period ending two years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due. If the County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two years after April 1 of the year of issuance of the certificate. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

In any such public sale conducted by the Clerk of the Circuit Court, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, including costs incurred for the service of notice required by statute, redemption of other tax certificates on the land, and the amount paid by such holder in applying for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, and all other amounts paid by such person in applying for a tax deed, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholders and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear.

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

If there are no bidders at the public sale, the County may, at any time within ninety (90) days from the date of offering for public sale, purchase the land without further notice or advertising for a statutorily prescribed opening bid. After ninety (90) days have passed, any person or governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three years from the date of delinquency, unsold lands escheat to the County in which they are located and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

Foreclosure

The following discussion regarding foreclosure is not applicable if the Series 2021 Special Assessments are being collected pursuant to the Uniform Method. In the event that the District itself directly levies and enforces, pursuant to Chapters 170 and 190, Florida Statutes, the collection of the Series 2021 Special Assessments levied on the land within the District, Chapter 170.10, Florida Statutes provides that upon the failure of any property owner to pay all or any part of the principal of a special assessment, including a Series 2021 Special Assessment, or the interest thereon, when due, the governing body of the entity levying the assessment is authorized to commence legal proceedings for the enforcement of the payment thereof, including commencement of an action in chancery, commencement of a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or commencement of an action under Chapter 173, Florida Statutes relating to foreclosure of municipal tax and special assessment liens. Such a proceeding is in rem, meaning that it is brought against the land not against the owner. In light of the one year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2021 Special Assessments and the ability to foreclose the lien of such Series 2021 Special Assessments upon the failure to pay such Series 2021 Special Assessments may not be readily available or may be limited as such enforcement is dependent upon judicial action which is often subject to discretion and delay.

BONDOWNERS' RISKS

There are certain risks inherent in an investment in bonds issued by a public authority or governmental body in the State and secured by special assessments. Certain of these risks are described in other sections of this Limited Offering Memorandum. Certain additional risks are associated with the Series 2021 Bonds offered hereby and are set forth below. Prospective investors in the Series 2021 Bonds should have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Series 2021 Bonds and have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2021 Bonds, and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety for a more complete description of investment considerations relating to the Series 2021 Bonds.

Concentration of Land Ownership

As of the date of delivery of the Series 2021 Bonds, the Developer owns [all] of the assessable lands within the District, which are the lands that will be subject to the Series 2021 Special Assessments securing the Series 2021 Bonds. Payment of the Series 2021 Special Assessments is primarily dependent upon their timely payment by the Developer and the other future landowners in the District. Non-payment of the Series 2021 Special Assessments by any of the landowners could have a substantial adverse impact upon the District's ability to pay debt service on the Series 2021 Bonds. See "THE DEVELOPER" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS" herein.

Bankruptcy and Related Risks

In the event of the institution of bankruptcy or similar proceedings with respect to the Developer or any other owner of benefited property, delays could occur in the payment of debt service on the Series 2021 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Developer and any other landowner to pay the Series 2021 Special Assessments; (ii) the Tax Collector to sell tax certificates in

relation to such property with respect to the Series 2021 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2021 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2021 Bonds under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Indenture and the Series 2021 Bonds, including, without limitation, enforcement of the obligation to pay Series 2021 Special Assessments and the ability of the District to foreclose the lien of the Series 2021 Special Assessments if not being collected pursuant to the Uniform Method, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2021 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the Series 2021 Bonds could have a material adverse impact on the interest of the Owners thereof.

A 2011 bankruptcy court decision in Florida held that the governing body of a community development district, and not the bondholders or indenture trustee, was the creditor of the landowners/debtors in bankruptcy with respect to claims for special assessments, and thus only the district could vote to approve or disapprove a reorganization plan submitted by the debtors in the case. The district voted in favor of the plan. The governing body of the district was at that time elected by the landowners rather than qualified electors. Under the reorganization plan that was approved, a two-year moratorium was placed on the debtor landowners' payment of special assessments. As a result of this non-payment of assessments, debt service payments on the district's bonds were delayed for two years or longer. The Indenture provides for the delegation of certain rights from the District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an "obligated person" (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner." The District cannot express any view whether such delegation would be enforceable.

Series 2021 Special Assessments Are Non-Recourse

The principal security for the payment of the principal and interest on the Series 2021 Bonds is the timely collection of the Series 2021 Special Assessments. The Series 2021 Special Assessments do not constitute a personal indebtedness of the landowners of the land subject thereto, but are secured by a lien on such land. There is no assurance that the Developer or subsequent landowners will be able to pay the Series 2021 Special Assessments or that they will pay such Series 2021 Special Assessments even though financially able to do so. Neither the Developer nor any other subsequent landowners have any personal obligation to pay the Series 2021 Special Assessments. Neither the Developer nor any subsequent landowners are guarantors of payment of any Series 2021 Special Assessments, and the recourse for the failure of the Developer or any subsequent landowner to pay the Series 2021 Special Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2021 Special Assessments, as described herein. Therefore the likelihood of collection of the Series 2021 Special Assessments may ultimately depend on the market value of the land subject to the Series 2021 Special Assessments. While the ability of the Developer or subsequent landowners to pay the Series 2021 Special Assessments is a relevant factor, the willingness of the Developer or subsequent landowners to pay the Series 2021 Special Assessments, which may also be affected by the value of the land subject to the Series 2021 Special Assessments, is also an important factor in the collection of Series 2021 Special Assessments. The failure of the Developer or subsequent landowners to pay the Series 2021 Special Assessments could render the District unable to collect delinquent Series 2021 Special Assessments, if any, and provided such

delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of debt service on the Series 2021 Bonds.

Regulatory and Environmental Risks

The development of the District Lands is subject to comprehensive federal, state and local regulations and future changes to such regulations. Approval is required from various public agencies in connection with, among other things, the design, nature and extent of planned improvements, both public and private, and construction of the infrastructure in accordance with applicable zoning, land use and environmental regulations. Although all such approvals required to date have been received and any further approvals are anticipated to be received as needed, failure to obtain any such approvals in a timely manner could delay or adversely affect the completion of the development of the District Lands. See "THE DEVELOPMENT – Zoning and Permitting," 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 2021 Bonds could be affected by environmental factors with respect to the land in the District. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the land in the District, which could materially and adversely affect the success of the development of the lands within the District and the likelihood of the timely payment of the Series 2021 Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received. Nevertheless, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the lands in the District.

The value of the lands subject to the Series 2021 Special Assessments could also be adversely impacted by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the District, such catastrophic events could potentially render the District Lands unable to support future development. The occurrence of any such events could materially adversely impact the District's ability to pay principal and interest on the Series 2021 Bonds. The Series 2021 Bonds are not insured, and the District's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

Economic Conditions and Changes in Development Plans

The successful development of the 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 2021 Special Assessments could be affected by the existence of other taxes and assessments imposed upon such property by the District, the County or any other local special purpose or general purpose governmental entities. County, school, special district taxes and special assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on debt, including the Series 2021 Special Assessments, collected pursuant to the Uniform Method are payable at one time. Public entities whose boundaries overlap those of the District could, without the consent of the owners of the land within the District, impose additional taxes on the property within the District. The District anticipates imposing operation and maintenance assessments encumbering the same property encumbered by the Series 2021 Special Assessments. In addition, lands within the District may also be subject to assessments by property owners' and homeowners' associations. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for additional information.

Under Florida law, a landowner may contest the assessed valuation determined for its property that forms the basis of ad-valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2021 Special Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to such Series 2021 Special Assessment, even though the landowner is not contesting the amount of the Series 2021 Special Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem taxes and at least 75% of their ad valorem taxes before they become delinquent. Likewise, taxpayers who challenge the denial of an exemption or classification or a determination that their improvements were substantially complete must pay all non-ad valorem assessments and the amount of ad valorem taxes that they admit in good faith to be owing. If a taxpayer fails to pay property taxes as set forth above, the Value Adjustment Board considering the taxpayer's challenge is required to deny such petition by written decision by April 20 of such year.

Limited Secondary Market for Series 2021 Bonds

The Series 2021 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2021 Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2021 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2021 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2021 Bonds, depending on the progress of development of the Development and the lands within the District, as applicable, existing real estate and financial market conditions and other factors.

Inadequacy of Series 2021 Reserve Account

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2021 Special Assessments, may not adversely affect the timely payment of debt service on the Series 2021 Bonds because of the Series 2021 Reserve Account. The ability of the Series 2021 Reserve Account to fund deficiencies caused by delinquencies in the Series 2021 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys in such Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2021 Special Assessments, the Series 2021 Reserve Account would be rapidly depleted and the ability of the District to pay debt service on the Series 2021 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Reserve Account and such other Funds, Accounts and subaccounts created under the Indenture to pay its extraordinary fees and expenses incurred in

connection with such Event of Default. If in fact the Reserve Account is accessed for any purpose, the District does not have a designated revenue source for replenishing such account. Moreover, the District may not be permitted to re-assess real property then burdened by the Series 2021 Special Assessments in order to provide for the replenishment of the Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Series 2021 Reserve Account" herein for more information about the Series 2021 Reserve Account.

Legal Delays

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2021 Special Assessments that are not being collected pursuant to the Uniform Method, such landowner and/or its mortgagee(s) may raise affirmative defenses to such foreclosure action. Although the District expects that such affirmative defenses would likely be proven to be without merit, they could result in delays in completing the foreclosure action. In addition, the District is required under the Indenture to fund the costs of such foreclosure. It is possible that the District will not have sufficient funds and will be compelled to request the Holders of the Series 2021 Bonds to allow funds on deposit under the Indenture to be used to pay the costs of the foreclosure action. Under the Code, there are limitations on the amounts of proceeds from the Series 2021 Bonds that can be used for such purpose.

IRS Examination and Audit Risk

The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. In 2016, the IRS concluded its lengthy examination of certain issues of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District (the "Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local government body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes. Village Center CDD received a second TAM dated June 17, 2015, which granted relief to Village Center CDD from retroactive application of the IRS's conclusion regarding its failure to qualify as a political subdivision. Prior to the conclusion of the audits, the Audited Bonds were all refunded with taxable bonds. The audit of the Audited Bonds that were issued for utility improvements were closed without change to the tax exempt status of those Audited Bonds on April 25, 2016, and the audit of the remainder of the Audited Bonds (which funded recreational amenity acquisitions from entities related to the principal landowner in the Village Center CDD) was closed on July 14, 2016, without the IRS making a final determination that the interest on the Audited Bonds in question was required to be included in gross income. However, the IRS letter to the Village Center CDD with respect to this second set of Audited Bonds noted that the IRS found that the Village Center CDD was not a "proper issuer of tax-exempt bonds" and that those Audited Bonds were private-activity bonds that did not fall in any of the categories that qualify for tax-exemption. Although the TAMs and the letters to the Village Center CDD from the IRS referred to above are addressed to, and binding only on, the IRS and Village Center CDD in connection with the Audited Bonds, they reflect the audit position of the IRS, and there can be no assurance that the IRS would not commence additional audits of bonds issued by other community development districts raising issues similar to the issues raised in the case of the Audited Bonds based on the analysis set forth in the first TAM or on the related concerns addressed in the July 14, 2016 letter to the Village Center CDD.

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the interest on which is excluded from gross income for federal tax purposes. The proposed regulations require that a political subdivision (i) have the power to exercise at least one sovereign power, (ii) be formed and operated for a governmental purpose, and (iii) have a governing body controlled by or have significant uses of its funds or assets otherwise controlled by a government unit with all three sovereign powers or by an electorate that is not controlled by an unreasonably small number of unrelated electors. On October 4, 2017, the Treasury Department ("Treasury") announced that it would withdraw the proposed regulations, stating that, "while Treasury and the IRS continue to study the legal issues relating to political subdivisions, Treasury and the IRS currently believe that these proposed regulations should be withdrawn in their entirety, and plan to publish a withdrawal of the proposed regulations shortly in the Federal Register. Treasury and the IRS may propose more targeted guidance in the future after further study of the relevant legal issues." Notice of withdrawal of the proposed regulations was published in the Federal Register on October 20, 2017.

It has been reported that the IRS has closed audits of other community development districts in Florida with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within the timeframe established by the applicable state law or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. [Currently, all of the members of the Board of the District were elected by the landowners and none were elected by qualified electors.] The 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 the Series 2021 Bonds will not be commenced. The District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable state or federal law.

Owners of the Series 2021 Bonds are advised that, if the IRS does audit the Series 2021 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the Owners of the Series 2021 Bonds may have limited rights to participate in those proceedings. The commencement of such an audit could adversely affect the market value and liquidity of the Series 2021 Bonds until the audit is concluded, regardless of the ultimate outcome. In addition, in the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2021 Bonds, it is unlikely the District will have available revenues to enable it to contest such determination or enter into a voluntary financial settlement with the IRS. Further, an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2021 Bonds would adversely affect the availability of any secondary market for the Series 2021 Bonds. Should interest on the Series 2021 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2021 Bonds be required to pay income taxes on the interest received on such Series 2021 Bonds and related penalties, but because the interest rate on such Series 2021 Bonds will not be adequate to compensate Owners of the Series 2021 Bonds for the income taxes due on such interest, the value of the Series 2021 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2021 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2021 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2021 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2021 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2021 BONDS BECOMES TAXABLE AND/OR THE DISTRICT IS EVER DETERMINED TO NOT BE A POLITICAL SUBDIVISION FOR PURPOSES OF THE CODE AND/OR SECURITIES ACT (AS HEREINAFTER DEFINED).

Loss of Exemption from Securities Registration

Since the Series 2021 Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, because of the exemption for political subdivisions, if the District is ever deemed by the IRS, judicially or otherwise, not to be a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could also determine that the District is not a political subdivision for purposes of federal and state securities laws. Accordingly, the District and purchasers of Series 2021 Bonds may not be able to rely on the exemption from registration under the Securities Act relating to securities issued by political subdivisions. In that event, the Owners of the Series 2021 Bonds would need to ensure that subsequent transfers of the Series 2021 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act and applicable state securities laws.

Federal Tax Reform

Various legislative proposals are mentioned from time to time by members of Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. In addition, the IRS may, in the future, issue rulings that have the effect of challenging the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations or states and their political subdivisions, such as the Series 2021 Bonds, by eliminating or changing the tax-exempt status of interest on such bonds. Whether any such proposals will ultimately become or be upheld as law, and if so, the effect such proposals could have upon the value of bonds such as the Series 2021 Bonds cannot be predicted. However, it is possible that any such law or interpretation could have a material and adverse effect upon the availability of a liquid secondary market and/or the value of the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation. See also "TAX MATTERS."

State Tax Reform

It is impossible to predict what new proposals may be presented regarding tax reform and/or community development districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. On October 31, 2014, the Auditor General of the State released a 31-page report which requests legislative action to establish parameters on the amount of bonds a community development district may issue and provide additional oversight for community development district bonds. This report renews requests made by the Auditor General in 2011 that led to the Governor of the State issuing an Executive Order on January 11, 2012 (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor ("OPB") to examine the role of special districts in the State. As of the date hereof, the OPB has not made any recommendations pursuant to the Executive Order nor has the Florida legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for

the Series 2021 Bonds. It should be noted that Section 190.16(14) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under the Act that it will not limit or alter the rights of the district to levy and collect the ... assessments... and to fulfill the terms of any agreement made with the holders of such bonds ... and that it will not impair the rights or remedies of such holders."

Insufficient Resources or Other Factors Causing Failure to Complete the 2021 Project or the Construction of Homes within the 2021 Project Area

The cost to finish the 2021 Project will exceed the net proceeds from the Series 2021 Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the 2021 Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the 2021 Project. Further, the Indenture sets forth certain limitations on the issuance of additional bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Additional Bonds" for more information.

Although the Developer will agree to fund or cause to be funded the completion of the 2021 Project regardless of the insufficiency of proceeds from the Series 2021 Bonds and will enter into a completion agreement with the District as evidence thereof, there can be no assurance that the 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, even if development of the District is completed, there are no assurances that homes will be constructed and sold within the District. See "THE DEVELOPER" herein for more information.

COVID-19 and Related Matters

In addition to the general economic conditions discussed above, the timely and successful completion of the Development and the construction and sale to end users of residential units may be adversely impacted by the continued spread of the novel strain of coronavirus called COVID-19 or by other highly contagious or epidemic or pandemic diseases. The United States, the State and the County have all previously imposed certain health and public safety restrictions in response to COVID-19 in the past. The District cannot predict whether new actions may be taken by government authorities in the future to contain or otherwise address the impact of the COVID-19 or similar outbreak.

To date, the outbreak has resulted in severe impacts on global financial markets, unemployment levels and commerce generally. The District and the Developer cannot predict the duration of the current COVID-19 outbreak, and the ultimate impact the COVID-19 outbreak may have on the Development is unknown. It is possible that construction delays, delays in the receipt of permits or other government approvals, supply chain delays, increased costs, delays in sales to end users or other delays could occur, or continue to occur, as applicable, as a result of the COVID-19 outbreak or other highly contagious or epidemic or pandemic diseases that adversely impact the Development. See also "BONDOWNERS' RISKS – Economic Conditions and Changes in Development Plans" and "Insufficient Resources or Other Factors Causing Failure to Complete the 2021 Project or the Construction of Homes within the 2021 Project Area" herein.

Cybersecurity

The District relies on a technological environment to conduct its operations. The District, its agents and other third parties the District does business with or otherwise relies upon are subject to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to such

parties' digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. No assurances can be given that any such attack(s) will not materially impact the operations or finances of the District, which could impact the timely payment of debt service on the Series 2021 Bonds.

Prepayment and Redemption Risk

In addition to being subject to optional and mandatory sinking fund redemptions, the Series 2021 Bonds are subject to extraordinary mandatory redemption as a result of prepayments of the Series 2021 Special Assessments by the Developer or subsequent owners of the property within the District. Any such redemptions of the Series 2021 Bonds would be at the principal amount of such Series 2021 Bonds being redeemed plus accrued interest to the date of redemption. In such event, owners of the Series 2021 Bonds may not realize their anticipated rate of return on the Series 2021 Bonds and owners of any Premium Bonds (as defined herein) may receive less than the price they paid for the Series 2021 Bonds. See "DESCRIPTION OF THE SERIES 2021 BONDS – Redemption Provisions," "– Purchase of Series 2021 Bonds" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Prepayment of Series 2021 Special Assessments" herein for more information.

Payment of Series 2021 Special Assessments after Bank Foreclosure

In the event a bank forecloses on property because of a default on a mortgage in favor of such bank on any of the assessable lands within the District, and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2021 Special Assessments levied on such property. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.

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ESTIMATED SOURCES AND USES OF FUNDS

Source of Funds

Par Amount of Series 2021 Bonds	\$ _____
[Original Issue Discount]	[_____]
Total Sources	\$ _____

Use of Funds

Deposit to Series 2021 Acquisition and Construction Account	\$ _____
Deposit to Series 2021 Reserve Account	_____
Deposit to Series 2021 Interest Account ⁽¹⁾	_____
Costs of Issuance, including Underwriter's Discount ⁽²⁾	=====
Total Uses	\$ _____

(1) Capitalized interest through at least [_____ 15, 202__].

(2) Costs of issuance includes, without limitation, legal fees and other costs associated with the issuance of the Series 2021 Bonds.

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DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2021 Bonds:

<u>Period Ending</u> <u>December 15</u>	<u>Principal</u> <u>(Amortization)</u>	<u>Interest</u>	<u>Total Debt Service</u>
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TOTALS

*The final maturity of the Series 2021 Bonds is June 15, 20__.

THE DISTRICT

General Information

The District was established by Rule 42VV-1 F.A.C. adopted by the Florida Land and Water Adjudicating Commission effective September 15, 2004 (the "Ordinance"), under the provisions of the Act. The District encompasses approximately 1,778.78 acres of land (the "District Lands") within an unincorporated area of southern Charlotte County and is located between Burnt Store Road and Charlotte Harbor, approximately three miles north of the Lee County line. The District Lands are being developed as a single-family residential community known as "Heritage Landing" (the "Development"). 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. 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. The District is classified as an independent district under Chapter 189, Florida Statutes.

Among other provisions, the Act gives the District's Board of Supervisors the authority to, among other things, (a) plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for, among other things: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and wastewater management, reclamation and reuse systems or any combination thereof and to construct and operate connecting intercept or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) District roads equal to or exceeding the specifications of the county in which such District roads are located and street lights, landscaping, hardscaping and undergrounding of electric utility lines; and (iv) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses and security; (b) borrow money and issue bonds of the District; (c) impose and foreclose special assessments liens as provided in the Act; and (d) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District stated in the Act.

The Act does not empower the District to adopt and enforce any land use plans or zoning ordinances and the Act does not empower the District to grant building permits; these functions are to be performed by general purpose local governments having jurisdiction over the lands within the District.

The Act exempts all property owned by the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any owner of lands of the District to pursue any remedy for enforcement of any lien or pledge of the District in connection with its bonds, including the Series 2021 Bonds. [any changes required as result of Ordinance?]

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.

The landowners in the District elect two Supervisors to four-year terms and three Supervisors to two-year terms at bi-annual elections. Thereafter, the elections will take place every two years on a date in November established by the Board. Upon the later of six years after the initial appointment of Supervisors and the year when the District next attains at least 250 qualified electors, Supervisors whose terms are expiring will begin to be elected (as their terms expire) by qualified electors of the District. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the District and the State and a citizen of the United States. At the election where Supervisors are first elected by qualified electors, two Supervisors must be qualified electors and be elected by qualified electors, each elected to four-year terms. The seat of the remaining Supervisor whose term is expiring at such election shall be filled by a Supervisor who is elected by the landowners for a four-year term and who is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and must be elected by qualified electors to serve staggered four-year terms.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors 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>
[Russell Smith*	Chairperson	November 2022
Christopher Hasty*	Vice-Chairperson	November 2024
Anthony Burdett*	Assistant Secretary	November 2022
Ashley Kingston*	Assistant Secretary	November 2024
Barry Ernst*	Assistant Secretary	November 2022]

*[Employee of 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. 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, Oakland Park, Florida, to serve as its District Manager. The District Manager's corporate office is located at 2900 Northeast 12th Terrace, Ste. #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 Greenberg Traurig, P.A., West Palm Beach, Florida, as Bond Counsel; Banks Engineering, Fort Myers, Florida, as District Engineer; and Coleman, Yovanovich & Koester, P.A., Naples, Florida, as District Counsel. The Board has also retained JPWard and Associates, LLC, Oakland Park, Florida, to serve as Methodology Consultant, to prepare the Assessment Methodology and to serve as Dissemination Agent for the Series 2021 Bonds.

Outstanding Indebtedness and Previous Bond Default

[To come.]

[Remainder of page intentionally left blank.]

THE CAPITAL IMPROVEMENT PLAN AND THE 2021 PROJECT

In 2005, the District adopted that certain Tern Bay CDD Engineer's Report dated January 5, 2005 (the "2005 Report"), which set out certain public infrastructure improvements to be funded with the first issuance of District capital improvement bonds (the "2005 Project"). The 2005 Project included the construction or acquisition of (i) roadways, (ii) stormwater management and wetland preservation, (iii) landscaping, and (iv) other neighborhood utility improvements, including street lighting, sanitary sewer systems (including lift stations and force mains), and a water distribution system to serve the District Lands. The District issued its Original 2005 Bonds in the aggregate original principal amount of \$57,940,000 to fund the 2005 Project. When the Series 2005 Bonds were issued, Tern Bay Development Co., LLC was the landowner and developer. On May 1, 2008 the landowner failed to pay assessments on the land it owned which caused the District to default on the Series 2005 Bonds. In [] the District foreclosed on the land within its boundaries but for 69 residential units which were current in the payment of assessments (the "Performing Units").

In July of 2018, the Developer purchased approximately [] acres from the District which are planned to contain [1,464] lots. Banks Engineering (the "District Engineer") prepared the [Engineer's Report for the Tern Bay Community Development District, dated March 2020] (the "Master Report"), as supplemented by the Supplemental Engineer's Report for the Tern Bay Community Development District, dated January 2021 (the "First Supplemental Report", and collectively with the Master Report, the "Engineer's Report"). The Engineer's Report sets for the public infrastructure costs associated with the [] acres planned for [1,464] lots (the "2021 Project"). The Series 2021 Bonds will finance a portion of the 2021 Project.

<u>Description</u>	<u>2021 Project</u>
Irrigation	\$2,220,000
Stormwater Management	4,800,000
Water and Wastewater	8,730,000
Public Roadways	8,847,550
Mitigation	1,000,000
Professional Services	1,100,000
Contingency (10%)	<u>2,445,000</u>
Total	<u>\$29,142,550</u>

The Series 2021 Bonds will be secured by the Series 2021 Assessments which will initially be levied on the [] acres which contain the [1,464] planned lots (the "2021 Project Area"). As platting within the 2021 Project Area occurs, the Series 2021 Special Assessments will be assigned to the [1,464] platted lots in the 2021 Project Area on a first platted, first assigned basis. See "ASSESSMENT METHODOLOGY" and "THE DEVELOPMENT – Taxes, Fees, and Assessments" herein.

Land development within the 2021 Project Area commenced in [] and will be phased, with final completion expected by the [fourth calendar quarter of 2023]. As of the date hereof, the Developer has spent approximately \$[] million toward land development associated with the 2021 Project Area, a portion of which includes the 2021 Project. The net proceeds of the Series 2021 Bonds will be approximately \$28.23 million* and such proceeds will be used by the District towards the funding and/or acquisition of the 2021 Project. The Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the 2021 Project not funded with proceeds of the Series 2021 Bonds.

* Preliminary, subject to change.

See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the 2021 Project or the Construction of Homes within the 2021 Project Area" herein.

The District Engineer has indicated that all engineering permits necessary to construct the 2021 Project that are set forth in the Engineer's Report have been obtained or will be obtained in the ordinary course of business. In addition to the Engineer's Report, please refer to "THE DEVELOPMENT – Development Approvals" for a more detailed description of the entitlement and permitting status of the Development.

See "APPENDIX A: ENGINEER'S REPORT" for more information regarding the above improvements.

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ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

JPWard and Associates, LLC, a Florida limited liability company (the "Methodology Consultant"), has prepared the Master Assessment Report, dated April 14, 2020 (the "Master Assessment Methodology"), as supplemented by the Supplemental Special Assessment Methodology, dated [July 7, 2020] (the "Supplemental Assessment Methodology" and, together with the Master Assessment Methodology, the "Assessment Methodology"). The Assessment Methodology is included herein as Appendix D and sets forth an overall method for allocating the Series 2021 Special Assessments to be levied against the lands within the District benefited by the 2021 Project and collected by the District as a result thereof. Once the final terms of the Series 2021 Bonds are determined, the Supplemental Assessment Methodology Report will be revised to reflect such final terms. Once levied and imposed, the Series 2021 Special Assessments are a first lien on the land against which assessed until paid or barred by operation of law, co-equal with other taxes and assessments levied by the District, including the operation and maintenance assessments, and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Series 2021 Bonds are payable from and secured solely by the Series 2021 Pledged Revenues, which consist primarily of the revenues received by the District from the Series 2021 Special Assessments. The Series 2021 Special Assessments will be levied on and assigned to the [1,464] platted single-family residential lots within the District. The Series 2021 Special Assessments levied to pay debt service on the Series 2021 Bonds, along with the total Series 2021 Bonds par amount allocated per unit, are expected to be as follows:

<u>Product Type</u>	<u>No. of Units</u>	<u>Annual Series 2021 Special Assessments Per Unit*/**</u>	<u>Series 2021 Bonds Par Debt Per Unit*</u>
4-Story MF	[330]	\$ 850	\$ 14,970
2-Story MF	340	950	16,731
6-Plex	102	1,050	18,492
Coach	156	1,150	20,253
50' SF	209	1,350	23,776
60' SF	199	1,450	25,537
75' SF	<u>128</u>	1,650	29,059]
Total	[1,464]		

*Preliminary, subject to change.

**This amount will be grossed up to include early payment discounts and County collection fees, currently 7%.

Each homeowner in the District will pay annual taxes, fees and assessments 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 homeowners' association fees to be levied by the homeowners' association. The District anticipates levying annual assessments to cover its operation and administrative costs that will be approximately \$[] per unit, which amount is subject to change. The land within the District has been and is expected to continue to be subject to taxes and assessments imposed by taxing authorities other than the District. The total ad valorem millage rate applicable to the District Lands in tax year 2020 was approximately [] mills and which amount is subject to change on an annual basis. These taxes would be payable in addition to the Series 2021 Special Assessments and any other assessments levied by the District and other taxing authorities. In addition,

exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School District of Charlotte County, Florida may each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. See "BONDOWNERS RISKS" and "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information, including proposed associations' and amenity assessments.

[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 2021 Bonds or the Series 2021 Special Assessments.

THE DEVELOPMENT

General

The District Lands encompass approximately 1,778.78 gross acres located entirely within an unincorporated area of southern Charlotte County ("the County") between Burnt Store Road and Charlotte Harbor, approximately three miles north of the Lee County line. The District Lands are being developed as a master planned residential community to be known as "Heritage Landing" and referred to herein as the "Development." At buildout, the Development is expected to contain [1,533] residential units an 18-hole golf course, which is complete, tennis courts, a clubhouse with fitness center, spa, pool, and restaurants. The Development is approximately 8 miles west of I-75 and 2 miles east of the Gulf of Mexico. Pine Island Parkway which is nearby provides access to Cape Coral and Fort Myers. The Development will be marketed as a "bundled" golf community so that residents can play unlimited golf at an affordable fixed fee.

The remaining area in the Development outside of the 69 Performing Units contains [_____] acres of land which are planned for [1,464] units (the "2021 Project Area"). The Series 2021 Bonds will finance a portion of the public infrastructure improvements associated with the 2021 Project Area (the "2021 Project"). The Series 2021 Bonds will be secured by the Series 2021 Assessments which will initially be levied on the [_____] acres which comprise the 2021 Project Area. As platting within the 2021 Project Area occurs, the Series 2021 Special Assessments will be assigned to the [1,464] platted lots in the 2021 Project Area on a first platted, first assigned basis. See "ASSESSMENT METHODOLOGY" and "– Taxes, Fees, and Assessments" herein.

Lennar Homes, LLC (the "Developer"), an indirectly wholly-owned subsidiary of Lennar Corporation, is the owner of the lands within the District and is the developer and homebuilder of the Development. See "THE DEVELOPER" herein for more information.

At buildout, the Series 2021 Project Area is planned to contain (i) 330 Terrace (4-Story multifamily) units, (ii) 340 Veranda (2-Story multifamily) units, (iii) 102 6-Plex units, (iv) 156 Coach homes, (v) 209 Executive (50') homes, (vi) 199 Manor (60') homes, and (vii) 128 Estate (75') homes. The target customers for units within the Development are retirees [and first-time homebuyers?]. [As of _____, 2021, ____ units have been sold to homebuyers, ___ of which have closed.]

History of Tern Bay CDD and Land Acquisition

The District Lands were acquired by Tern Bay Development Co., LLC (the "Original Developer") in March 2005 for a purchase price of approximately \$56,150,000. The Original Developer is not affiliated with the Developer.

On May 1, 2008 the Original Developer failed pay the assessment securing the Series 2005 Bonds, resulting in a default in the payment of the Series 2005 Bonds. See "THE DISTRICT – Prior Bond

Defaults". Development of the 2005 Project as well as the construction of the golf course was subsequently suspended. The District foreclosed on the land in [_____].

In July of 2018, Lennar Homes acquired the land in the District except for the 69 Performing Units for a total purchase price of \$[_____], which was paid for with Developer equity. There are currently no mortgages on the lands within the 2021 Project Area.

Development Finance Plan

The Developer estimates that total land development costs for the 2021 Project Area will be approximately \$[_____] million, of which approximately \$[_____] has been spent to date, a portion of which includes the 2021 Project. The net proceeds from the Series 2021 Bonds will be approximately \$28.23 million* and such proceeds will be used by the District towards the funding and/or acquisition of the 2021 Project. The Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the 2021 Project not funded with proceeds of the Series 2021 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the 2021 Project or the Construction of Homes within the 2021 Project Area" herein.

Development Plan and Status

Land development for the Development is planned to occur in phases. At buildout, the Series 2021 Project Area is planned to contain (i) 330 Terrace (4-Story multifamily) units, (ii) 340 Veranda (2-Story multifamily) units, (iii) 102 6-Plex units, (iv) 156 Coach homes, (v) 209 Executive (50') homes, (vi) 199 Manor (60') homes, and (vii) 128 Estate (75') homes.

The first phase of land development associated with the 2021 Project Area contains Pods A-1, B, C, F, and I, which are planned for 555 units consisting of (i) 180 Terrace units, (ii) 48 Veranda units, (iii) 128 Coach homes, and (iv) 199 Manor Homes ("Phase 1"). Land development associated with Phase 1 is complete, all lots have been developed and platted.

The next phase of land development associated with the 2021 Project Area contains Pods D-1, E-1, J-1, and Pod G, which are planned for 405 units consisting of (i) 150 Terrace units, (ii) 92 Veranda units, (iii) 138 Executive homes, and (iv) 25 Estate homes ("Phase 2A"). Land development associated with Phase 2A is [substantially complete, with final completion expected by August 2021]. A plat for Phase 2A is expected to be recorded by [_____].

The remaining land associated with the 2021 Project contains Pods A-2, E-2, J-2, D-2, and H, which are planned for 504 units consisting of (i) 200 Veranda units, (ii) 102 6-Plex units, (iii) 28 Coach homes, (iv) 71 Executive homes, (v) and 103 Estate homes ("Phase 2B"). Land development associated with Phase 2B is expected to commence in [_____] and will be sub-phased as follows: [(i) the Coach and Estate lots are expected to be completed by the 2nd calendar quarter of 2022, (ii) the Veranda lots are expected to be completed by the 2nd calendar quarter of 2023 and (iii) the Executive and 6-Plex lots are expected to be completed by the [fourth calendar quarter of 2023.]

Vertical construction and marketing of residential units within the 2021 Project Area commenced in [_____]. The Development [has] an on-site sales center that [opened] in [_____] [As of [_____] 2021, [_____] units have closed with homebuyers and [_____] units are under contract with homebuyers pending closings. Closings with homebuyers are expected to commence in [_____].

* Preliminary, subject to change.

The Developer anticipates that approximately [] units will be sold and closed with end-users per annum within the 2021 Project Area until buildout, which is anticipated by []. This anticipated absorption is based upon estimates and assumptions made by the Developer that are inherently uncertain, though considered reasonable by the Developer, and are subject to significant business, economic, and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the control of the Developer. As a result, there can be no assurance such absorption rate will occur or be realized in the time frame anticipated.

Residential Product Offerings

The target customers for units within the Development are []. Below is a summary of the expected types of units and price points for units in the Development.

<u>Product Type</u>	<u>Square Footage</u>	<u>Beds/Baths</u>	<u>Starting Price Points</u>
Terrace (4-Story MF)	1,120 – 1,301	2 Bedrooms, 2 Baths	\$173,999
Veranda (2-Story MF)	1,355 – 1,569	2 Bedrooms, 2 Baths	\$214,999
6-Plex	-	__ Bedrooms, __ Baths	
Coach	1,741 – 2,110	3 Bedrooms, 2 Baths	\$267,999
Executive (40')	-	__ Bedrooms, __ Baths	
Manor (50')	1,850 – 3,332	2-5 Bedrooms, 2-4 Baths	\$323,999
Estate (60')	-	__ Bedrooms, __ Baths	

Zoning and Permitting

The land within the District, including, without limitation, the land therein subject to the Series 2021 Special Assessments, is zoned to allow for the contemplated residential uses described herein. All permits have been received by jurisdictional agencies to allow for the development contemplated herein or are reasonably expected to be received in the ordinary course. [Insert any material development obligations. Insert any outstanding permits.]

Environmental

A Phase I Environmental Site Assessment dated [] (the "ESA") was performed [on all of the District Lands.] [The ESA revealed no Recognized Environmental Conditions in connection with the Development.] See "BONDOWNERS' RISK - No. 10" herein for more information regarding potential environmental risks.

Amenities

The Development is planned to contain an 18 hole golf course on 215 acres of land and an approximate 20,000 gross square foot golf clubhouse with restaurants, as well as an approximate 7,500 gross square foot building for a tennis clubhouse, fitness center and spa, with tennis and pickleball courts, swimming pools, bike and walk trails, a small fishing pier, canoe launch and docks, and a lookout tower. The golf course is complete, the golf clubhouse will be completed by [], and the recreation clubhouse will be completed by []. The estimated cost of all the amenities is approximately \$[], which will be funded with Developer equity.

Utilities

Potable water, wastewater treatment and reclaimed wastewater (reuse services) for the Development are expected to be provided by Charlotte County Utilities Department. Electric power is expected to be provided by Florida Power & Light. Cable television and broadband cable services are expected to be provided by Comcast. All utility services are available to the property.

Taxes, Fees and Assessments

As set forth in the Assessment Methodology, the Series 2021 Special Assessments are initially levied on the [] gross acres which comprise the 2021 Project Area until such time the lots are platted. Once platted, the assessments will be assigned to the platted lots within the 2021 Project Area. Assuming that all of the planned [1,464] residential units are developed and platted, then the Series 2021 Special Assessments will be allocated on a per unit basis below and as set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein.

<u>Product Type</u>	<u>No. of Units</u>	<u>Annual Series 2021 Special Assessments Per Unit**/**</u>	<u>Series 2021 Bonds Par Debt Per Unit*</u>
4-Story MF	[330]	\$ 850	\$ 15,344
2-Story MF	340	950	17,149
6-Plex	102	1,050	18,954
Coach	156	1,150	20,759
50' SF	209	1,350	24,369
60' SF	199	1,450	26,174
75' SF	<u>128</u>	1,650	29,785]
Total	1,464		

*Preliminary, subject to change.

**This amount will be grossed up to include early payment discounts and County collection fees, currently 7%.

The District anticipates levying assessments to cover its operation and maintenance costs that will be approximately \$[] per residential unit annually; which amount is subject to change. In addition, residents will be required to pay homeowners association fees and club fees for use of the golf course and amenities. Total fees are expected to range from [] to [] depending upon the product type. The land within the District has been and is expected to continue to be subject to taxes and assessments imposed by taxing authorities other than the District. The total millage rate imposed on taxable properties in the District is currently approximately [] mills. These taxes would be payable in addition to the Series 2021 Special Assessments and any other assessments levied by the District; which amount is subject to change. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School District of Charlotte County, Florida may each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year.

Education

School age residents of the Development will attend [] Elementary School, [] Middle School and [] High School which are located approximately [] miles,

[] miles and [] miles away from the Development, respectively, and which were rated by the State in 2019 (the most recent year for which grades are available) as [], [] and [], respectively. The Charlotte County School Board may change school boundaries from time to time, and there is no requirement that students residing in the Development be permitted to attend the schools which are closest to the Development.

Competition

The following communities have been identified by the Developer as being competitive with the Development, because of their proximity to the Development, price ranges and product types. Those communities include [], [], [], and [].

The information under this heading does not purport to summarize all of the existing or planned communities in the area of the Development, but rather provide a description of those that the Developer feels pose primary competition to the Development.

Developer Agreements

[The Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the 2021 Project not funded with proceeds of the Series 2021 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 to the 2021 Project. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2021 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 2021 Project or the development of the lands in the District sufficiently to absorb the allocation of the Series 2021 Special Assessments. 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." The foregoing obligations of the Developer are unsecured obligations. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the 2021 Project or the Construction of Homes within the 2021 Project Area" and "THE DEVELOPER" herein for more information regarding the Developer.]

THE DEVELOPER

Lennar Homes, LLC, a Florida limited liability company (the "Developer") owns all of the lands within the 2021 Project Area. The Developer was formed on November 30, 2006 and is wholly owned by Lennar Corporation ("Lennar Corp.").

Lennar Corp. stock trades on the New York Stock Exchange under the symbol LEN. Lennar Corp. 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 Lennar Corp. is No-1-11749. Such reports, proxy statements, and other information can be inspected and copied at the Public Reference Section of the SEC, Room 100 F Street, N.E., Washington D.C. 20549 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 Lennar Corp. 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 Lennar Corp. is guaranteeing payment of the Series 2021 Bonds or the Series 2021 Special Assessments. Lennar Corp. has not guaranteed or assumed any of the Developer's obligations incurred in connection with the issuance of the Series 2021 Bonds.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements that the District must continue to meet after the issuance of the Series 2021 Bonds in order that the interest on the Series 2021 Bonds be and remain excludable from gross income for federal income tax purposes. The District's failure to meet these requirements may cause the interest on the Series 2021 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2021 Bonds. The District has covenanted in the Bond Resolution to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2021 Bonds.

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications and continuing compliance by the District with the tax covenants referred to above, under existing statutes, regulations, rulings, and court decisions, the interest on the Series 2021 Bonds is excludable from gross income of the holders thereof for federal income tax purposes; and, further, interest on the Series 2021 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is further of the opinion that the Series 2021 Bonds and the income thereon are not subject to taxation under the laws of the State, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income, or profits on debt obligations owned by corporations as defined in said Chapter 220. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their own tax advisors as to the status of interest on the Series 2021 Bonds under the tax laws of any state other than the State.

The above opinion on federal tax matters with respect to the Series 2021 Bonds will be based on and will assume the accuracy of certain representations and certifications of the District and the Developer, and compliance with certain covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2021 Bonds will be and will remain obligations the interest on which is excludable from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations. Bond Counsel will express no opinion as to any other consequences regarding the Series 2021 Bonds.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2021 Bonds, or the ownership or disposition of the Series 2021 Bonds. Prospective purchasers of Series 2021 Bonds should be aware that the ownership of Series 2021 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2021 Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2021 Bonds, (iii) the inclusion of the interest on the Series 2021 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the

Series 2021 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (v) the inclusion of interest on the Series 2021 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their own tax advisors as to the impact of these other tax consequences.

Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance of the Series 2021 Bonds. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the IRS or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

Original Issue Discount and Premium

Certain of the Series 2021 Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond determined under Code Section 1273 or 1274 (*i.e.*, for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2021 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale, or other disposition of that Discount Bond.

Certain of the Series 2021 Bonds ("Premium Bonds") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity), or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

Owners of Discount and Premium Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to the Discount or Premium Bonds and as to other federal tax consequences, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals suggested, debated, introduced, or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters, or state tax matters, respectively, described above including, without limitation, the excludability from gross income of interest on the Series 2021 Bonds, or adversely affect the market price or marketability of the Series 2021 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would affect the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the Series 2021 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2021 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2021 Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2021 Bonds and proceeds from the sale of Series 2021 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2021 Bonds. This withholding generally applies if the owner of Series 2021 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2021 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

AGREEMENT BY THE STATE

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2021 Bonds, that it will not limit or alter the rights of the issuer of such bonds, including the District, to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects, including the portion of the 2021 Project funded by the Series 2021 Bonds, or to levy and collect taxes, assessments, rentals, rates, fees and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

LEGALITY FOR INVESTMENT

The Act provides that bonds issued by community development districts are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State, and constitute securities that may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required or voluntary statutory deposits.

SUITABILITY FOR INVESTMENT

In accordance with applicable provisions of Florida law, the Series 2021 Bonds may initially be sold by the District only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2021 Bonds. Investment in the Series 2021 Bonds poses certain economic risks. No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of each Series of the Series 2021 Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Series 2021 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of each Series of the Series 2021 Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors and enacted before or after such delivery.

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 2021 Bonds, or in any way contesting or affecting (i) the validity of the Series 2021 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, (ii) the pledge or application of any moneys or security provided for the payment of the Series 2021 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings.

The Developer

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 2021 Project and the development of the District as described herein, materially and adversely affect the ability of the Developer to pay the Series 2021 Special 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 Consulting Engineer, the District Manager/Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (which has retained Trustee's counsel), with respect to the authorization, sale, execution and delivery of the Series 2021 Bonds. Except for the payment of certain fees to District Counsel, the Consulting Engineer and the District Manager, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2021 Bonds.

NO RATING

No application for a rating for the Series 2021 Bonds has been made to any rating agency, nor is there any reason to believe that an investment grade rating for the Series 2021 Bonds would have been obtained if application had been made.

EXPERTS

The Engineer's Report included in APPENDIX C to this Limited Offering Memorandum has been prepared by Banks Engineering, Fort Myers, 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 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 2021 Bonds, both the District Engineer and the Methodology Consultant will consent to the inclusion of their reports in this Limited Offering Memorandum.

FINANCIAL INFORMATION

This District will covenant in a Disclosure Agreement (as defined herein), the proposed form of which is set forth in APPENDIX E hereto, to provide its annual audited financial statements to certain information repositories as described in APPENDIX E, commencing with the audit for the District fiscal year ended September 30, 2021. Attached hereto as APPENDIX F is a copy of the District's audited financial statements for the District's fiscal year ended September 30, 2020, as well as the District's unaudited monthly financial statements for the period ended [_____], 2021. Such audited financial statements, including the auditor's report included within the audited financial statements, have been included in this Limited Offering Memorandum as public documents and consent from the auditor was not requested. Further, the auditors have not performed any services related to, and therefore are not associated with, the preparation of this Limited Offering Memorandum. The Series 2021 Bonds are not general obligation bonds of the District and are payable solely from the Series 2021 Pledged Revenues.

Beginning October 1, 2015, or by the end of the first full fiscal year after its creation, each community development district in Florida must have a separate website with certain information as set forth in Section 189.069, F.S., including, without limitation, the district's proposed and final budgets and audit. Additional information regarding the District's website is available from the District Manager at the address set forth under "THE DISTRICT – The District Manager and Other Consultants."

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 previously defaulted on its [_____]. [Default description to come.] See "THE DISTRICT – Outstanding Indebtedness and Previous Bond Defaults" herein for more information.

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 APPENDIX E, for the benefit of the Series 2021

Bondholders (including owners of beneficial interests in such Bonds) to provide certain financial information and operating data relating to the District and the Development and disclosure of certain enumerated material events 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 E: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or the Developer to comply with their respective obligations under the Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement would allow the Series 2021 Bondholders (including owners of beneficial interests in such Bonds) to bring an action for specific performance.

The District previously entered into continuing disclosure obligations pursuant to Rule 15c2-12, promulgated under the Securities Exchange Act of 1934, as amended (the "Rule") in connection with its Series 2005 Bonds. [Insert District filing history. EMMA review in process.] The District fully anticipates satisfying all future disclosure obligations required pursuant to its Disclosure Agreement and the Rule. The District will appoint the District Manager as the dissemination agent in the Disclosure Agreement and fully anticipates satisfying all future disclosure obligations required pursuant to its continuing disclosure undertakings and the Rule.

The Developer has represented and warranted that, to its knowledge, it has provided on a timely basis all reporting information requested by the applicable dissemination agent with respect to prior continuing disclosure agreements entered into pursuant to the Rule. The Developer has been made aware of instances where the information required to be provided to the dissemination agents was not timely requested, not filed with the appropriate repository or, if filed, not filed on a timely basis. The Developer has represented that it has instituted internal processes to provide information to the dissemination agents on a timely basis and obtained assurances from the dissemination agents that they will in turn request the required reporting information timely and file such information timely with the appropriate repository.

UNDERWRITING

FMSbonds, Inc. (the "Underwriter") has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2021 Bonds from the District at a purchase price of \$ _____ (representing the par amount of the Series 2021 Bonds [plus/less an original issue premium/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, the Underwriter will be obligated to purchase all of the Series 2021 Bonds if any are purchased.

The Series 2021 Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial offering prices may be changed from time to time by the Underwriter.

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 Charlotte County, Florida, rendered on July 17, 2020. As a condition to closing on the Series 2021 Bonds, the period of time during which an appeal can be taken from such judgment must expire without an appeal having been taken.

LEGAL MATTERS

Certain legal matters related to the authorization, sale and delivery of the Series 2021 Bonds are subject to the approval of Greenberg Traurig, P.A., West Palm Beach, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel Coleman, Yovanovich & Koester, P.A., Naples, Florida, for the Developer by its counsel Pavese Law Firm, Fort Myers, Florida, and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. Greenberg Traurig, P.A., has represented and continues to represent the Developer on unrelated matters.

Bond Counsel's opinion included herein is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date hereof. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

MISCELLANEOUS

Any statements made in this Limited Offering Memorandum involving matters of opinion or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representations are made that any of the estimates will be realized.

The references herein to the Series 2021 Bonds and other documents referred to herein are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such documents for full and complete statements of such provisions.

This Limited Offering Memorandum is submitted in connection with the limited offering of the Series 2021 Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. This Limited Offering Memorandum is not to be construed as a contract with the purchaser or the Beneficial Owners of any of the Series 2021 Bonds.

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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.

**TERN BAY COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Chairperson, Board of Supervisors

APPENDIX A
PROPOSED FORMS OF INDENTURES

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX C
ENGINEER'S REPORT

APPENDIX D
ASSESSMENT METHODOLOGY

APPENDIX E

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX F
DISTRICT'S FINANCIAL STATEMENTS

EXHIBIT C

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of _____, 2021 is executed and delivered by the Tern Bay Community Development District (the "Issuer" or the "District"), Lennar Homes, LLC, a Florida limited liability company (the "Developer"), and JPWard and Associates, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Special Assessment Bonds, Series 2021 (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of _____ 1, 2021 (the "Master Indenture") and a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each entered into by and between the Issuer and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in 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 Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

2. **Definitions.** Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Indenture. The following capitalized terms as used in this Disclosure Agreement shall have the following meanings:

"Annual Filing Date" means the date set forth in Section 3(a) hereof by which the Annual Report is to be filed with each Repository.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Assessment Area" shall mean that portion of the District lands subject to Assessments.

"Assessments" shall mean the non-ad valorem Series 2021 Special Assessments pledged to the payment of the Bonds pursuant to the Indenture.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior Fiscal Year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Audited Financial Statements Filing Date" means the date set forth in Section 3(a) hereof by which the Audited Financial Statements are to be filed with each Repository if the same are not included as part of the Annual Report.

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

"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 _____, 2021, prepared in connection with the issuance of the Bonds.

"Listed Events" shall mean any of the events listed in Section 6(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Person(s)" shall mean, with respect to the Bonds, those person(s) who either generally or through an enterprise fund or account of such persons are committed by contract or other arrangement to support payment of all or a part of the obligations on such Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the Issuer, and for the purposes of this Disclosure Agreement, the 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 [February 1, 2022].

"Quarterly Report" shall mean any Quarterly Report provided by any Obligated Person (other than the Issuer) pursuant to, and as described in, Section 5 of this Disclosure Agreement.

"Repository" shall mean each entity authorized and approved by the SEC (as hereinafter defined) from time to time to act as a repository for purposes of complying with the Rule. The Repositories approved by the SEC may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure submissions through its EMMA web portal. As used herein, "Repository" shall include the State Repository, if any.

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

"SEC" means the Securities and Exchange Commission.

"State" shall mean the State of Florida.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purposes of the Rule.

3. **Provision of Annual Reports.**

(a) Subject to the following sentence, the Issuer shall provide the Annual Report to the Dissemination Agent no later than March 31st following the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ending September 30, 2021. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided that* the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report, and may be submitted in accordance with State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the Issuer's Fiscal Year (the "Audited Financial Statements Filing Date"). The Issuer shall, 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 (15th) 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 (1st) Business Day following the Annual Filing Date for the Annual Report or the Audited Financial Statements by 12:00 noon on the first (1st) 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 and shall be presented for the immediately preceding Fiscal Year and, to the extent available, the current Fiscal Year, except as noted otherwise:

(i) The amount of Assessments levied in the Assessment Area (excluding any discounts and/or fees charged pursuant to the Uniform Method (as defined in the Limited Offering Memorandum) of collection with respect to Assessments collected in this manner).

(ii) The amount of Assessments received from property owners with respect to Assessments billed and collected directly by the Issuer and the amount of Assessments received from the County Tax Collector with respect to Assessments collected pursuant to the Uniform Method.

(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 with respect to such Assessments billed and collected directly by the Issuer or, if received by the Issuer from the County Tax Collector, a list of delinquent property owners with respect to such Assessments collected pursuant to the Uniform Method.

(iv) If available and received by the Issuer from the County Tax Collector, 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, Accounts and Subaccounts 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 after April 1 following 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 other 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, other 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 be contain an update of the following information to the extent available:

(i) The number and type of lots in the Assessment Area subject to the Assessments.

(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 Listed Events.**

(a) This Section 6 shall govern the giving of notices of the occurrence of any of the following Listed Events:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on the Series 2021 Reserve Account reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;*
- (v) Substitution of credit or liquidity providers, or their failure to perform;*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;*
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer or any other 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 other 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 other 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 other Obligated Person);
- (xiii) Consummation of a merger, consolidation, or acquisition involving the Issuer or any other Obligated Person or the sale of all or substantially all of the assets of the Issuer or any other Obligated Person, other than in the ordinary course of business, the entry into

* Not applicable to the Bonds at their date of issuance.

a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional Trustee or the change of name of the Trustee, if material;

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

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties;

(xvii) Failure to provide (A) any Annual Report or Audited Financial Statements as required under this Disclosure Agreement that contains, in all material respects, the information required to be included therein under Section 4(a) of this Disclosure Agreement, or (B) any Quarterly Report that contains, in all material respects, the information required to be included therein under Section 5(b) of this Disclosure Agreement, which failure shall, in all cases, be deemed material under federal securities laws; and

(xviii) Any amendment to the accounting principles to be followed in preparing financial statements as required pursuant to Section 4(a)(ix) hereof.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the above subsection (a) Listed Events to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after its occurrence, with the exception of the Listed Events described in Section 6(a)(xvii) and (xviii), which notice will be given in a timely manner. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (d) below. Such notice by the Issuer to the Dissemination Agent shall identify the Listed Event that has occurred, include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is in compliance within the filing dates provided within this Section 6(b)).

(c) Notwithstanding anything contained in Section 6(b) above, each Obligated Person other than the Issuer shall notify the Issuer and the Dissemination Agent of the occurrence of a Listed Event described in subsections (a)(x), (xii), (xiii), (xv) or (xvi) that has occurred with respect to such Obligated Person in compliance with the notification and filing requirements provided in Section 6(b).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with each Repository.

7. **Termination of Disclosure Agreement.** This Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

8. **Dissemination Agent.** Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the Issuer or the Dissemination Agent, the Issuer agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. If at any time there is not any other designated Dissemination Agent, the District shall be deemed to be the Dissemination Agent. The initial Dissemination Agent shall be 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.

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 other 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 other 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 other 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 other 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 other 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 Charlotte 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 Charlotte County, Florida.

16. **Counterparts.** This Disclosure Agreement may be executed in several counterparts and each of which shall be considered an original and all of which shall constitute but one and the same instrument. A scanned copy of the signatures delivered in a PDF format may be relied upon as if the original had been received.

17. **Trustee Cooperation.** The Issuer represents that the Dissemination Agent is a bona fide agent of the Issuer and the Issuer instructs the Trustee to deliver to the Dissemination Agent at the expense of the Issuer, any information or reports readily available to and in the possession of the Trustee that the Dissemination Agent requests in writing.

18. **Binding Effect.** This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure

Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the 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.

TERN BAY COMMUNITY DEVELOPMENT DISTRICT, AS ISSUER

[SEAL]

By: _____
[_____] , Chairperson
Board of Supervisors

ATTEST:

By: _____
_____, Secretary

LENNAR HOMES, LLC, AS DEVELOPER

By: _____
_____, Vice President

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: Tern Bay Community Development District

Name of Bond Issue: \$_____ original aggregate principal amount of Special Assessment Bonds, Series 2021

Obligated Person(s): Tern Bay Community Development District;
_____.

Original Date of Issuance: _____, 2021

CUSIP Numbers: _____

NOTICE IS HEREBY GIVEN that the [Issuer][Obligated Person] has not provided an [Annual Report] [Audited Financial Statements] [Quarterly Report] with respect to the above-named Bonds as required by [Section 3] [Section 5] of the Continuing Disclosure Agreement dated _____, 2021, by and between the Issuer, the 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

EXHIBIT D

FORM OF FIRST SUPPLEMENTAL TRUST INDENTURE

55343886v4/190371.010100

FIRST SUPPLEMENTAL TRUST INDENTURE

BETWEEN

TERN BAY COMMUNITY DEVELOPMENT DISTRICT

AND

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Dated as of _____ 1, 2021

Authorizing and Securing
\$ _____
TERN BAY COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT BONDS, SERIES 2021

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EXHIBIT A DESCRIPTION OF THE 2021 PROJECT
EXHIBIT B FORM OF SERIES 2021 BOND
EXHIBIT C FORMS OF REQUISITIONS
EXHIBIT D FORM OF INVESTOR LETTER

THIS FIRST SUPPLEMENTAL TRUST INDENTURE (the “First Supplemental Indenture”), dated as of _____ 1, 2021 between the TERN BAY COMMUNITY DEVELOPMENT DISTRICT (together with its successors and assigns, the “Issuer”), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America and having a corporate trust office in Fort Lauderdale, Florida, as trustee (said banking corporation and any bank or trust company becoming successor trustee under this First Supplemental Indenture being hereinafter referred to as the “Trustee”);

W I T N E S S E T H:

WHEREAS, the Issuer is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the “Act”), created pursuant to the Act and by Rule 42VV-1 F.A.C. duly adopted by the Florida Land and Water Adjudicating Commission effective September 15, 2004; and

WHEREAS, the premises governed by the Issuer, as described more fully in the Ordinance, consisting of approximately 1,778 acres of land (herein, the “District Lands” or “District”), are located entirely within the incorporated area of Charlotte County (the “County”); and

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

WHEREAS, the Issuer has determined to undertake, in one or more phases, the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of the assessable District Lands; and

WHEREAS, the Issuer has previously adopted Resolution No. 2020-05 on April 14, 2020, authorizing the issuance of not to exceed \$35,000,000 in aggregate principal amount of its special assessment bonds (the “Bonds”) to finance all or a portion of the design, acquisition and construction costs of certain improvements pursuant to the Act for the special benefit of the District Lands or portions thereof and approving the form of and authorizing the execution and delivery of a master trust indenture and supplemental indenture; and

WHEREAS, pursuant to that certain Master Trust Indenture dated as of _____ 1, 2021 (the “Master Indenture”) and this First Supplemental Indenture, both by and between the Issuer and the Trustee, the Issuer proposes to issue its herein defined Series 2021 Bonds; and

WHEREAS, to the extent not constructed by the Issuer, Lennar Homes, LLC, a Florida limited liability company (the “Developer”) is the master developer of a residential community located within the District and shall construct all of the public infrastructure necessary to serve such residential community referred to as “Heritage Landing” (herein, the “Development”); and

WHEREAS, the public infrastructure as described on Exhibit A necessary for the development of the Development is herein referred to as the “2021 Project,” which will be financed with a portion of the Series 2021 Bonds (as defined below); and

WHEREAS, the Issuer has determined to issue a Series of Bonds, designated as the Tern Bay Community Development District Special Assessment Bonds, Series 2021 (the “Series 2021 Bonds”), pursuant to the Master Indenture and this First Supplemental Indenture (hereinafter sometimes collectively referred to as the “Indenture”); and

WHEREAS, in the manner provided herein, the proceeds of the Series 2021 Bonds will be used to provide funds for (i) the Costs of acquiring and/or constructing a portion of the 2021 Project, (ii) funding interest on the Series 2021 Bonds through at least [December 15, 2021]; (iii) the funding of the Series 2021 Reserve Account, and (iv) the payment of the costs of issuance of the Series 2021 Bonds; and

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

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH, that to provide for the issuance of the Series 2021 Bonds, the security and payment of the principal or redemption price thereof (as the case may be) and interest thereon, the rights of the Bondholders and the performance and observance of all of the covenants contained herein and in said Series 2021 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2021 Bonds by the Owners thereof, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer does hereby assign, transfer, set over and pledge to U.S. Bank National Association, as Trustee, its successors in trust and its assigns forever, and grants a lien on all of the right, title and interest of the Issuer in and to the Series 2021 Pledged Revenues as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Series 2021 Bonds issued hereunder, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

TO HAVE AND TO HOLD the same and any other revenues, property, contracts or contract rights, accounts receivable, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, which may, by delivery, assignment or otherwise, be subject to the lien created by the Indenture with respect to the Series 2021 Bonds.

IN TRUST NEVERTHELESS, for the equal and ratable benefit and security of all present and future Owners of the Series 2021 Bonds issued and to be issued under this First Supplemental Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this First Supplemental Indenture) of any one Series 2021 Bond over any other Series 2021 Bond, all as provided in the Indenture.

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal or redemption price of the Series 2021 Bonds issued, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2021 Bonds and the Indenture, according to the true intent and meaning thereof and hereof, and the Issuer shall

well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this First Supplemental Indenture and the rights hereby granted shall cease and terminate, otherwise this First Supplemental Indenture to be and remain in full force and effect.

ARTICLE I DEFINITIONS

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

“Acquisition Agreement” shall mean that certain Acquisition Agreement relating to the acquisition of the 2021 Project, by and between the Developer and the Issuer.

“Arbitrage Certificate” shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants, of the Issuer, dated the date of delivery of the Series 2021 Bonds, relating to certain restrictions on arbitrage under the Code with respect to the Bonds.

“Assessment Resolutions” shall mean Resolution No. 2020-03, Resolution No. 2020-04, Resolution No. 2020-07 and Resolution No. 2021-___ of the Issuer adopted on April 14, 2020, April 14, 2020, June 9, 2020 and _____, 2021, respectively, as amended and supplemented from time to time.

“Authorized Denomination” shall mean, with respect to the Series 2021 Bonds, on the date of issuance, in the denominations of \$5,000 and any integral multiple thereof provided, however, if any initial beneficial owner does not purchase at least \$100,000 of the Series 2021 Bonds at the time of initial delivery of the Series 2021 Bonds, such beneficial owner must either execute and deliver to the Underwriter on the date of delivery of the Series 2021 Bonds the investor letter substantially in the form attached hereto as Exhibit D or otherwise establish to the satisfaction of the Underwriter that such Beneficial Owner is an “accredited investor,” as described in Rule 501(a) under Regulation D of the Securities Act of 1933, as amended.

“Bonds” shall mean the Issuer’s Special Assessments Bonds issued pursuant to the Master Indenture.

“Continuing Disclosure Agreement” shall mean the Continuing Disclosure Agreement for the benefit of the owners of the Series 2021 Bonds, dated the date of delivery of the Series 2021 Bonds, by and among the Issuer, the dissemination agent named therein, the Developer and joined by the parties named therein, in connection with the issuance of the Series 2021 Bonds.

“District Manager” shall mean JP Ward & Associates, LLC and its successors and assigns.

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

“Interest Payment Date” shall mean June 15 and December 15 of each year, commencing [December] 15, 2021 and any date principal is paid including any Quarterly Redemption Date.

“Majority Holders” means the beneficial owners of more than fifty percent (50%) of the Outstanding principal amount of the Series 2021 Bonds.

“Master Indenture” shall mean the Master Trust Indenture, dated as of _____ 1, 2021, by and between the Issuer and the Trustee, as supplemented and amended with respect to matters pertaining solely to the Master Indenture or the Series 2021 Bonds (as opposed to supplements or amendments relating to any Series of Bonds other than the Series 2021 Bonds as specifically defined in this First Supplemental Indenture).

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

“Prepayment” shall mean the payment by any owner of property within the District of the amount of the Series 2021 Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments. The term “Prepayment” also means any proceeds received as a result of accelerating and/or foreclosing the Series 2021 Special Assessments. “Prepayments” shall include, without limitation, Series 2021 Prepayment Principal.

“Quarterly Redemption Date” shall mean March 15, June 15, September 15 and December 15 of any calendar year.

“Redemption Price” shall mean the principal amount of any Series 2021 Bond payable upon redemption thereof pursuant to this First Supplemental Indenture.

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

“Regular Record Date” shall mean the first day (whether or not a Business Day) of the calendar month for which an Interest Payment Date occurs.

“Release Conditions” shall mean all of the following:

(a) all of the principal portion of the Series 2021 Special Assessments has been assigned to residential units that have been constructed and have been sold and closed with homebuyers; and

(b) no Event of Default under the Master Indenture has occurred, all as evidenced pursuant to Section 4.01(f) hereof.

“Resolution” shall mean, collectively, (i) Resolution No. 2020-05 of the Issuer adopted on April 14, 2020, pursuant to which the Issuer authorized the issuance of not exceeding \$35,000,000 aggregate principal amount of its Bonds to finance the construction or acquisition of

public infrastructure within the District, and (ii) Resolution No. 2021-07 of the Issuer adopted on September 14, 2021, pursuant to which the Issuer authorized, among other things, the issuance of the Series 2021 Bonds in an aggregate principal amount of \$32,000,000 to finance a portion of the acquisition and/or construction of the 2021 Project, specifying the details of the Series 2021 Bonds and awarding the Series 2021 Bonds to the purchasers of the Series 2021 Bonds.

“Series 2021 Acquisition and Construction Account” shall mean the Account so designated, established as a separate Account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this First Supplemental Indenture.

“Series 2021 Bond Redemption Account” shall mean the Series 2021 Bond Redemption Account established as a separate Account within the Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2021 Bonds” shall mean the \$_____ aggregate principal amount of Tern Bay Community Development District Special Assessment Bonds, Series 2021, to be issued as fully registered Bonds in accordance with the provisions of the Master Indenture and this First Supplemental Indenture, and secured and authorized by the Master Indenture and this First Supplemental Indenture.

“Series 2021 Costs of Issuance Account” shall mean the Account so designated, established as a separate Account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this First Supplemental Indenture.

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

“Series 2021 Interest Account” shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(d) of this First Supplemental Indenture.

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

“Series 2021 Pledged Revenues” shall mean with respect to the Series 2021 Bonds (a) all revenues received by the Issuer from the Series 2021 Special Assessments levied and collected on the assessable lands within the District, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 Special Assessments, and (b) all moneys on deposit in the Funds, Accounts and subaccounts established under the Indenture created and established with respect to or for the benefit of the Series 2021 Bonds; provided, however, that Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) “special assessments” levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or “maintenance assessments” levied and

collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso).

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

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

“Series 2021 Principal Account” shall mean the account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(c) of this First Supplemental Indenture.

“Series 2021 Rebate Fund” shall mean the Fund so designated, established pursuant to Section 4.01(j) of this First Supplemental Indenture.

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

“Series 2021 Reserve Requirement” or “Reserve Requirement” shall mean an amount initially equal to fifty percent (50%) of the maximum annual debt service with respect to the initial principal amount of the Series 2021 Bonds determined on the date of issue. Upon satisfaction of the Release Conditions, the Series 2021 Reserve Requirement shall be reduced to an amount equal to ten percent (10%) of the maximum annual debt service with respect to the then Outstanding principal amount of the Series 2021 Bonds. If a portion of the Series 2021 Bonds are redeemed pursuant to Section 3.01(b)(i) or Section 3.01(b)(iii), the Reserve Requirement shall be reduced to fifty percent (50%) (prior to satisfaction of the Release Conditions) or ten percent (10%) (after satisfaction of the Release Conditions) of the maximum annual debt service of the Series 2021 Bonds after taking into account such extraordinary mandatory redemption. Any amount in the Series 2021 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2021 Bonds be used to pay principal of and interest on the Series 2021 Bonds at that time. The initial Series 2021 Reserve Requirement shall be equal to \$_____.

“Series 2021 Revenue Account” shall mean the Account so designated, established as a separate Account within the Revenue Fund pursuant to Section 4.01(b) of this First Supplemental Indenture.

“Series 2021 Sinking Fund Account” shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(e) of this First Supplemental Indenture.

“Series 2021 Special Assessments” shall mean a portion of the Special Assessments levied on the assessable lands within the District as a result of the Issuer’s acquisition and/or construction of the 2021 Project, corresponding in amount to the debt service on the Series 2021 Bonds and designated as such in the methodology report relating thereto.

“Substantially Absorbed” means the date at least 75% of the principal portion of the Series 2021 Special Assessments have been assigned to residential units within the District that have received certificates of occupancy.

“2021 Project” shall mean all of the public infrastructure deemed necessary for the development of 1,464 platted residential units within the District generally described on Exhibit A attached hereto.

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

The words “hereof,” “herein,” “hereto,” “hereby,” and “hereunder” (except in the form of Series 2021 Bonds), refer to the entire Indenture.

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

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

[END OF ARTICLE I]

ARTICLE II
THE SERIES 2021 BONDS

SECTION 2.01. Amounts and Terms of Series 2021 Bonds; Issue of Series 2021 Bonds. No Series 2021 Bonds may be issued under this First Supplemental Indenture except in accordance with the provisions of this Article and Articles II and III of the Master Indenture.

(a) The total principal amount of Series 2021 Bonds that may be issued under this First Supplemental Indenture is expressly limited to \$_____. The Series 2021 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2021 Bonds shall be issued substantially in the form attached hereto as Exhibit B, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture and with such additional changes as may be necessary or appropriate to conform to the provisions of the Resolution. The Issuer shall issue the Series 2021 Bonds upon execution of this First Supplemental Indenture and satisfaction of the requirements of Section 3.01 of the Master Indenture; and the Trustee shall, at the Issuer's request, authenticate such Series 2021 Bonds and deliver them as specified in the request.

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

SECTION 2.03. Authentication. The Series 2021 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2021 Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee, as provided in the Master Indenture.

SECTION 2.04. Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2021 Bonds.

(a) The Series 2021 Bonds are being issued hereunder in order to provide funds (i) for the payment of the Costs of acquiring and/or constructing a portion of the 2021 Project, (ii) to pay interest on the Series 2021 Bonds through at least [December 15, 2021], (iii) to fund the Series 2021 Reserve Account in an amount equal to the Series 2021 Reserve Requirement, and (iv) to pay the costs of issuance of the Series 2021 Bonds. The Series 2021 Bonds shall be designated "Tern Bay Community Development District Special Assessment Bonds, Series 2021," and shall be issued as fully registered bonds without coupons in Authorized Denominations.

(b) The Series 2021 Bonds shall be dated as of the date of initial delivery. Regularly scheduled interest on the Series 2021 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2021 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a June 15 or December 15 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to [December] 15, 2021, in which case from the date of initial delivery or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

(c) Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book entry only system of registration of the Series 2021 Bonds, the principal or Redemption Price of the Series 2021 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2021 Bonds. Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book entry only system of registration of the Series 2021 Bonds, the payment of interest on the Series 2021 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2021 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Any interest on any Series 2021 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called “Defaulted Interest”) shall be paid to the Owner in whose name the Series 2021 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2021 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Record Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Record Date.

SECTION 2.05. Debt Service on the Series 2021 Bonds.

(a) The Series 2021 Bonds will mature on June 15 in the years and in the principal amounts, and bear interest at the rates set forth below, subject to the right of prior redemption in accordance with their terms.

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
-------------	---------------	----------------------

*Term Bonds

(b) Interest on the Series 2021 Bonds will be computed in all cases on the basis of a 360 day year of twelve 30 day months. Interest on overdue principal and, to the extent

lawful, on overdue interest will be payable at the numerical rate of interest borne by the Series 2021 Bonds on the day before the default occurred.

SECTION 2.06. Disposition of Series 2021 Bond Proceeds. From the net proceeds of the Series 2021 Bonds received by the Trustee in the amount of \$_____.

(a) \$_____ derived from the net proceeds of the Series 2021 Bonds shall be deposited in the Series 2021 Interest Account;

(b) \$_____ derived from the net proceeds of the Series 2021 Bonds (which is an amount equal to the Series 2021 Reserve Requirement) shall be deposited in the Series 2021 Reserve Account of the Debt Service Reserve Fund;

(c) \$_____ derived from the net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund for payment of the costs of issuing the Series 2021 Bonds; and

(d) \$_____ representing the balance of the net proceeds of the Series 2021 Bonds shall be deposited in the Series 2021 Acquisition and Construction Account which the Issuer shall cause to be applied in accordance with Article V of the Master Indenture, Section 4.01(a) of the First Supplemental Indenture and the terms of the Acquisition Agreement.

SECTION 2.07. Book-Entry Form of Series 2021 Bonds. The Series 2021 Bonds shall be issued as one fully registered bond for each maturity of Series 2021 Bonds and deposited with The Depository Trust Company (“DTC”), New York, New York, which is responsible for establishing and maintaining records of ownership for its participants.

As long as the Series 2021 Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof and in the Master Indenture. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants (“DTC Participants”) and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (“Indirect Participants”). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2021 Bonds (“Beneficial Owners”).

Principal and interest on the Series 2021 Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the Issuer.

Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated Series 2021 Bonds, through DTC Participants and Indirect Participants.

During the period for which Cede & Co. is registered owner of the Series 2021 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to DTC Participants and DTC Participants shall be responsible for notices to Indirect Participants, and DTC Participants and Indirect Participants shall be responsible for notices to Beneficial Owners.

The Issuer and the Trustee, if appropriate, shall enter into a blanket letter of representations with DTC providing for such book-entry-only system. Such agreement may be terminated at any time by either DTC or the Issuer in accordance with the procedures of DTC. In the event of such termination, the Issuer shall select another securities depository and in that event, all references herein to DTC or Cede & Co., shall be deemed to be for reference to such successor. If the Issuer does not replace DTC, the Trustee will register and deliver to the Beneficial Owners replacement Series 2021 Bonds in the form of fully registered Series 2021 Bonds in accordance with the instructions from Cede & Co.

In the event DTC, any successor of DTC or the Issuer, but only in accordance with the procedures of DTC, elects to discontinue the book-entry only system, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor and after such time Series 2021 Bonds may be exchanged for an equal aggregate principal amount of Series 2021 Bonds in other Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee.

SECTION 2.08. Appointment of Registrar and Paying Agent. The Issuer shall keep, at the designated corporate trust office of the Registrar, books (the “Bond Register”) for the registration, transfer and exchange of the Series 2021 Bonds, and hereby appoints U.S. Bank National Association, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. U.S. Bank National Association hereby accepts its appointment as Registrar and its duties and responsibilities as Registrar hereunder. Registrations, transfers and exchanges shall be without charge to the Bondholder requesting such registration, transfer or exchange, but such Bondholder shall pay any taxes or other governmental charges on all registrations, transfers and exchanges.

The Issuer hereby appoints U.S. Bank National Association as Paying Agent for the Series 2021 Bonds. U.S. Bank National Association hereby accepts its appointment as Paying Agent and its duties and responsibilities as Paying Agent hereunder.

SECTION 2.09. Conditions Precedent to Issuance of the Series 2021 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2021 Bonds, all the Series 2021 Bonds shall be executed by the Issuer for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Issuer or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Assessment Resolutions;
- (b) Executed originals of the Master Indenture and this First Supplemental Indenture;

(c) An opinion of Counsel to the District, also addressed to the Trustee, substantially to the effect that (i) the Issuer has been duly established and validly exists as a community development district under the Act, (ii) the Issuer has good right and lawful authority under the Act to construct and/or purchase the 2021 Project being financed with the proceeds of the Series 2021 Bonds, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body having lawful jurisdiction in order to own and operate the 2021 Project, (iii) all proceedings undertaken by the Issuer with respect to the Series 2021 Special Assessments have been in accordance with Florida law, (iv) the Issuer has taken all action necessary to levy and impose the Series 2021 Special Assessments, and (v) the Series 2021 Special Assessments are legal, valid and binding liens upon the property against which such Series 2021 Special Assessments are made, coequal with the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid; and

(d) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2021 Bonds, the Issuer will not be in default in the performance of the terms and provisions of the Master Indenture or this First Supplemental Indenture.

Receipt by the Trustee of the net proceeds from the initial sale of the Series 2021 Bonds shall constitute conclusive evidence of the fulfillment of the conditions precedent for the issuance of the Series 2021 Bonds set forth in this Section 2.09 to the satisfaction of the District and the Underwriter.

[END OF ARTICLE II]

ARTICLE III
REDEMPTION OF SERIES 2021 BONDS

SECTION 3.01. Redemption Dates and Prices. The Series 2021 Bonds shall be subject to redemption at the times and in the manner provided in Article VIII of the Master Indenture and in this Article III. All payments of the Redemption Price of the Series 2021 Bonds shall be made on the dates hereinafter required. Except as otherwise provided in this Section 3.01, if less than all the Series 2021 Bonds are to be redeemed pursuant to an extraordinary mandatory redemption, the Trustee shall select the Series 2021 Bonds or portions of the Series 2021 Bonds to be redeemed pursuant to Section 8.04 of the Master Indenture. Partial redemptions of Series 2021 Bonds shall be made in such a manner that the remaining Series 2021 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2021 Bond.

The Series 2021 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the Redemption Price of the Series 2021 Bonds shall be made on the dates specified below.

(a) Optional Redemption. The Series 2021 Bonds may, at the option of the Issuer, provided written notice hereof has been sent to the Trustee at least forty-five (45) days prior to the redemption date (unless the Trustee will accept less than forty-five (45) days' notice), be called for redemption prior to maturity as a whole or in part, at any time, on or after June 15, 20XX (less than all Series 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date from moneys on deposit in the Series 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

(b) Extraordinary Mandatory Redemption in Whole or in Part. The Series 2021 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole or in part, on any date (other than in the case of clause (i) below which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2021 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account (taking into account the credit from the Series 2021 Reserve Account pursuant to Section 4.05 hereof) following the Prepayment in whole or in part of 2021 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of this First Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and Subaccounts (other than the Series 2021 Rebate Fund, the Series 2021 Costs of Issuance Account and the Series 2021 Acquisition and Construction Account) sufficient to pay

and redeem all Outstanding Series 2021 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Indenture.

(iii) from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account not otherwise reserved to complete the 2021 Project (including any amounts transferred from the Series 2021 Reserve Account) all of which have been transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account.

(c) Mandatory Sinking Fund Redemption. The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary

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

<u>Year</u>	Mandatory Sinking Fund <u>Redemption Amount</u>
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*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.

<u>Year</u>	Mandatory Sinking Fund <u>Redemption Amount</u>
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*Maturity

Upon any redemption or purchase of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2021 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2021 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2021 Bonds in any year. In the event

of a redemption or purchase occurring less than forty-five (45) days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

SECTION 3.02. Notice of Redemption. When required to redeem Series 2021 Bonds under any provision of this First Supplemental Indenture or directed to redeem Series 2021 Bonds by the Issuer, the Trustee shall give or cause to be given to Owners of the Series 2021 Bonds to be redeemed, notice of the redemption, as set forth in Article VIII of the Master Indenture.

[END OF ARTICLE III]

ARTICLE IV
ESTABLISHMENT OF CERTAIN FUNDS, ACCOUNTS AND SUBACCOUNTS;
ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS;
REMOVAL OF SPECIAL ASSESSMENT LIENS

SECTION 4.01. Establishment of Certain Funds, Accounts and Subaccounts.

(a) The Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the “Series 2021 Acquisition and Construction Account.” Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Acquisition and Construction Account in the amount set forth in Section 2.06 of this First Supplemental Indenture, together with any other moneys that may be transferred to the Series 2021 Acquisition and Construction Account as provided for herein. Such moneys in the Series 2021 Acquisition and Construction Account shall be disbursed by the Trustee as set forth in Section 5.01 of the Master Indenture and this Section 4.01(a), and upon disbursement, the Issuer shall apply such moneys as provided for herein and in the Acquisition Agreement. Subject to the provisions of Section 4.01(f) hereof, any moneys remaining in the Series 2021 Acquisition and Construction Account after the Completion Date, and after the expenditure of all moneys remaining therein that have not been requisitioned within thirty (30) days after satisfaction of the Release Conditions, except for any moneys reserved therein for the payment of any Costs of the 2021 Project owed but not yet requisitioned, as evidenced in a certificate from the District Engineer to the Trustee, upon which the Trustee may conclusively rely, and the adoption of a resolution by the Issuer accepting the 2021 Project, as evidenced by a certificate from the District Manager delivered to the Trustee, upon which the Trustee may conclusively rely, shall be transferred by the Trustee to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. Subject to the provisions of Section 4.01(f) hereof, the Series 2021 Acquisition and Construction Account shall be closed upon the expenditure of all funds therein including moneys deposited therein as a result of satisfaction of the Release Conditions. Upon presentment to the Trustee of a properly signed requisition in substantially the form attached hereto as Exhibit C, the Trustee shall withdraw moneys from the Series 2021 Acquisition and Construction Account and make payment to the Persons so designated in such requisition. Pursuant to the Master Indenture, the Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the “Series 2021 Costs of Issuance Account.” Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Costs of Issuance Account in the amount set forth in Section 2.06 of this First Supplemental Indenture. Upon presentment to the Trustee of a properly signed requisition in substantially the form attached hereto as Exhibit C, the Trustee shall withdraw moneys from the Series 2021 Costs of Issuance Account to pay the costs of issuing the Series 2021 Bonds. Six months after the issuance of the Series 2021 Bonds, any moneys remaining in the Series 2021 Costs of Issuance Account in excess of the amounts requested to be disbursed by the Issuer shall be deposited into the Series 2021 Interest Account. Any deficiency in the amount allocated to pay the cost of issuing the Series 2021 Bonds shall be paid from excess Series 2021 Pledged Revenues on deposit in the Series 2021 Revenue Account in accordance with Section 4.02 SEVENTH. When there are no further moneys therein, the Series 2021 Costs of Issuance Account shall be closed.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the “Series 2021 Revenue

Account.” Series 2021 Special Assessments and any other amounts required to be deposited therein (except for Prepayments of Series 2021 Special Assessments which shall be identified as such by the Issuer to the Trustee and deposited in the Series 2021 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2021 Revenue Account which shall be applied as set forth in Section 6.03 of the Master Indenture and Section 4.02 of this First Supplemental Indenture.

(c) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the “Series 2021 Principal Account.” Moneys shall be deposited into the Series 2021 Principal Account as provided in Section 6.04 of the Master Indenture and Section 4.02 of this First Supplemental Indenture, and applied for the purposes provided therein.

(d) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the “Series 2021 Interest Account.” Moneys deposited into the Series 2021 Interest Account pursuant to Section 6.04 of the Master Indenture and Sections 2.06 and 4.02 of this First Supplemental Indenture, shall be applied for the purposes provided therein.

(e) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish another separate Account within the Debt Service Fund designated as the “Series 2021 Sinking Fund Account.” Moneys shall be deposited into the Series 2021 Sinking Fund Account as provided in Section 6.04 of the Master Indenture and Section 4.02 of this First Supplemental Indenture and applied for the purposes provided therein and in Section 3.01(c) of this First Supplemental Indenture.

(f) Pursuant to Section 6.05 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Reserve Fund designated as the “Series 2021 Reserve Account.” Proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Reserve Account in the amount set forth in Section 2.06 of this First Supplemental Indenture, and such moneys, together with any other moneys deposited into the Series 2021 Reserve Account shall be applied for the purposes provided therein and in this Section 4.01(f) of this First Supplemental Indenture.

On each May 1 and November 1 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2021 Reserve Account and transfer any excess therein above the Reserve Requirement for the Series 2021 Bonds caused by investment earnings to the Series 2021 Acquisition and Construction Account and after the Completion Date to the Series 2021 Revenue Account.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2021 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holders of the Series 2021 Bonds to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account, if as a result of the application of Article X of the Master Indenture, the proceeds received from lands sold subject to the Series 2021 Special Assessments and applied to redeem a portion of the Series 2021 Bonds is less than the principal amount of Series 2021 Bonds indebtedness attributable to such lands.

Subject to the provisions of Section 4.05 hereof, on any date the Issuer receives notice or the District Manager, on behalf of the Issuer, receives notice that a landowner wishes to prepay its Series 2021 Special Assessments relating to the benefited property of such landowner within the District, or as a result of a mandatory true-up payment, the Issuer shall, or cause the District Manager, on behalf of the Issuer to calculate the principal amount of such Prepayment taking into account a credit against the amount of the Series 2021 Prepayment Principal due by the amount of money in the Series 2021 Reserve Account that will be in excess of the applicable Reserve Requirement, taking into account the proposed Prepayment. Such excess in the Series 2021 Reserve Account shall be transferred by the Trustee to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account, as a result of such Prepayment. The District Manager, on behalf of the Issuer, shall make such calculation within ten (10) Business Days after notice of such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the landowner from the Series 2021 Debt Service Reserve Account to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2021 Bonds in accordance with Section 3.01(b)(i) hereof. The Trustee is authorized to make such transfers and has no duty to verify such calculations. Notwithstanding the foregoing, upon satisfaction of the Release Conditions, the Trustee shall deposit such excess on deposit in the Series 2021 Reserve Account to the Series 2021 Acquisition and Construction Account and pay such amount deposited in the Series 2021 Acquisition and Construction Account to the Person or Persons designated in a requisition in the form attached hereto as Exhibit "C" submitted by the Developer within thirty (30) days of such transfer which requisition shall be executed by the Issuer and the Consulting Engineer. Such payment is authorized notwithstanding that the Completion Date might have been declared provided the Developer can establish, to the satisfaction of the Consulting Engineer, Costs of the 2021 Project that were not paid from moneys initially deposited in the Series 2021 Acquisition and Construction Account. In the event that there are no unreimbursed Costs to pay to the Developer, such excess moneys transferred from the Series 2021 Reserve Account to the Series 2021 Acquisition and Construction Account shall be deposited into the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account.

Upon satisfaction of the Release Conditions as evidenced by a written certificate of the District Manager delivered to the Issuer and the Trustee, stating that the Release Conditions have been satisfied and setting forth the amount of the new Series 2021 Reserve Requirement, the Trustee shall without further direction reduce the Series 2021 Reserve Requirement to ten percent (10%) of the maximum annual debt service of the then Outstanding principal amount of the Series 2021 Bonds as calculated by the District Manager. The excess amount in the Series 2021 Reserve Account shall be transferred to the Series 2021 Acquisition and Construction Account. The Trustee may conclusively rely on such written certificate of the District Manager.

In addition, in the event of an extraordinary mandatory redemption pursuant to Section 3.01(b)(iii), the Trustee shall calculate the applicable Reserve Requirement and apply any excess in the Series 2021 Reserve Account toward such extraordinary mandatory redemption.

(g) Pursuant to Section 6.06 of the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Account within the Bond Redemption Fund designated as the "Series 2021 Bond Redemption Account" and within such Account, a "Series 2021 General Redemption Subaccount," a "Series 2021 Optional Redemption Subaccount," and

a “Series 2021 Prepayment Subaccount.” Except as otherwise provided in this First Supplemental Indenture regarding Prepayments or in connection with the optional redemption of the Series 2021 Bonds, moneys to be deposited into the Series 2021 Bond Redemption Account as provided in Section 6.06 of the Master Indenture, shall be deposited to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account.

(h) Moneys that are deposited into the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account (including all earnings on investments held therein) shall be used to call Series 2021 Bonds for the extraordinary mandatory redemption in whole, pursuant to Section 3.01(b)(ii) hereof or in part pursuant to Section 3.01(b)(iii) hereof.

(i) Moneys in the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account (including all earnings on investments held in such Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account) shall be accumulated therein to be used to call for redemption pursuant to Section 3.01(b)(i) hereof an amount of Series 2021 Bonds equal to the amount of money transferred to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account for the purpose of such extraordinary mandatory redemption on the dates and at the price provided in such Section 3.01(b)(i) hereof.

(j) The Issuer hereby directs the Trustee to establish a Series 2021 Rebate Fund designated as the “Series 2021 Rebate Fund.” Moneys shall be deposited into the Series 2021 Rebate Fund, as provided in the Arbitrage Certificate and Section 4.02 SEVENTH herein and applied for the purposes provided therein.

(k) Any moneys on deposit in the Series 2021 Optional Redemption Subaccount shall be used to optionally redeem all or a portion of the Series 2021 Bonds pursuant to Section 3.01(a) hereof.

SECTION 4.02. Series 2021 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2021 Revenue Account to the Funds, Accounts and subaccounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt but no later than the Business Day next preceding each December 15 commencing [December 15], 2021, to the Series 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds becoming due on the next succeeding December 15, less any amount on deposit in the Series 2021 Interest Account not previously credited;

SECOND, upon receipt but no later than the Business Day next preceding each June 15 commencing June 15, 2022, to the Series 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds becoming due on the next succeeding June 15, less any amounts on deposit in the Series 2021 Interest Account not previously credited;

THIRD, no later than the Business Day next preceding each December 15, commencing December 15, 20__, to the Series 2021 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2021 Bonds subject to

sinking fund redemption on such December 15, less any amount on deposit in the Series 2021 Sinking Fund Account not previously credited;

FOURTH, no later than the Business Day next preceding each December 15, which is the principal payment date for any Series 2021 Bonds, to the Series 2021 Principal Account of the Debt Service Fund, an amount equal to the principal amount of Series 2021 Bonds Outstanding maturing on such December 15, less any amounts on deposit in the Series 2021 Principal Account not previously credited;

FIFTH, notwithstanding the foregoing, at any time the Series 2021 Bonds are subject to redemption on a date which is not a June 15 or December 15 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2021 Interest Account, the amount necessary to pay interest on the Series 2021 Bonds subject to redemption on such date;

SIXTH, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2021 Bonds remain Outstanding, to the Series 2021 Reserve Account, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2021 Reserve Requirement for the Series 2021 Bonds; and

SEVENTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be deposited into the Series 2021 Costs of Issuance Account to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2021 Bonds and next, any balance in the Series 2021 Revenue Account shall remain on deposit in such Series 2021 Revenue Account, unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2021 Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.

SECTION 4.03. Power to Issue Series 2021 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2021 Bonds, to execute and deliver the Indenture and to pledge the Series 2021 Pledged Revenues for the benefit of the Series 2021 Bonds to the extent set forth herein. The Series 2021 Pledged Revenues are not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Series 2021 Bonds. The Series 2021 Bonds and the provisions of the Indenture are and will be valid and legally enforceable obligations of the Issuer in accordance with their respective terms. The Issuer shall, at all times, to the extent permitted by law, defend, preserve and protect the pledge created by the Indenture and all the rights of the Owners of the Series 2021 Bonds under the Indenture against all claims and demands of all persons whomsoever.

SECTION 4.04. 2021 Project to Conform to Consulting Engineers Report. Upon the issuance of the Series 2021 Bonds, the Issuer will promptly proceed to construct or acquire the 2021 Project, as described in Exhibit A hereto and in the Consulting Engineer's Report relating thereto, all pursuant to the terms and provisions of the Acquisition Agreement.

SECTION 4.05. Prepayments; Removal of the Series 2021 Special Assessment Liens.

(a) At any time any owner of property subject to the Series 2021 Special Assessments may, at its option, or as a result of acceleration of the Series 2021 Special Assessments because of non-payment thereof or as a result of true-up payment, require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2021 Special Assessments by paying or causing there to be paid, to the Issuer all or a portion of the Series 2021 Special Assessment, which shall constitute Series 2021 Prepayment Principal, plus, except as provided below, accrued interest to the next succeeding Interest Payment Date (or the next succeeding Interest Payment Date if such Prepayment is made within forty-five (45) calendar days before an Interest Payment Date), attributable to the property subject to the Series 2021 Special Assessment owned by such owner. In connection with such Prepayments, in the event the amount in the Series 2021 Debt Service Reserve Account will exceed the applicable Reserve Requirement for the Series 2021 Bonds as a result of a Prepayment in accordance with this Section 4.05(a) and Section 4.01(f) and the resulting redemption of the Series 2021 Bonds in accordance with Section 3.01(b)(i) of this First Supplemental Indenture, the excess amount shall be transferred from the Series 2021 Debt Service Reserve Account to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account as a credit against the Series 2021 Prepayment Principal otherwise required to be paid by the owner of such lot or parcel, upon written instructions to the Trustee of the District Manager on behalf of the Issuer upon which the Trustee may conclusively rely, together with a certification stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2021 Debt Service Reserve Account to equal or exceed the then Reserve Requirement for the Series 2021 Bonds and which certificate of the District Manager will further state that, after giving effect to the proposed redemption of Series 2021 Bonds, there will be sufficient Series 2021 Pledged Revenues to pay the principal and interest, when due, on all Series 2021 Bonds that will remain Outstanding.

(b) Upon receipt of Series 2021 Prepayment Principal as described in paragraph (a) above, subject to satisfaction of the conditions set forth therein, the Issuer shall immediately pay the amount so received to the Trustee, and the Issuer shall take such action as is necessary to record in the official records of the Issuer that the Series 2021 Special Assessment has been paid in whole or in part and that such Series 2021 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be.

(c) The Trustee may conclusively rely on the Issuer's determination of what moneys constitute Series 2021 Prepayment Principal. The Trustee shall calculate the amount available for extraordinary mandatory redemption of the Series 2021 Bonds pursuant to Section 3.01(b)(i) hereof forty-five (45) days before each Quarterly Redemption Date and will withdraw money from the Series 2021 Reserve Account as a credit against the amount of Prepayment that is owed in an amount as directed by the Issuer or the District Manager on behalf of the Issuer in accordance with Section 4.01(f) hereof and Section 4.05(a) hereof. No credit shall be given if as a result the Reserve Requirement shall be less than is required after taking into account the proposed extraordinary mandatory redemption pursuant to Section 3.01(b)(i) hereof. At any time such Prepayment is not in an integral multiple of \$5,000, the Trustee shall withdraw moneys from the Series 2021 Revenue Account to round-up to an integral multiple of \$5,000 and deposit

such amount into the Series 2021 Prepayment Subaccount. Notwithstanding the foregoing, the Trustee shall not be authorized to withdraw any moneys from the Series 2021 Revenue Account unless all of the deposits required under Section 4.02 hereof have or can be made to the next succeeding Interest Payment Date.

[END OF ARTICLE IV]

ARTICLE V
COVENANTS AND DESIGNATIONS OF THE ISSUER

SECTION 5.01. Collection of Series 2021 Special Assessments. Notwithstanding the terms and provisions of the Master Indenture and except as provided in the next succeeding sentence, the Issuer may collect the Series 2021 Special Assessments relating to the acquisition and construction of the 2021 Project through the Uniform Method of Collection (the “Uniform Method”) afforded by Chapter 197, Florida Statutes. The Issuer may, pursuant to the provisions of the Assessment Resolutions, directly collect the Series 2021 Special Assessments levied in lieu of the Uniform Method with respect to any assessable lands, unless an Event of Default has occurred and is continuing and the Trustee, at the direction of the Majority Holders, directs the Issuer to use a specific method of collection. In addition, and not in limitation of, the covenants contained elsewhere in this First Supplemental Indenture and in the Master Indenture, the Issuer covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2021 Special Assessments, and to levy the Series 2021 Special Assessments in such manner as will generate funds sufficient to pay debt service on the Series 2021 Bonds when due. All Series 2021 Special Assessments that are collected directly by the Issuer shall be due and payable by the landowner not later than thirty (30) days prior to each Interest Payment Date.

SECTION 5.02. Continuing Disclosure. Contemporaneously with the execution and delivery hereof, the Issuer has executed and delivered a Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934. The Issuer covenants and agrees to comply with the provisions of such Continuing Disclosure Agreement applicable to it; however, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but shall instead be enforceable by mandamus or any other means of specific performance.

SECTION 5.03. Investment of Funds, Accounts and Subaccounts. The provisions of Section 7.02 of the Master Indenture shall apply to the investment and reinvestment of moneys in the Series 2021 Accounts and subaccounts therein created hereunder.

SECTION 5.04. Additional Obligations. The Issuer covenants not to issue any other Bonds or other debt obligations secured by the Series 2021 Special Assessments. Such covenant shall not prohibit the Issuer from issuing refunding bonds. The Issuer further covenants not to issue any other Bonds or other debt obligations secured by any other Special Assessments on the same lands subject to the Series 2021 Special Assessments until the Series 2021 Special Assessments have been Substantially Absorbed. The Issuer’s covenants described above shall not preclude the imposition of Special Assessments or other non-ad valorem assessments on such lands in connection with other capital projects that are necessary for health, safety or welfare reasons or to remediate a natural disaster. The Trustee and the Issuer may rely on a written certificate from the District Manager regarding the Series 2021 Special Assessments being Substantially Absorbed. Notwithstanding any provision in the Indenture to the contrary, upon the written consent of the Majority Holders, the Issuer may at any time issue other Bonds or debt obligations secured by Special Assessments (other than the Series 2021 Special Assessments) that are levied on the same assessable lands within the District that are burdened by the Series 2021 Special Assessments.

SECTION 5.05. Acknowledgement Regarding Series 2021 Acquisition and Construction Account Moneys Following an Event of Default. In accordance with the provisions of the Indenture, upon the occurrence of an Event of Default with respect to the Series 2021 Bonds, the Series 2021 Bonds are payable solely from the Series 2021 Pledged Revenues and any other moneys held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that, upon the occurrence of an Event of Default with respect to the Series 2021 Bonds, (i) the Series 2021 Pledged Revenues include, without limitation, all amounts on deposit in the Series 2021 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, (ii) the Series 2021 Pledged Revenues may not be used by the Issuer (whether to pay costs of the 2021 Project or otherwise) without the consent of the Majority Holders, and (iii) the Series 2021 Pledged Revenues may be used by the Trustee, at the direction or with the approval of the Majority Holders, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The Issuer covenants not to enter into any contract regarding the 2021 Project from and after the occurrence of an Event of Default without the written direction of the Majority Holders.

[END OF ARTICLE V]

ARTICLE VI
THE TRUSTEE; THE PAYING AGENT AND REGISTRAR

SECTION 6.01. Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created and agrees to perform such trusts upon the terms and conditions set forth in the Indenture. The Trustee agrees to act as Paying Agent and Registrar for the Series 2021 Bonds.

SECTION 6.02. Trustee's Duties. The Trustee shall not be responsible in any manner for the due execution of this First Supplemental Indenture by the Issuer or for the recitals contained herein (except for the certificate of authentication on the Series 2021 Bonds), all of which are made solely by the Issuer. Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlement inuring to the Trustee under the Master Indenture.

SECTION 6.03. Brokerage Confirmations. The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer the right to receive individual confirmations of security transactions at no additional cost, as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

[END OF ARTICLE VI]

ARTICLE VII
MISCELLANEOUS PROVISIONS

SECTION 7.01. Interpretation of First Supplemental Indenture. This First Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2021 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this First Supplemental 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 7.02. Amendments. Any amendments to this First Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

SECTION 7.03. Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 7.04. Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this First Supplemental Indenture are hereby incorporated herein and made a part of this First Supplemental Indenture for all purposes.

SECTION 7.05. Payment Dates. In any case in which an Interest Payment Date or the maturity date of the Series 2021 Bonds or the date fixed for the redemption of any Series 2021 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 7.06. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Series 2021 Bonds.

SECTION 7.07. Patriot Act Requirements of the Trustee. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Trustee will ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, Tern Bay Community Development District has caused this First Supplemental Trust Indenture to be executed by the Chairperson or Vice Chairperson of its Board of Supervisors and its corporate seal to be hereunto affixed and attested by the Secretary of its Board of Supervisors and U.S. Bank National Association has caused this First Supplemental Trust Indenture to be executed by one of its authorized signatories, all as of the day and year above written.

TERN BAY COMMUNITY
DEVELOPMENT DISTRICT

[SEAL]

Attest:

By: _____
Name: _____
Title: Chairperson/Vice Chairperson
Board of Supervisors

By: _____
Name: _____
Title: Secretary, Board of Supervisors

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

By: _____
Name: _____
Title: Vice President/Assistant Vice
President

STATE OF FLORIDA)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2021, by _____, Chairperson/Vice Chairperson of Tern Bay Community Development District (the “Issuer”), who acknowledged that he/she did so sign the foregoing instrument as such officer, for and on behalf of said Issuer; that the same is his/her free act and deed as such officer, and the free act and deed of said Issuer; and that the seal affixed to said instrument is the seal of said Issuer; that he/she appeared before me this day in person and acknowledged that he/she, being thereunto duly authorized, signed, sealed with the seal of said Issuer, for the uses and purposes therein set forth. He/She is personally known to me or has produced _____ as identification.

[NOTARIAL SEAL]

Notary: _____
Print Name: _____
NOTARY PUBLIC, STATE OF _____
My commission expires _____

STATE OF FLORIDA)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2021, by _____, Secretary of Tern Bay Community Development District (the “Issuer”), who acknowledged that he did so sign the foregoing instrument as such officer, for and on behalf of said Issuer; that the same is his free act and deed as such officer, and the free act and deed of said Issuer; and that the seal affixed to said instrument is the seal of said Issuer; that he appeared before me this day in person and acknowledged that he, being thereunto duly authorized, signed, sealed with the seal of said Issuer, for the uses and purposes therein set forth. He is personally known to me or has produced _____ as identification.

[NOTARIAL SEAL]

Notary: _____
Print Name: _____
NOTARY PUBLIC, STATE OF _____
My commission expires _____

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this _____ day of _____, 2021, by _____, a Vice President/Assistant Vice President of U.S. Bank National Association, as trustee (the "Trustee"), who acknowledged that he/she did so sign said instrument as such officer for and on behalf of the Trustee; that the same is his/her free act and deed as such officer and the free act and deed of the Trustee; that he/she appeared before me on this day in person and acknowledged that he/she, being thereunto duly authorized, signed, for the uses and purposes therein set forth. He/She is personally known to me or produced _____ as identification.

[NOTARIAL SEAL]

Notary: _____
Print Name: _____
NOTARY PUBLIC, STATE OF _____
My commission expires _____

EXHIBIT A
DESCRIPTION OF 2021 PROJECT

The 2021 Project includes, but is not limited to, the following improvements:

- Stormwater management and control facilities, including, but not limited to, related earthwork and acquisition of lands relating thereto;
- Offsite and onsite roadway improvements and impact fees;
- Offsite and onsite water and wastewater facilities and connection charges;
- Landscaping, irrigation and hardscape in public rights-of-way;
- Differential cost of undergrounding electric utility lines;
- Wetland and wildlife mitigation; and
- All related soft and incidental costs.

EXHIBIT B

[FORM OF SERIES 2021 BOND]

R-1

\$ _____

**UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF CHARLOTTE
TERN BAY COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT BOND, SERIES 2021**

Interest Rate Maturity Date Date of Original Issuance CUSIP
_____ %

Registered Owner:-----Cede & Co.-----

Principal Amount:--

KNOW ALL PERSONS BY THESE PRESENTS that the Tern Bay Community Development District (the "Issuer"), for value received, hereby promises to pay to the registered owner shown above or registered assigns, on the date specified above, from the sources hereinafter mentioned, upon presentation and surrender hereof (except while the herein defined Series 2021 Bonds are in book-entry only form such presentation shall not be required), at the designated corporate trust office of U.S. Bank National Association, as paying agent (said U.S. Bank National Association and/or any bank or trust company to become successor paying agent being herein called the "Paying Agent"), the Principal Amount set forth above (with interest thereon at the Interest Rate per annum set forth above, computed on a 360-day year of twelve 30-day months), said principal payable on the Maturity Date stated above. Principal of this Bond is payable at the designated corporate trust office of U.S. Bank National Association, located in Fort Lauderdale, Florida, in lawful money of the United States of America. Interest on this Bond is payable by check or draft of the Paying Agent made payable to the registered owner and mailed on each June 15 and December 15, commencing _____ 15, 20__ to the address of the registered owner as such name and address shall appear on the registry books of the Issuer maintained by U.S. Bank National Association, as registrar (said U.S. Bank National Association and any successor registrar being herein called the "Registrar") at the close of business on the first day (whether or not a Business Day) for which an Interest Payment Date occurs (the "Record Date"). Such interest shall be payable from the most recent interest payment date next preceding the date of authentication hereof to which interest has been paid, unless the date of authentication hereof is a June 15 or December 15 to which interest has been paid, in which case from the date of authentication hereof, or unless such date of authentication is prior to _____ 15, 20__, in which case from the date of initial delivery, or unless the date of authentication hereof is between a Record Date and the next succeeding interest payment date, in which case from such interest payment date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Record Date and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by U.S. Bank National

Association, as Trustee (said U.S. Bank National Association and any successor trustee being herein called the "Trustee"), notice whereof shall be given to Bondholders of record as of the fifth (5th) day prior to such mailing, at their registered addresses, not less than ten (10) days prior to such Special Record Date, or may be paid, at any time in any other lawful manner, as more fully provided in the Indenture (defined below). Any capitalized term used in this Bond and not otherwise defined shall have the meaning ascribed to such term in the Indenture.

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, CHARLOTTE COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, THE SERIES 2021 SPECIAL ASSESSMENTS (AS DEFINED IN THE INDENTURE) TO SECURE AND PAY THE BONDS. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

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

This Bond is one of an authorized issue of Bonds of the Tern Bay Community Development District, a community development district duly created, organized and existing under Chapter 190, Florida Statutes (the Uniform Community Development District Act of 1980), as amended (the "Act") and created pursuant to the Act and by Rule 42VV-1 F.A.C. duly adopted by the Florida Land and Water Adjudicating Commission effective September 15, 2004, designated as "Tern Bay Community Development District Special Assessment Bonds, Series 2021" (the "Bonds" or the "Series 2021 Bonds"), in the aggregate principal amount of _____ MILLION _____ HUNDRED THOUSAND AND 00/100 DOLLARS (\$ _____ .00) of like date, tenor and effect, except as to number, denomination, interest rate and maturity date. The Series 2021 Bonds are being issued under authority of the laws and Constitution of the State of Florida, including particularly the Act, to pay the costs of constructing and/or acquiring a portion of the 2021 Project (as defined in the herein referred to Indenture). The Series 2021 Bonds shall be issued as fully registered bonds in authorized denominations, as set forth in the Indenture. The Bonds are issued under and secured by a Master Trust Indenture dated as of _____ 1, 2021 (the "Master Indenture"), as amended by a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture" and together with the Master Indenture, the "Indenture"), each by and between the Issuer and the Trustee, executed counterparts of which are on file at the designated corporate trust office of the Trustee in Fort Lauderdale, Florida.

Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2021 Bonds issued under the

Indenture, the operation and application of the Debt Service Fund, the Series 2021 Reserve Account within the Debt Service Reserve Fund and other Funds, Accounts and subaccounts (each as defined in the Indenture) charged with and pledged to the payment of the principal of and the interest on the Series 2021 Bonds, the levy and the evidencing and certifying for collection, of the Series 2021 Special Assessments, the nature and extent of the security for the Bonds, the terms and conditions on which the Series 2021 Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Indenture, the conditions under which such Indenture may be amended without the consent of the registered owners of the Series 2021 Bonds, the conditions under which such Indenture may be amended with the consent of the Majority Holders of the Series 2021 Bonds outstanding, and as to other rights and remedies of the registered owners of the Series 2021 Bonds.

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

It is expressly agreed by the owner of this Bond that such owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, the County, the State or any other political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, the County, the State or any other political subdivision thereof, for the payment of the principal of and interest on this Bond or the making of any other sinking fund and other payments provided for in the Indenture, except for the Series 2021 Special Assessments to be assessed and levied by the Issuer as set forth in the Indenture.

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

This Bond is payable from and secured by Series 2021 Pledged Revenues, as such term is defined in the Indenture, all in the manner provided in the Indenture. The Indenture provides for the levy and the evidencing and certifying, of non-ad valorem assessments in the form of the Series 2021 Special Assessments to secure and pay the Bonds.

The Series 2021 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the redemption price of the Series 2021 Bonds shall be made on the dates specified below. Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemption, the Issuer shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2021 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2021 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2021 Bonds in any year. In the event of a redemption or purchase occurring less than forty-five (45) days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts

due in the year in which such redemption or purchase occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

Optional Redemption

The Series 2021 Bonds are subject to redemption prior to maturity at the option of the Issuer, as a whole or in part, at any time, on or after June 15, 20__ (less than all Series 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of the Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date.

Mandatory Sinking Fund Redemption

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.

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

*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.

Year **Mandatory Sinking Fund**
Redemption Amount

*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.

Year **Mandatory Sinking Fund**
Redemption Amount

*Maturity

The Series 2021 Bonds maturing on June 15, 20__ are subject to mandatory sinking fund redemption on June 15 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2021 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.

Year **Mandatory Sinking Fund**
Redemption Amount

*Maturity

Extraordinary Mandatory Redemption in Whole or in Part

The Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole or in part on any date (other than in the case of clause (i) below which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus interest accrued to the redemption date.

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account (taking into account the credit from the Series 2021 Reserve Account pursuant to Section 4.05 of the First Supplemental Indenture) following the prepayment in whole or in part of 2021 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of the First Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and Subaccounts in the Funds, Accounts and subaccounts (other than the Series 2021 Rebate Fund, the Series 2021 Costs of Issuance Account and the Series 2021 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2021 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Indenture.

(iii) from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account not otherwise reserved to complete the 2021 Project (including any amounts transferred from the Series 2021 Reserve Account) all of which have been transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account.

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

Notice of each redemption of the Bonds is required to be mailed by the Trustee by class mail, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date to each Registered Owner of the Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Trustee or the Paying Agent, all as provided in the Indenture, the 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 Bonds or such portions thereof on such date, interest on such Bonds or such portions thereof so called for redemption shall cease to accrue, such 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 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Trustee or the Paying Agent. Further notice of redemption shall be given by the Trustee 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. Notwithstanding the foregoing, the Trustee is authorized to give conditional notice of redemption as provided in the Master Indenture.

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

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 Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for three (3) years after the date when such Bond has become due and payable, either at its stated maturity date or by call for earlier redemption shall be paid to the Issuer, thereupon and thereafter no claimant shall have any rights against the Trustee or Paying Agent to or in respect of such moneys.

If the Issuer deposits or causes to be deposited with the Trustee funds or Defeasance Securities (as defined in the Master Indenture) sufficient to pay the principal or Redemption Price of any 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 such Bonds as to the trust estate with respect to such Bonds 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.

The Issuer shall keep books for the registration of the Bonds at the designated corporate trust office of the Registrar in Fort Lauderdale, Florida. Subject to the restrictions contained in

the Indenture, the Bonds may be transferred or exchanged by the registered owner thereof in person or by his attorney duly authorized in writing only upon the books of the Issuer kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Indenture. Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, Paying Agent or the Registrar, duly executed by the Bondholder or his attorney duly authorized in writing. Transfers and exchanges shall be made without charge to the Bondholder, except that the Issuer or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

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

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

IN WITNESS WHEREOF, Tern Bay Community Development District has caused this Bond to be signed by the manual signature of the Chairperson or Vice Chairperson of its Board of Supervisors and its seal to be imprinted hereon, and attested by the manual signature of the Secretary of its Board of Supervisors, all as of the date hereof.

TERN BAY COMMUNITY
DEVELOPMENT DISTRICT

By: _____
Chairperson/Vice Chairperson
Board of Supervisors

(SEAL)

Attest:

By: _____
Secretary, Board of Supervisors

CERTIFICATE OF AUTHENTICATION

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

Date of Authentication: _____

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Vice President/Assistant Vice President

STATEMENT OF VALIDATION

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court of the Twentieth Judicial Circuit of Florida, in and for Charlotte County, Florida, rendered on the 17th day of July, 2020.

TERN BAY COMMUNITY
DEVELOPMENT DISTRICT

By: _____
Chairperson/Vice Chairperson
Board of Supervisors

(SEAL)

Attest:

By: _____
Secretary, Board of Supervisors

ABBREVIATIONS

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

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

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

Under Uniform Transfer to Minors Act _____
(State)

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

ASSIGNMENT AND TRANSFER

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

(please print or typewrite name and address of assignee)

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

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

Signature Guarantee:

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

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

Please insert social security or other identifying number of Assignee.

EXHIBIT C

FORMS OF REQUISITIONS

TERN BAY COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2021

(Acquisition and Construction)

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

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

Series 2021 Acquisition and Construction Account of the Acquisition and Construction Fund

The undersigned hereby certifies that:

1. obligations in the stated amount set forth above have been incurred by the District,
2. each disbursement set forth above is a proper charge against the Series 2021 Acquisition and Construction Account;
3. each disbursement set forth above was incurred in connection with the Cost of the 2021 Project; and
4. each disbursement represents a Cost of 2021 Project which has not previously been paid.

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

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

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

TERN BAY COMMUNITY
DEVELOPMENT DISTRICT

By: _____
Responsible Officer

Date: _____

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

The undersigned Consulting Engineer hereby certifies that this disbursement is for the Cost of the 2021 Project and is consistent with: (i) the Acquisition Agreement; and (ii) the report of the Consulting Engineer, as such report shall have been amended or modified.

Consulting Engineer

**TERN BAY COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT BONDS, SERIES 2021**

(Costs of Issuance)

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

- (A) Requisition Number:

- (B) Amount Payable:

- (C) Purpose for which paid or incurred: Costs of Issuance

- (D) Fund or Account and subaccount, if any, from which disbursement to be made:
Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund

The undersigned hereby certifies that:

1. this requisition is for costs of issuance payable from the Series 2021 Costs of Issuance Account that have not previously been paid;
2. each disbursement set forth above is a proper charge against the Series 2021 Costs of Issuance Account;
3. each disbursement set forth above was incurred in connection with the issuance of the Series 2021 Bonds; and
4. each disbursement represents a cost of issuance which has not previously been paid.

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

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

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

TERN BAY COMMUNITY DEVELOPMENT
DISTRICT

By: _____
Responsible Officer

Date: _____

EXHIBIT D

FORM OF INVESTOR LETTER

[Date]

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

Re: \$_____ Tern Bay Community Development District Special Assessment
Bonds, Series 2021

Ladies and Gentlemen:

The undersigned is authorized to sign this letter [on behalf of Name of Non-Individual Investor], as the beneficial owner (the "Investor") of \$_____ of the above-referenced Bonds [state maturing on June 15, _____, bearing interest at the rate of ___% per annum and CUSIP #] (herein, the "Investor Bonds").

In connection with the purchase of the Investor Bonds by the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has authority to purchase the Investor Bonds and to execute this letter, any other instruments and documents required to be executed by the Investor in connection with the purchase of the Investor Bonds.

2. The Investor meets the criteria of an "accredited investor" as described in one or more of the categories derived from Rule 501(a) under Regulation D of the Securities Act of 1933, as amended (the "Securities Act") summarized below, and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations including those which are not rated or credit-enhanced, to be able to evaluate the risks and merits of the investment represented by the Bonds. Please check the appropriate box below to indicate the type of accredited investor:

a bank, registered broker, dealer or investment adviser (or investment adviser exempt from registration under Section 203(l) or (m) within the meaning of the Investment Advisers Act of 1940), insurance company, registered investment company, business development company, small business investment company; or rural business investment company;

an employee benefit plan, within the meaning of the Employee Retirement Income Security Act of 1974, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the employee benefit plan has total assets in excess of \$5 million;

an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust

partnership, or limited liability company, not formed for the specific purpose of acquiring the Investor Bonds with assets exceeding \$5 million;

a business in which all the equity owners are “accredited investors”;

a natural person who has individual net worth, or joint net worth with the person’s spouse or spousal equivalent, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person, except that mortgage indebtedness on the primary residence shall not be included as a liability;

a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse or spousal equivalent exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year;

a trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Investor Bonds whose purchase is directed by a sophisticated person;

an entity, of a type other than those set forth above, that owns investments in excess of \$5,000,000 and that was not formed for the specific purpose of acquiring the Investor Bonds;

a natural person holding in good standing one or more professional certifications or designations or credentials from a designated accredited educational institution qualifying an individual for “accredited investor” status;

a “family office” with at least \$5,000,000 in assets under management, that was not formed for the specific purpose of acquiring the Investor Bonds, and whose prospective investment is directed by a person capable of evaluating the merits and risks of the prospective investment; or

a “family client” of a family office described in the prior bullet point whose prospective investment is directed by that family office.

3. The Investor has been supplied with an (electronic) copy of the Preliminary Limited Offering Memorandum dated _____, 2021 of the Issuer and relating to the Bonds (the “Offering Document”) and has reviewed the Offering Document and represents that such Offering Document has provided full and meaningful disclosure in order to make an informed decision to invest in the Investor Bonds.

Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Indenture.

Very truly yours,

[Name], [Type of Entity]

By: _____

Name: _____

Title: _____

Date: _____

Or

[Name], an Individual

49769425v11/190371.010100

SECURITY SERVICES AGREEMENT

THIS SECURITY SERVICES AGREEMENT (this "Agreement") is made and entered into this 1st day of October, 2021, by and between **TERN BAY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special purpose government established pursuant to Chapter 190, Florida Statutes, being situated in the Charlotte County, Florida (the "District") and **RAMCO PROTECTIVE OF ORLANDO, INC.**, a Florida corporation (the "Contractor").

WITNESSETH:

WHEREAS, the District was established by ordinance of the Board of County Commissioners of Charlotte County, Florida, for the purpose of planning, financing, constructing, operating and/or maintaining certain public property and infrastructure improvements within the Heritage Landing community; and

WHEREAS, included within the maintenance responsibilities of the District is the responsibility to maintain the safety and security of certain public property and infrastructure improvements; and

WHEREAS, the District desires to employ the Contractor to provide access control services and patrol services within the District; and

WHEREAS, the Contractor, through its proposal and has represented that it can provide such services as required by the District; and

WHEREAS, the District desires to employ the Contractor as an independent contractor to provide the services described herein for the compensation and upon the terms, conditions and provisions hereinafter set forth; and

WHEREAS, the parties agree and intend that this Agreement shall replace and supersede any and all prior agreements between the District and the Contractor (including any entities affiliated with Contractor) as of the Commencement Date (as defined herein). The intent of this Agreement is to consolidate under one agreement, all of the services being provided by Contractor (and/or its affiliated entities).

NOW, THEREFORE, the District and the Contractor agree as follows:

1. **RECITALS.** That the above recitals are true and correct and are incorporated herein.
2. **DESCRIPTION OF WORK AND SERVICES.**

A. The District desires that the Contractor provide access control services and patrol services of the very highest quality. Following the execution of this Agreement by both parties, the Contractor shall provide the District with the specific services identified in this Agreement commencing as of October 1, 2021 ("Commencement Date").

B. While providing the services identified in this Agreement, the Contractor shall assign such staff as may be required or requested by District, and such staff shall be responsible for coordinating, expediting, and controlling all aspects to assure completion of the services. All work to be performed within the scope of these specifications contained herein shall be strictly managed, executed, and performed by the Contractor using experienced personnel.

C. The Contractor shall provide the specific professional services as shown in Paragraph 3 of this Agreement.

3. SCOPE OF ACCESS CONTROL SERVICES AND PATROL SERVICES. The duties, obligations, and responsibilities of the Contractor are those described in the Scope of Services attached hereto as Exhibit "A" and made a part hereof (the "Work") and those other obligations set forth herein. Contractor shall solely be responsible for the means, manner and methods by which its duties, obligations and responsibilities under this Agreement are met to the satisfaction of the District.

4. MANNER OF CONTRACTOR'S PERFORMANCE. The Contractor agrees, as an independent contractor, to undertake the Work and/or perform such services as specified in this Agreement (including any addendum or amendment subsequently executed by the parties or in any authorized written work order from the District issued in connection with this Agreement and accepted by the Contractor). All Work shall be performed in a neat and professional manner reasonably acceptable to the District and shall be in accordance with industry standards in Charlotte County, Florida. The performance of all services by the Contractor under this Agreement and related to this Agreement shall conform to any written instructions issued by the District.

A. Should any work and/or services be required which are not specified in this Agreement or any addenda, but which are nevertheless necessary or reasonably inferred for the proper provision of the Work to the District, such work or services shall be fully performed by the Contractor as if described and delineated in this Agreement.

B. The Contractor agrees that the District shall not be liable for the payment of any other work or services unless the District, through an authorized representative of the District, authorizes the Contractor, in writing, to perform such work.

C. The District shall designate in writing a person to act as the District's representative with respect to the services to be performed under this Agreement. The District's representative shall have complete authority to transmit instructions, receive information, interpret and define the District's policies and decisions with respect to materials, equipment, elements, and systems pertinent to the Contractor's services.

(1) The District hereby designates the District Manager, or a representative of the District Manager, to act as its representative.

(2) The Contractor agrees to meet with the District's representative no less than four (4) time(s) per year, and at the request of the District, to walk the property to discuss conditions, schedules, and items of concern regarding this Agreement. The District must have no less than seven (7) days' notice if there is a need to reschedule.

D. The Contractor shall use all due care to protect the property of the District, its residents, and landowners from damage. The Contractor, at the Contractor's sole cost and expense, agrees to repair any damage resulting from the Contractor's activities and work within twenty-four (24) hours of the damage occurring or receiving written notice, whichever is earlier.

E. A representative of Contractor shall attend regular or special meetings of the District's Board of Supervisors, if requested by the District. A monthly written report shall be prepared and submitted by Contractor to the District representative on an agreed upon form provided by Contractor.

5. COMPENSATION TERM.

A. The term of this Agreement shall be from the Commencement Date through September 30, 2022 (the "Term"), unless terminated prior to that time pursuant to the provisions set forth herein. Thereafter, this Agreement will be automatically extended for additional one (1) year periods pursuant to the terms and price hereof (hereinafter, "Annual Renewal Term") unless otherwise terminated or either party provides written notice of non-renewal to the other no later than ninety (90) days prior to the expiration of the Term or Annual Renewal Term, as applicable. Each Annual Renewal Term shall be on the same terms and conditions as the immediately preceding Term or Annual Renewal Term, as applicable, unless agreed upon in writing by the parties.

As compensation for the Work described in this Agreement, the District agrees to pay Contractor as follows:

(1) Contractor shall bill District monthly for personnel requested by District, at the rates identified in Exhibit "B" attached hereto and made a part hereof ("Rates"). For each Annual Renewal Term, the Rates shall automatically increase at a rate of three percent (3%).

(2) Contractor and District agree that the following six days constitute holidays, which shall be billed at time and a half: New Year's Day, Labor Day, Memorial Day, Independence Day, Thanksgiving Day, and Christmas Day ("Enumerated Holidays"). Excluding the Enumerated Holidays, all other holidays shall be billed at the Rates set forth in Exhibit "B", without overtime pay.

(3) District may increase or decrease the number of in-person monitoring hours provided by Contractor provided District provides a minimum of seventy-two (72) hours advance written notice. In the event District does not provide a minimum of seventy-two (72) hours advance written notice, increases in the number of in-person monitoring hours during said the remainder of the seventy-two (72) hour time period shall be billed at time and a half.

B. If the District should desire additional work or services, the Contractor agrees to negotiate in good faith to undertake such additional work or services. Upon successful negotiations, the parties shall agree in writing to an amendment, addendum, addenda, or change order(s) to this Agreement. The Contractor shall be compensated for such agreed additional work or services based upon a payment amount acceptable to the parties and agreed to in writing.

C. The District shall have the right to require, as a condition precedent to making any payment, evidence from the Contractor, in a form satisfactory to the District, that any indebtedness of the Contractor, as to services to the District, has been paid and that the Contractor has met all of the obligations with regard to the withholding and payment of taxes, Social Security payments, Workers' Compensation, Unemployment compensation contributions, and similar payroll deductions from the wages of employees.

D. The Contractor shall maintain records conforming to usual accounting practices. Further, the Contractor agrees to render monthly invoices to the District, in writing, which shall be delivered or mailed to the District by the fifth (5th) day of the next succeeding month. These monthly invoices are due and payable within forty-five (45) days of receipt by the District. Each monthly invoice will be for the previous month and shall include such supporting information as the District may reasonably require the Contractor to provide.

6. WARRANTIES. The Contractor warrants that Work performed and all goods delivered under this Agreement, shall be free from any defects in workmanship and material, and shall conform

strictly to these specifications. The Contractor further warrants that all the Work shall be performed using Contractor's best efforts and shall be in conformance with industry standards for workmanship. By executing this Agreement, the Contractor represents that it has examined carefully all of the contract documents, acquainted itself with the site, and all conditions relevant to the Work, and has made all evaluations and investigations necessary to a full understanding of any difficulties which may be encountered in performing the Work pursuant to the Agreement. The Contractor acknowledges that the Agreement documents are sufficient for the proper and complete execution of the Work.

7. **SAFETY.** The Contractor shall maintain an adequate safety program to ensure the safety of employees and any other individuals working under this Agreement. The Contractor shall comply with all applicable standards, rules, or regulations of the Occupational Safety and Health Administration (hereinafter "OSHA") and all applicable laws, statutes, rules, regulations and orders. The Contractor shall take precautions at all times to protect any persons and property affected by the Contractor's work under this Agreement, utilizing safety equipment such as bright vests, traffic cones, etc.

8. **INSURANCE.**

A. The Contractor or any subcontractor performing the work described in this Agreement shall maintain throughout the term of this Agreement the following insurance:

(1) Workers' Compensation coverage, in full compliance with Florida statutory requirements, for all employees of the Contractor who are to provide a service under this Contract, as required under applicable Florida Statutes and Employer's Liability with limits of not less than \$1,000,000.00 per employee per accident, \$500,000.00 disease aggregate, and \$100,000.00 per employee per disease.

(2) Commercial General Liability "occurrence" coverage in the minimum amount of \$1,000,000 combined single limit bodily injury and property damage each occurrence and \$2,000,000 aggregate, including personal injury, broad form property damage, products/completed operations, broad form blanket contractual and \$100,000 fire legal liability.

(3) Automobile Liability Insurance for bodily injuries in limits of not less than \$1,000,000 single limit bodily injury and \$1,000,000 single limit property damage, providing coverage for any accident arising out of or resulting from the operation, maintenance, or use by the Contractor of any owned, non-owned, leased, or hired automobiles, trailers, or other equipment required to be licensed. Said insurance shall also include insured/underinsured motorists' coverage in the minimum amount of \$100,000 when there are owned vehicles.

(4) Bodily Injury and Property Damage Liability Insurance in an amount not less than \$2,000,000 per occurrence with an annual aggregate of \$2,000,000.

(5) Fidelity/Crime Employment Dishonesty Insurance coverage in the sum of not less than \$100,000.

B. The District, its staff, consultants, agents and supervisors shall be named as an additional insured on all policies required (excluding worker's compensation). The Contractor shall furnish the District with the Certificate of Insurance evidencing compliance with this requirement. No certificate shall be acceptable to the District unless it provides that any change or termination within the policy periods of the insurance coverage, as certified, shall not be effective within thirty (30) days of prior written notice to the District. Insurance coverage shall be from a reputable insurance carrier acceptable to the District,

who licensed to conduct business in the State of Florida, and such carrier shall have a Best's Insurance Reports rating of at least A-VII.

C. If the Contractor fails to have secured and maintained the required insurance, the District has the right (without any obligation to do so, however), to secure such required insurance in which event, the Contractor shall pay the cost for that required insurance and shall furnish, upon demand, all information that may be required in connection with the District's obtaining the required insurance.

9. INDEMNIFICATION/HOLD HARMLESS. The Contractor assumes liability for and shall indemnify, defend and save harmless the District as well as its supervisors, members, employees, officers, managers, agents, successors and assigns from any and all expenses, costs, claims, actions, damages, losses and liabilities of every kind (including, but not limited to, reasonable attorneys' fees of their attorneys) irrespective of the theory upon which based (including, but not limited to, negligence and strict liability) arising out of the Contractor's presence within Heritage Landing for any purpose (including, but not limited to, performing work under this Agreement) and arising out of the Work area and the condition, operation ownership, selection, transportation, loading, unloading, security, leasing or return of any equipment or individuals with respect to the above services regardless of where, how and by whom used or operated and including, without limitation, injury to property or person (including death). This Agreement also obligates the Contractor to indemnify and save harmless the District for any and all expenses, costs, claims, actions, damages, losses, and liabilities of every kind arising out of any of the Contractor's or their subcontractors at the site. The Contractor understands and agrees that it is obligated and shall indemnify the District for damages and injury to persons and property caused in whole or in part by any act, omission, negligence or fault of the Contractor and its subcontractor, agents, employees, officers, directors, successors and assigns. The Contractor's obligation to indemnify and defend the District is absolute, including instances where the District are found potentially liable, responsible or at fault and in those instances where the District's own negligence or actions caused said damage or injury in part. Notwithstanding the above, the Contractor shall not be required to indemnify and defend the District for damages found by a Court to have been caused solely by the District gross negligence or the willful, wanton or intentional misconduct of the District or their employees, officers, directors, successors and assigns.

The Contractor hereby acknowledges that the first \$100.00, paid under this contract as sufficient and valuable consideration from the District to the Contractor as specific consideration for this indemnification. It is understood and agreed that this Agreement is not a construction contract as that term is referenced in Section 725.06, Florida Statutes (and as later amended) and that said statutory provision does not govern, restrict or control this Agreement.

10. COMPLIANCE WITH GOVERNMENTAL REGULATION. The Contractor shall keep, observe, and perform all requirements of applicable local, State, and Federal laws, rules, regulations, or ordinances. If the Contractor fails to notify the District in writing within five (5) days of the receipt of any notice, order, required to comply notice, or a report of a violation or an alleged violation, made by any local, State, or Federal governmental body or agency or subdivision thereof with respect to the services being rendered under this Agreement or any action of the Contractor or any of its agents, servants, employees, or materialmen, or with respect to terms, wages, hours, conditions of employment, safety appliances, or any other requirements applicable to provision of services, or fails to comply with any requirement of such agency within five (5) days after receipt of any such notice, order, request to comply notice, or report of a violation or an alleged violation, the District may terminate this Agreement, such termination to be effective upon the giving of notice of termination.

11. LIENS AND CLAIMS. The Contractor shall promptly and properly pay for all labor employed, materials purchased, and equipment hired by it to perform under this Agreement. The Contractor shall keep the District's property free from any construction, materialmen's or mechanic's liens and claims

or notices in respect to such liens and claims, which arise by reason of the Contractor's performance under this Agreement, and the Contractor shall immediately discharge any such claim or lien. In the event that the Contractor does not pay or satisfy such claim or lien within three (3) business days after the filing of notice thereof, the District, in addition to any and all other remedies available under this Agreement, may terminate this Agreement to be effective immediately upon the giving of notice of termination.

12. DEFAULT AND PROTECTION AGAINST THIRD PARTY INTERFERENCE. A default by either Party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages, injunctive relief, and/or specific performance. The District shall be solely responsible for enforcing its rights under this Agreement against any interfering third party. Nothing contained in this Agreement shall limit or impair the District's right to protect its rights from interference by a third party to this Agreement.

13. CUSTOM AND USAGE. It is hereby agreed, any law, custom, or usage to the contrary notwithstanding, that the District shall have the right at all times to enforce the conditions and agreements contained in this Agreement in strict accordance with the terms of this Agreement, notwithstanding any conduct or custom on the part of the District in refraining from so doing; and further, that the failure of the District at any time or times to strictly enforce its rights under this Agreement shall not be construed as having created a custom in any way or manner contrary to the specific conditions and agreements of this Agreement, or as having in any way modified or waived the same.

14. SUCCESSORS. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors, and assigns of the Parties to this Agreement, except as expressly limited in this Agreement.

15. TERMINATION. The District agrees that the Contractor may terminate this Agreement with or without cause by providing ninety (90) days written notice of termination to the District; provided, however, that the District shall be provided a reasonable opportunity to cure any breach under this Agreement by the District. The District may, in its sole and absolute discretion, whether or not reasonable, on thirty (30) days' written notice to Contractor, terminate this contract at its convenience, with or without cause, and without prejudice to any other remedy it may have. Upon any termination of this Agreement, the Contractor shall be entitled to payment for all work and/or services rendered up until the effective termination of this Agreement, subject to whatever claims or off-sets the District may have against the Contractor.

16. PERMITS AND LICENSES. All permits or licenses necessary for the Contractor to perform under this Agreement shall be obtained and paid for by the Contractor.

17. ASSIGNMENT. Neither the District nor the Contractor may assign this Agreement without the prior written approval of the other.

18. INDEPENDENT CONTRACTOR STATUS. In all matters relating to this Agreement, the Contractor shall be acting as an independent contractor. This Agreement does not create an employee/employer relationship between the parties. It is the intent of the parties that the Contractor is an independent contractor under this Agreement and not the District's employee for all purposes, including but not limited to, the application of the Fair Labor Standards Act minimum wage and overtime payments, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, the State Workers' Compensation Act, and the State unemployment insurance law. The Contractor shall retain sole and absolute discretion in the judgment of the manner and means of carrying out the Contractor's activities and responsibilities hereunder provided, further that administrative procedures applicable to services rendered under this Agreement shall be those

of the Contractor, which policies of the Contractor shall not conflict with the District, or other government policies, rules or regulations relating to the use of the Contractor's funds provided for herein. The Contractor agrees that it is a separate and independent enterprise from the District, that it has full opportunity to find other business, that it has made its own investment in its business, and that it will utilize a high level of skill necessary to perform the work. This Agreement shall not be construed as creating any joint employment relationship between the Contractor and the District and the District will not be liable for any obligation incurred by the Contractor, including but not limited to unpaid minimum wages and/or overtime premiums. The Contractor shall not incur expenses on behalf of the District, enter into any contract on behalf of the District, either written or oral, or in any other way attempt to obligate or bind the District except upon the express prior written approval of the District.

19. E-VERIFY. The Contractor shall comply with all applicable requirements of Section 448.095, Florida Statutes. The Contractor shall register with and use the U.S. Department of Homeland Security's E-Verify system to verify the work authorization status of all newly hired employees. If the Contractor enters into a contract with a subcontractor relating to the services under this Agreement, the subcontractor must register with and use the E-Verify system and provide the Contractor with an affidavit stating the subcontractor does not employ, contract with, or subcontract with an unauthorized alien. The Contractor shall maintain a copy of said affidavit for the duration of the contract with the subcontractor and provide a copy to the District upon request. For purposes of this section, the term "subcontractor" shall have such meaning as provided in Section 448.095(1)(j), Florida Statutes and the term "unauthorized alien" shall have such meaning as provided in Section 448.095(k), Florida Statutes.

If the Contractor has a good faith belief that a subcontractor with which it is contracting has knowingly violated Section 448.095, Florida Statutes, then the Contractor shall terminate the contract with such person or entity. Further, if District has a good faith belief that a subcontractor of the Contractor knowingly violated Section 448.095, Florida Statutes, but the Contractor otherwise complied with its obligations hereunder, District shall promptly notify the Contractor and upon said notification, the Contractor shall immediately terminate its contract with the subcontractor.

Notwithstanding anything else in this Agreement to the contrary, District may immediately terminate this Agreement for cause if there is a good faith belief that the Contractor knowingly violated the provisions of Section 448.095, Florida Statutes, and any termination thereunder shall in no event be considered a breach of contract by District.

By entering into this Agreement, Contractor represents that no public employer has terminated a contract with the Contractor under Section 448.095(2)(c), Florida Statutes, within the year immediately preceding the date of this Agreement. District has materially relied on this representation in entering into this Agreement with the Contractor.

20. PUBLIC RECORDS. The Contractor understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, the Contractor agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, Florida Statutes. The Contractor acknowledges that the designated public records custodian for the District is James P. Ward ("**Public Records Custodian**"). Among other requirements and to the extent applicable by law, the Contractor shall 1) keep and maintain public records required by the District to perform the Work; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the Agreement term and following the Agreement term if the Contractor does not transfer the records to

the Public Records Custodian of the District; and 4) upon completion of the Agreement, transfer to the District, at no cost, all public records in the Contractor's possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by the Contractor, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats. Failure of Contractor to comply with Section 119.0701, Florida Statutes may subject the Contractor to penalties under Section 119.10, Florida Statutes. Further, in the event the Contractor fails to comply with this Section or Section 119.0701, Florida Statutes, District shall be entitled to any and all remedies at law or in equity. The following statement is required to be included in this Agreement pursuant to Section 119.0701(2), Florida Statutes:

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT JAMES P. WARD, TELEPHONE: (954) 658-4900, EMAIL: JIMWARD@JPWARDASSOCIATES.COM, AND MAILING ADDRESS: 2301 NORTHEAST 37TH STREET, FORT LAUDERDALE, FL 33308.

21. **SEVERABILITY.** In the event any term or provision of this Agreement be determined by appropriate judicial authority to be illegal or otherwise invalid, such provision shall be given the nearest legal meaning or be construed as deleted as such authority determines, and the remainder of this Agreement shall be construed to be in full force and effect.

22. **EXHIBITS.** All of the exhibits attached to this Agreement, if any, are incorporated in, and made a part of, this Agreement.

23. **COMPLETE AGREEMENT.** This Agreement (and any exhibits or proposals expressly incorporated herein) constitutes the entire and complete agreement between the parties hereto and supersedes all prior correspondence, discussions, agreements and understandings between the parties hereto relating to the matters herein contained.

24. **MODIFICATIONS.** This Agreement may not be amended or modified in any manner other than by an Agreement in writing signed by all of the parties hereto.

25. **WAIVER.** No waiver of any of the terms of this Agreement shall be valid, unless such is in writing and signed by the party against whom such waiver is asserted. In any event, no waiver shall operate or be constructed as a waiver of any future required action or of any subsequent breach.

26. **CONSTRUCTION OF THIS AGREEMENT.**

A. **TITLES.** The titles of paragraphs and sub-paragraphs are for reference purposes only, and shall not in any way limit the contents, application or effect thereof.

B. ORDER OF PARAGRAPHS. This Agreement shall be construed as a whole with no importance being placed upon the order of the paragraphs as they appear herein.

C. PRONOUNS. Pronouns used herein shall refer to every other and all genders and any word used herein shall refer to the singular or plural as required or appropriate to the context.

D. FLORIDA LAWS. This Agreement shall be construed, governed and interpreted in accordance with the laws of the State of Florida.

E. NEGOTIATION OF AGREEMENT. The parties hereto have participated fully in the negotiation and preparation hereof and accordingly, this Agreement shall not be more strictly construed against one or the other.

F. INTERPRET TO BIND AND TO DO JUSTICE. This Agreement shall be interpreted in a manner to uphold and enforce the binding effect of all provisions hereof and, at the same time, to do justice to all parties in the event of doubt or ambiguity as to any term, expression or meaning.

G. THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of the District and the Contractor and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and the Contractor any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Contractor and their respective representatives, successors, and assigns.

27. **NOTICES.** All notices, demands, requests or other communications made pursuant to, under or by virtue of this Agreement must be in writing and either emailed, hand-delivered, delivered by next business day commercial courier (such as FedEx or UPS), or mailed through the United States Postal Service, to the party to which the notice, demand, request or communication is made, as follows:

IF TO THE DISTRICT:

Tern Bay Community Development District
c/o JPWard & Associates, LLC
Attention: James P. Ward, District Manager
2301 Northeast 37th Street
Fort Lauderdale, Florida 33308
JimWard@jpwardassociates.com

WITH A COPY TO:

Coleman, Yovanovich & Koester, P.A.
Attention: Gregory L. Urbancic, Esq.
4001 Tamiami Trail North, Suite 300
Naples, Florida 34103
gurbancic@cyklawfirm.com

IF TO THE CONTRACTOR:

RAMCO Protective of Orlando, Inc.
718 Northlake Blvd. #1020
Altamonte Springs, FL 32701
_____@_____

Such addresses may be changed by written notice given to the address noted above. Any notice, demand, request or other communication shall be deemed to be given upon actual receipt in the case of email, hand-delivery or delivery by overnight courier, or two (2) business days after depositing the same in a letter box or by other means placed within the possession of the United States Postal Service, properly addressed to the party in accordance with the foregoing and with the proper amount of postage affixed thereto, if applicable. Legal counsel may deliver any notice on behalf of the party such counsel represents.

28. COUNTERPARTS. This Agreement may be executed simultaneously in two (2) or more counterparts, each of which shall be deemed to be original, but all or which together shall constitute one and the same instrument.

29. VENUE, PREVAILING PARTY ATTORNEY'S FEES AND COSTS. In the event of litigation arising out of either party's obligations under this Agreement, venue shall lie in Charlotte County, Florida and the prevailing party shall be entitled to recover its attorney's fees and costs from the non-prevailing party, including but not limited to trial level fees, bankruptcy fees and appellate fees.

30. BUYOUT OF COMPUTER SYSTEMS. The computer systems installed by Contractor for District pursuant to that certain Proposal bearing Estimate #43562, dated July 30, 2020 ("Computer Systems"), shall become the sole property of District as of October 1, 2025, provided District pays to Contractor Seventeen Thousand Three Hundred Thirty-Four and 21/100 Dollars (\$17,334.21) ("Buyout Price"). In the event this Agreement is terminated prior to September 29, 2024, then District shall have the option to buy out the Computer Systems pursuant to the following fee schedule:

- A. If terminated between October 1, 2022, and September 30, 2022: \$31,201.58
- B. If terminated between October 1, 2023, and September 28, 2024: \$29,468.16
- C. If terminated between October 1, 2024, and September 30, 2025: \$27,734.748

31. ADDITIONAL PROVISIONS.

- A. Contractor shall maintain the Computer Systems at no additional cost to District between October 1, 2024, and September 30, 2025.
- B. In the event District is dissatisfied with the services of a Contractor's employee, in District's sole and absolute discretion, Contractor shall cause said employee to, upon written request of District, no longer perform Work under this Agreement. Upon execution of this Agreement, Contractor shall provide a roster of all employees to be assigned to perform the Work, which roster shall include all supervisors including at least one supervisor who will be available on a 24 hour / 7 day a week basis for emergencies by phone. Said roster shall be updated at any time to reflect change in Contractor's employees assigned to perform the Work.
- C. If Contractor is provided any access control RFID for an employee, said RFID shall be immediately retrieved from an employee no longer providing the Work. Failure and/or refusal to retrieve the RFID device shall constitute a material breach of this Agreement and Contractor shall be responsible for any and all costs incurred by District to re-code and/or re-key any of

Contractor's facilities, gates and/or amenities and/or any and all costs incurred by District to produce and/or redistribute RFID devices to District's membership.

{Remainder of page intentionally left blank. Signatures appear on next page.}

IN WITNESS WHEREOF, the parties execute this Agreement and further agree that it shall take effect as of the date first written above.

DISTRICT:

**TERN BAY COMMUNITY
DEVELOPMENT DISTRICT**

Attest:

James P. Ward, Secretary

By: _____
Russell Smith, Chairman

Dated: _____

CONTRACTOR:

RAMCO PROTECTIVE OF ORLANDO, INC.,
a Florida corporation

By: _____

Name: _____

Title: _____

Dated: _____

Exhibit "A"

Scope of Services

RAMCO shall provide professional access control and patrol services to Client. Services shall be conducted by Ramco in accordance with the most current approved post orders, as they may be modified by Client, from time to time. RAMCO'S standard of care hereunder is that which is generally expected in the Security Services industry from similar companies as such might be adjusted by the specific provisions of this Agreement. Ramco shall provide the number of personnel requested by the Client, indicated on Exhibit "B," to be adjusted from time to time as Client may require in writing. Said access control and patrol services shall be provided, subject to, and in accordance with the terms and conditions included in the "Performance Documents." Said Performance Documents consist of: Exhibit "B" (personnel schedule & pricing). All personnel of RAMCO providing any services to Client shall be employees of RAMCO at all times and not independent contractors. Ramco shall provide all equipment and other matters which are the subject of the Bid Proposals. All personnel of and/or utilized by RAMCO to fulfill its duties, responsibilities and/or obligations under this Agreement shall not be considered employees of Client for any purpose and shall remain solely employees of Ramco at all times.

RAMCO personnel/employees shall meet the following requirements as permitted by law. All Employees of RAMCO coming onto Client's property shall be well groomed and uniformed. RAMCO shall be responsible for the purchase and maintenance of said uniforms. Replacement uniformed shall be the responsibility of RAMCO. The uniform shall clearly identify the employees as Ramco security officer. An identification badge will further identify the security officer for Ramco with his or her name clearly printed. Said uniforms are subject to the approval of Client. Ramco employees shall park their private vehicles only where designated by Client and said employees shall not enter or remain on Client's property except when on active duty. All vehicles used by Ramco for patrol purposes shall be clean, fully operable and be marked as Ramco patrol. Ramco shall be exclusively responsible for the recruiting, screening, testing, investigating, training and/or supervision of its employees. Ramco personnel shall be drug free at all times and shall have had a background check (including, but not limited to criminal history and 1-9 compliance) performed and the results available and reviewed prior to being assigned to any portion of Tern Bay Ramco personnel assigned to road patrol shall have successfully completed training courses in cardiopulmonary resuscitation and basic first aid. Ramco personnel shall also be familiar with the rules of the road and Ramco personnel shall have both a valid driver's license and clean driving records. Ramco personnel shall be unarmed. Ramco personnel shall possess the following: (a) good general health without physical defects, which would interfere with the fulfillment of guard duties; (b) binocular vision correctable with glasses to read all normal correspondence without further magnification; (c) ability to discriminate standard colors; (d) hearing capability in the normal range; (e) capability of standing or walking for extended periods; (f) capability of climbing stairs; (g) ability to read, write and speak English clearly; and (h) high school diploma or GEO equivalent. Ramco personnel shall be instructed not to smoke and/or use tobacco products and/or electronic cigarettes while on duty and male personnel shall not exhibit any visible piercings (including earlobes) while on duty at Tern Bay.

Exhibit "B"

Rates



RAMCO PROTECTIVE
Security Solutions By Professionals

Contact >>>>>>>>>>>>>	HERITAGE LANDING MASTER ASSOCIATION, INC.				08.30.2021
Recommended Budget for Year 2022					08.30.2021
	Exhibit 'A'				
Service Type	Weekly Hrs	Hourly Rate	Weekly Costs	Annual Cost	Rate Schedule
Site Supervisor (Pay Rate \$ 16.00)	0.0	\$23.88	\$0.00	\$0.00	Mon To Friday
Security Officer (Pay Rate \$ 15.00)	84.0	\$22.38	\$1,879.92	\$97,755.84	Mon to Sun 7:00pm to 7:00am
Patrol Officer (Pay Rate \$ 15.00)	0.0	\$22.38	\$0.00	\$0.00	
Patrol Officer (Pay Rate \$ 15.00)	0.0	\$22.38	\$0.00	\$0.00	
Security Officers Holiday Rate	72.0	\$11.19		\$805.68	
Smart Phone	N/A		\$0.00	\$0.00	
Computer (Included Proposal # 3514)	√		\$0.00	\$0.00	See Proposal Attached # 3514 Dated 09.05.2019
Patrol Vehicle (Nissan Rogue 2019)	N/A		\$0.00	\$0.00	Not Including Gas
Gate Access Web Package	√		\$86.36	\$4,490.72	
Trak Tik Reporting	N/A		\$0.00	\$0.00	
Sub-Total			\$1,966.28	\$103,052.24	
Taxes			\$137.64	\$7,213.66	
Total	84.0		\$2,103.92	\$110,265.90	

RESOLUTION NO. 2021-13

A RESOLUTION OF THE BOARD OF SUPERVISORS OF TERN BAY COMMUNITY DEVELOPMENT DISTRICT APPOINTING GREENBERG TRAUIG, P.A. TO SERVE AS BOND COUNSEL FOR THE DISTRICT; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Tern Bay Community Development District (the "**District**") is a local unit of special purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, and situated within Charlotte County, Florida; and

WHEREAS, the District, in connection with the issuance of one or more series of bonds, or other debt issues, and the potential restructuring of existing bonds, all in accordance Chapter 190, *Florida Statutes*, desires to appoint Bond Counsel with expertise in such financings; and

WHEREAS, Greenberg Traurig, P.A. has served as bond counsel in a substantial number of financings for all types of municipal and special district transactions throughout the State of Florida, and specializes in community development district financings.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF TERN BAY COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. INCORPORATION OF RECITALS. The foregoing recitals are true and correct and by this reference are incorporated into and form a material part of this Resolution.

SECTION 2. Designation of Bond counsel. Greenberg Traurig, P.A. is hereby appointed and approved to serve as Bond Counsel for the District. Greenberg Traurig, P.A. shall be compensated for such services as set forth in the Engagement Letter dated October 30, 2019, a copy of which is attached hereto as Exhibit "A". Any and all prior work performed by Greenberg Traurig, P.A. pursuant to the terms of the Engagement Letter is hereby ratified.

SECTION 3. SEVERABILITY. If any section or part of a section of this Resolution be declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this Resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this Resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional, it being expressly found and declared that the remainder of this Resolution would have been adopted despite the invalidity of such section or part of such section.

SECTION 4. CONFLICTS. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

SECTION 5. EFFECTIVE DATE. This Resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Supervisors of Tern Bay Community Development District this 16th day of September, 2021.

ATTEST:

**TERN BAY COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Russell Smith, Chairman

EXHIBIT "A"
Engagement Letter

October 30, 2019

Board of Supervisors of the Tern Bay
Community Development District
c/o JPWard & Associates, LLC
2900 Northeast 12th Terrace, Suite 1
Oakland Park, FL 33334
Attn: Mr. James P. Ward

Re: Tern Bay Community Development District
Special Assessment Bonds, Series 2020

Dear Board of Supervisors:

This letter sets forth Greenberg Traurig, P.A.'s proposal to serve as Bond Counsel in connection with the issuance by the Tern Bay Community Development District (the "District") of its planned Special Assessment Bonds, Series 2020 (herein, the "Bonds") to finance the District's public improvement plan and to possibly restructure the existing bonds (the "Restructure").

We have extensive experience serving as Bond Counsel for all types of municipal transactions throughout the State of Florida and is a nationally recognized bond counsel firm. We specialize in community development district financings serving as either bond counsel, disclosure counsel or underwriter's counsel. Our tax department is second to none with specialized expertise in the tax analysis associated with, but not limited to, community development district financings in Florida.

As Bond Counsel we would draft the bond documents and resolutions. We will work closely with Underwriter's counsel, Issuer's counsel and the District Manager on all aspects of this proposed financing, including assisting District counsel in the validation of the Bonds and assisting Underwriter's counsel in the preparation of the offering document. At the closing, we will deliver our approving tax opinion regarding the validity of the Bonds and its tax-exempt status.

Our fee for the services rendered would be the lesser of \$55,000 (\$70,000 if the Restructure is applicable), or the number of actual attorney hours incurred. Our fee and expenses would be payable at the time of the closing. If for any reason the Bonds do not close because of a decision of the District, we would bill the District the lesser of our above quoted fees or the actual number of hours incurred by our attorneys and paralegals at their respective rates discounted by 20%.

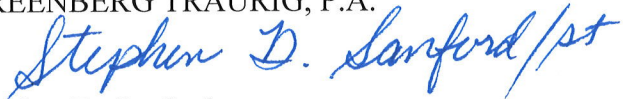
We will also seek reimbursement of our reasonable documented expenses in an amount not to exceed \$1,500. Our fees are payable at, and contingent upon, the closing of the Bonds (other than our expenses which are not contingent on the closing of the Bonds). Our out-of-pocket expenses, for which we will bill the District at the time of delivery of the Bonds, will not include the cost of preparing the final bond transcripts. Such item will be a post-closing matter and will be billed to the District at cost. Our fee assumes that the requirements of Circular 230 will not be applicable to the Bonds; but in any event could not exceed the above stated amounts without notice to the Board of Supervisors of the Issuer.

If our fee proposal is acceptable, please indicate by having an authorized Board member sign below on the extra copy of this letter enclosed herewith and return the same to me.

If any Board member should have any questions regarding this proposal or the role of bond counsel, please do not hesitate to call. I would be the principal shareholder responsible for all work regarding this engagement.

Very truly yours,

GREENBERG TRAURIG, P.A.



Stephen D. Sanford
Shareholder

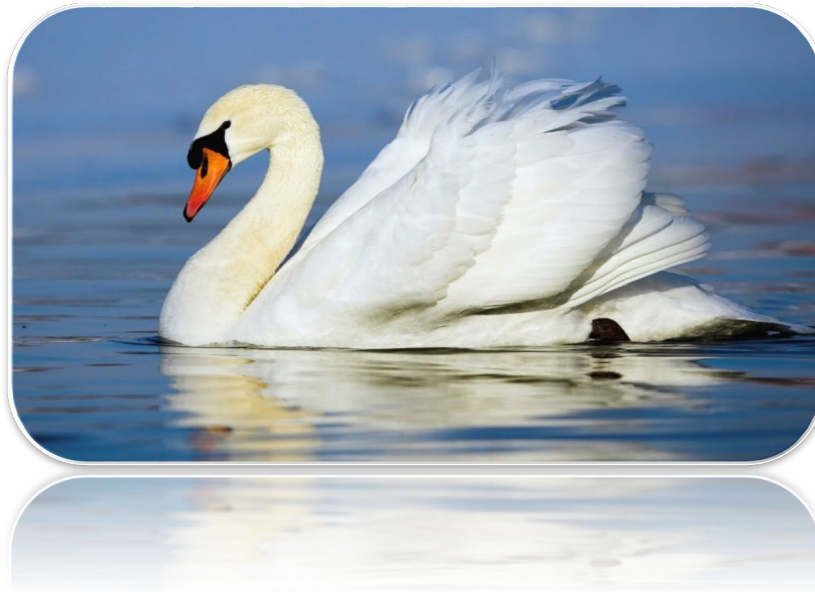
Agreed and Accepted:

TERN BAY COMMUNITY
DEVELOPMENT DISTRICT

By: _____
Name: _____
Title: _____

36068363v2/999903.000124

TERN BAY COMMUNITY DEVELOPMENT DISTRICT



FINANCIAL STATEMENTS - JULY 2021

FISCAL YEAR 2021

PREPARED BY:

JPWARD & ASSOCIATES, LLC, 2301 NORTHEAST 37TH STREET, FORT LAUDERDALE, FL 33308

T: 954-658-4900 E: JimWard@JPWardAssociates.com

Tern Bay Community Development District

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JPWard & Associates LLC

2301 Northeast 37th Street

Fort Lauderdale, Florida 33308

Phone: (954) 658-4900

**Tern Bay Community Development District
Balance Sheet
for the Period Ending July 31, 2021**

Description	Governmental Funds		Account Groups			
	General Fund	Series 2005 Bonds Debt Service Fund	General Long Term Debt	General Fixed Assets		
Assets						
Cash and Investments						
General Fund - Invested Cash	\$ 317,035	\$ -	\$ -	\$ -	\$	317,035
Capital Project Fund - Series 2007						
Construction Account	-	-	-	-		-
Working Capital Account	-	-	-	-		-
Debt Service Fund						
Interest Account	-	-	-	-		-
Sinking Account	-	-	-	-		-
Reserve Account A	-	51,466	-	-		51,466
Reserve Account B	-	-	-	-		-
Revenue	-	63,931	-	-		63,931
Prepayment Account	-	-	-	-		-
Due from Other Funds						
General Fund	-	-	-	-		-
Debt Service Fund	-	-	-	-		-
Capital Project Fund	-	-	-	-		-
Accounts Receivable-Bond Holder Funding	-	-	-	-		-
Accrued Interest Receivable	-	-	-	-		-
Assessments Receivable	-	-	-	-		-
Prepaid Expenses	-	-	-	-		-
Amount Available in Debt Service Funds	-	-	115,397	-		115,397
Amount to be Provided by Debt Service Funds	-	-	939,603	-		939,603
Investment in General Fixed Assets (net of depreciation)	-	-	-	45,419,499		45,419,499
Total Assets	\$ 317,035	\$ 115,397	\$ 1,055,000	\$ 45,419,499	\$	46,906,931

**Tern Bay Community Development District
Balance Sheet
for the Period Ending July 31, 2021**

Description	Governmental Funds		Account Groups		
	General Fund	Series 2005 Bonds Debt Service Fund	General Long Term Debt	General Fixed Assets	
Liabilities					
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and Loans Payable - Current Portion					
Note Payable-Oppenheimer Funds	-	-	-	-	-
Due to Other Funds					
General Fund	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Bonds Payable					
Current Portion	-	-	-	-	-
Long Term	-	-	1,055,000	-	1,055,000
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,055,000</u>	<u>\$ -</u>	<u>\$ 1,055,000</u>
Fund Equity and Other Credits					
Investment in General Fixed Assets	-	-	-	45,419,499	45,419,499
Fund Balance					
Restricted					
Beginning: October 1, 2020 (Audited)		118,639	-	-	118,639
Results from Current Operations		(3,242)	-	-	(3,242)
Unassigned					
Beginning: October 1, 2020 (Audited)	67,959	-	-	-	67,959
Results from Current Operations	249,076	-	-	-	249,076
Total Fund Equity and Other Credits	<u>\$ 317,035</u>	<u>\$ 115,397</u>	<u>\$ -</u>	<u>\$ 45,419,499</u>	<u>\$ 45,851,931</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 317,035</u>	<u>\$ 115,397</u>	<u>\$ 1,055,000</u>	<u>\$ 45,419,499</u>	<u>\$ 46,906,931</u>

Tern Bay Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through July 31, 2021

Description	October	November	December	January	February	March	April	May	June	July	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources													
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest													
Interest - General Checking	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Miscellaneous Revenue													
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Special Assessment Revenue													
Special Assessments - On-Roll	2,390	5,597	172,807	1,054	24,497	718	1,414	-	-	-	208,476	764,640	27%
Special Assessments - Off-Roll	-	-	-	-	-	-	284,468	-	142,234	-	426,702	-	N/A
Interfund Group Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 2,390	\$ 5,597	\$ 172,807	\$ 1,054	\$ 24,497	\$ 718	\$ 285,882	\$ -	\$ 142,234	\$ -	\$ 635,178	\$ 764,640	83%
Expenditures and Other Uses													
Legislative													
Board of Supervisor's - Fees	-	-	-	-	-	-	-	-	-	-	-	\$ -	N/A
Executive													
Professional Management	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	28,750	34,500	83%
Financial and Administrative													
Audit Services	-	-	-	-	-	-	-	-	1,000	-	1,000	6,000	17%
Accounting Services	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	13,333	16,000	83%
Assessment Roll Services	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	10,833	13,000	83%
Arbitrage Rebate Services	-	-	-	-	-	-	-	-	-	-	-	500	0%
Real Estate Advisor	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Other Contractual Services													
Recording and Transcription	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Legal Advertising	237	100	1,270	-	-	-	-	-	-	-	1,608	2,500	64%
Property Appraiser & Tax Collector Fees	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Trustee Services	-	-	-	-	-	-	-	-	-	-	-	10,500	0%
Dissemination Agent Services	1,000	-	-	-	-	-	-	-	-	-	1,000	6,000	17%
Bank Services	5	37	41	47	10	13	16	3	-	-	172	500	34%
Travel and Per Diem													
Travel and Per Diem	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Communications & Freight Services													
Telephone	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Postage, Freight & Messenger	36	44	9	-	10	39	9	10	17	48	221	400	55%
Insurance													
Insurance	9,453	-	-	-	-	-	-	-	-	-	9,453	9,500	100%
Meeting Room Rental													
Meeting Room Rental	-	-	168	-	150	-	-	150	-	50	518	400	130%
Printing & Binding													
Printing & Binding	129	72	-	-	312	-	-	-	-	149	663	500	133%
Web Site Development													
Web Site Development	50	50	50	50	50	50	50	50	50	50	500	2,000	25%
Subscription & Memberships													
Subscription & Memberships	175	-	-	-	-	-	-	-	-	-	175	175	100%
Legal Services													

Tern Bay Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through July 31, 2021

Description	October	November	December	January	February	March	April	May	June	July	Year to Date	Total Annual Budget	% of Budget
Legal - General Counsel	-	-	455	832	-	140	1,963	-	1,146	245	4,780	5,000	96%
Legal - Foreclosure Counsel	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Legal - Trustee Counsel	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Legal - Bond Counsel	-	-	1,235	-	-	1,077	228	-	-	943	3,482	-	N/A
Legal - Ryan Golf Counsel	-	-	-	-	-	-	-	-	-	-	-	-	N/A
DRI NOPC	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Legal - TB LLC Counsel	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Eminent Domain Counsel	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Comprehensive Planning Services	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Other General Government Services													
Engineering Services - General Fund	-	-	-	-	-	-	-	-	-	-	-	5,000	0%
Engineering Services - Traffic	-	-	-	-	-	-	-	-	-	-	-	-	N/A
NOPC Fees	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Contingencies	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Other Public Safety													
Professional Services													
Charlotte County Sheriff's Patrol	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Guardhouse Operations													
Professional - Roving Patrol	-	-	-	-	-	-	-	-	-	-	-	57,300	0%
Professional - Gate Attendant	5,550	-	10,989	-	13,515	-	18,988	1,726	6,905	6,905	64,578	190,000	34%
Hosting Resident Access	375	-	875	-	1,000	-	1,375	125	500	500	4,750	-	N/A
Utilities													
Electric	-	36	-	-	-	412	837	242	147	145	1,821	2,400	76%
Water & Wastewater	-	-	-	-	-	-	-	-	125	125	250	2,400	10%
Repairs & Maintenance													
Guardhouse Janitorial	-	-	-	-	-	-	-	-	-	-	-	4,200	0%
Gate	-	-	-	-	-	-	-	-	-	-	-	6,500	0%
Wastewater Services													
Utility Services													
Electric Service	-	84	87	402	551	-	397	372	169	264	2,326	2,000	116%
Stormwater Management System													
Repairs & Maintenance													
Lake Banks/Outfall Control Structures	-	-	-	-	-	-	-	-	-	-	-	5,000	0%
Aquatic Weed Control													
Lake Spraying	10,720	-	-	6,939	3,470	-	28,378	-	3,470	-	52,976	5,000	1060%
Lake Vegetation Removal	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Upland Monitoring & Maintenance	-	-	-	-	-	-	-	-	-	-	-	30,000	0%
Other Physical Environment													

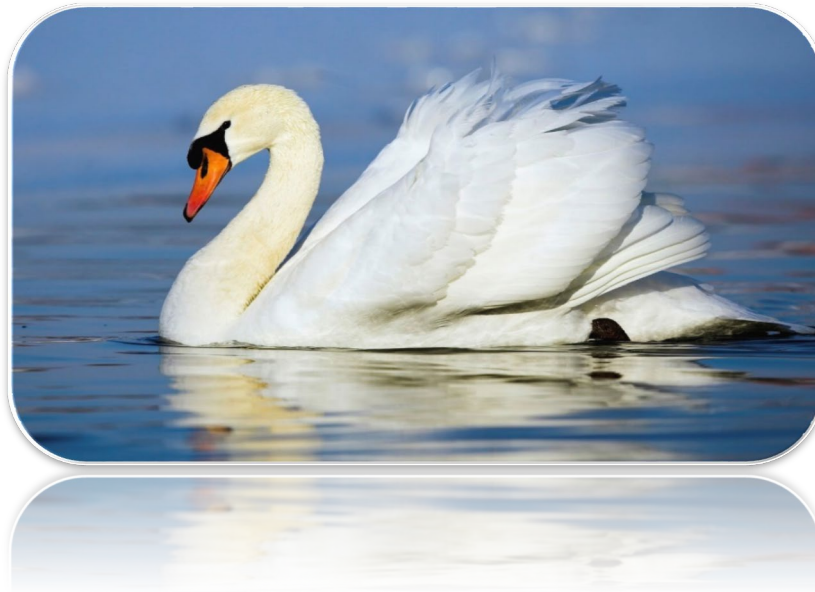
Tern Bay Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through July 31, 2021

Description	October	November	December	January	February	March	April	May	June	July	Year to Date	Total Annual Budget	% of Budget
Professional Services													
Field Manager Services	-	-	-	-	-	-	-	-	-	-	-	2,500	0%
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Contingencies	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Assessments -Charlotte County	-	37	-	-	-	-	-	-	-	-	37	-	N/A
Road & Street Facilities													
Professional Services	-	-	1,900	-	-	-	3,600	-	-	-	5,500	-	N/A
Street Lights													
Electric Service													
Electric Service	-	694	1,205	1,724	804	1,867	1,426	1,369	902	1,690	11,681	12,000	97%
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Economic Environment													
Professional Services - Appraisal	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Landscaping Services													
Electric Service	-	1,447	1,878	1,826	2,065	2,524	2,474	2,458	2,418	1,194	18,284	48,000	38%
Repairs & Maintenance													
Common Area Maintenance													
Routine Maintenance	-	-	-	11,660	34,981	-	34,981	-	11,660	11,660	104,944	119,200	88%
Tree Trimming	-	-	-	-	-	-	-	-	-	-	-	15,000	0%
Sod Replacement	-	-	-	-	-	-	-	-	-	-	-	3,000	0%
Material Replacement	-	-	-	-	-	-	-	-	-	-	-	12,000	0%
Mulch Installation	-	-	-	-	-	-	-	-	-	-	-	40,000	0%
Landscape Lighting	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Annuals	-	-	-	-	-	-	-	3,087	34,191	163	37,440	21,000	178%
Holiday Decorations	-	-	-	-	-	-	-	-	-	-	-	16,000	0%
Irrigation System													
Pumps & Wells													
Routine Maintenance	-	-	-	-	1,940	-	-	-	-	3,088	5,028	16,000	31%
Well Testing/Meter Reading	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Line Distribution System													
Routine Maintenance	-	-	-	-	-	-	-	-	-	-	-	42,665	0%
Contingencies	\$ 33,021	\$ 7,894	\$ 25,454	\$ 28,772	\$ 64,149	\$ 11,413	\$ 100,014	\$ 14,884	\$ 67,991	\$ 32,510	386,103	\$ 764,640	50%
Net Increase/ (Decrease) in Fund Balance	(30,631)	(2,297)	147,353	(27,718)	(39,652)	(10,695)	185,868	(14,884)	74,243	(32,510)	249,076	-	
Fund Balance - Beginning	67,959	37,327	35,031	182,383	154,665	115,014	104,318	290,186	275,302	349,545	67,959	67,959	
Fund Balance - Ending	\$ 37,327	\$ 35,031	\$ 182,383	\$ 154,665	\$ 115,014	\$ 104,318	\$ 290,186	\$ 275,302	\$ 349,545	\$ 317,035	317,035	\$ 67,959	

Tern Bay Community Development District
Debt Service Fund - Series 2005 Bonds
Statement of Revenues, Expenditures and Changes in Fund Balance
Through July 31, 2021

Description	October	November	December	January	February	March	April	May	June	July	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources													
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Income													
Reserve Account	0	0	0	0	0	0	0	0	0	0	4	-	N/A
Prepayment Account	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Revenue Account	1	1	0	1	1	1	1	1	1	1	7	-	N/A
Special Assessment Revenue													
Special Assessments - On-Roll	1,096	2,567	79,245	483	11,234	329	648	-	-	-	95,602	101,875	94%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Extraordinary Items (Gain)													
Operating Transfers In (From Other Funds)	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 1,097	\$ 2,568	\$ 79,246	\$ 484	\$ 11,235	\$ 331	\$ 650	\$ 2	\$ 1	\$ 1	\$ 95,614	\$ 101,875	94%
Expenditures and Other Uses													
Debt Service													
Principal Debt Service - Mandatory													
Series 2005 Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ 40,000	\$ 40,000	100%
Principal Debt Service - Early Redemptions													
Series 2005 Bonds	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Interest Expense													
Series 2005A Bonds	-	29,428	-	-	-	-	-	29,428	-	-	58,856	58,856	100%
Series 2005B Bonds	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Trustee Services													
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$0	\$29,428	\$0	\$0	\$0	\$0	\$0	\$69,428	\$0	\$0	\$98,856	\$ 98,856	100%
Net Increase/ (Decrease) in Fund Balance	1,097	(26,860)	79,246	484	11,235	331	650	(69,427)	1	1	(3,242)	3,019	
Fund Balance - Beginning	118,639	119,736	92,876	172,122	172,606	183,841	184,172	184,821	115,395	115,396	118,639	118,639	
Fund Balance - Ending	\$ 119,736	\$ 92,876	\$ 172,122	\$ 172,606	\$ 183,841	\$ 184,172	\$ 184,821	\$ 115,395	\$ 115,396	\$ 115,397	\$ 115,397	\$ 121,658	

TERN BAY COMMUNITY DEVELOPMENT DISTRICT



FINANCIAL STATEMENTS - AUGUST 2021

FISCAL YEAR 2021

PREPARED BY:

JPWARD & ASSOCIATES, LLC, 2301 NORTHEAST 37TH STREET, FORT LAUDERDALE, FL 33308

T: 954-658-4900 E: JimWard@JPWardAssociates.com

Tern Bay Community Development District

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<i>Debt Service Fund—Series 2005 Bonds</i>	<i>6</i>

JPWard & Associates LLC

2301 Northeast 37th Street

Fort Lauderdale, Florida 33308

Phone: (954) 658-4900

**Tern Bay Community Development District
Balance Sheet
for the Period Ending August 31, 2021**

Description	Governmental Funds		Account Groups			
	General Fund	Series 2005 Bonds Debt Service Fund	General Long Term Debt	General Fixed Assets		
Assets						
Cash and Investments						
General Fund - Invested Cash	\$ 396,614	\$ -	\$ -	\$ -	\$	396,614
Capital Project Fund - Series 2007						
Construction Account	-	-	-	-		-
Working Capital Account	-	-	-	-		-
Debt Service Fund						
Interest Account	-	-	-	-		-
Sinking Account	-	-	-	-		-
Reserve Account A	-	51,466	-	-		51,466
Reserve Account B	-	-	-	-		-
Revenue	-	63,932	-	-		63,932
Prepayment Account	-	-	-	-		-
Due from Other Funds						
General Fund	-	-	-	-		-
Debt Service Fund	-	-	-	-		-
Capital Project Fund	-	-	-	-		-
Accounts Receivable-Bond Holder Funding	-	-	-	-		-
Accrued Interest Receivable	-	-	-	-		-
Assessments Receivable	-	-	-	-		-
Prepaid Expenses	-	-	-	-		-
Amount Available in Debt Service Funds	-	-	115,398	-		115,398
Amount to be Provided by Debt Service Funds	-	-	939,602	-		939,602
Investment in General Fixed Assets (net of depreciation)	-	-	-	45,419,499		45,419,499
Total Assets	\$ 396,614	\$ 115,398	\$ 1,055,000	\$ 45,419,499	\$	46,986,511

**Tern Bay Community Development District
Balance Sheet
for the Period Ending August 31, 2021**

Description	Governmental Funds		Account Groups		
	General Fund	Series 2005 Bonds Debt Service Fund	General Long Term Debt	General Fixed Assets	
Liabilities					
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Notes and Loans Payable - Current Portion					
Note Payable-Oppenheimer Funds	-	-	-	-	-
Due to Other Funds					
General Fund	-	-	-	-	-
Debt Service Fund	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Bonds Payable					
Current Portion	-	-	-	-	-
Long Term	-	-	1,055,000	-	1,055,000
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,055,000</u>	<u>\$ -</u>	<u>\$ 1,055,000</u>
Fund Equity and Other Credits					
Investment in General Fixed Assets	-	-	-	45,419,499	45,419,499
Fund Balance					
Restricted					
Beginning: October 1, 2020 (Audited)		118,639	-	-	118,639
Results from Current Operations		(3,241)	-	-	(3,241)
Unassigned					
Beginning: October 1, 2020 (Audited)	67,959	-	-	-	67,959
Results from Current Operations	328,655	-	-	-	328,655
Total Fund Equity and Other Credits	<u>\$ 396,614</u>	<u>\$ 115,398</u>	<u>\$ -</u>	<u>\$ 45,419,499</u>	<u>\$ 45,931,511</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 396,614</u>	<u>\$ 115,398</u>	<u>\$ 1,055,000</u>	<u>\$ 45,419,499</u>	<u>\$ 46,986,511</u>

Tern Bay Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through August 31, 2021

Description	October	November	December	January	February	March	April	May	June	July	August	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources														
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest														
Interest - General Checking	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Miscellaneous Revenue														
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Special Assessment Revenue														
Special Assessments - On-Roll	2,390	5,597	172,807	1,054	24,497	718	1,414	-	-	-	-	208,476	764,640	27%
Special Assessments - Off-Roll	-	-	-	-	-	-	284,468	-	142,234	-	142,234	568,936	-	N/A
Interfund Group Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 2,390	\$ 5,597	\$ 172,807	\$ 1,054	\$ 24,497	\$ 718	\$ 285,882	\$ -	\$ 142,234	\$ -	\$ 142,234	\$ 777,412	\$ 764,640	102%
Expenditures and Other Uses														
Legislative														
Board of Supervisor's - Fees	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	N/A
Executive														
Professional Management	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	2,875	31,625	34,500	92%
Financial and Administrative														
Audit Services	-	-	-	-	-	-	-	-	1,000	-	3,600	4,600	6,000	77%
Accounting Services	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,333	14,667	16,000	92%
Assessment Roll Services	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	11,917	13,000	92%
Arbitrage Rebate Services	-	-	-	-	-	-	-	-	-	-	-	-	500	0%
Real Estate Advisor	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Other Contractual Services														
Recording and Transcription	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Legal Advertising	237	100	1,270	-	-	-	-	-	-	-	-	1,608	2,500	64%
Property Appraiser & Tax Collector Fees	-	-	-	-	-	-	-	-	-	-	2,750	2,750	-	N/A
Trustee Services	-	-	-	-	-	-	-	-	-	-	-	-	10,500	0%
Dissemination Agent Services	1,000	-	-	-	-	-	-	-	-	-	-	1,000	6,000	17%
Bank Services	5	37	41	47	10	13	16	3	-	-	-	172	500	34%
Travel and Per Diem														
Travel and Per Diem	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Communications & Freight Services														
Telephone	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Postage, Freight & Messenger	36	44	9	-	10	39	9	10	17	48	9	230	400	58%
Insurance														
Insurance	9,453	-	-	-	-	-	-	-	-	-	-	9,453	9,500	100%
Meeting Room Rental														
Meeting Room Rental	-	-	168	-	150	-	-	150	-	50	50	568	400	142%
Printing & Binding														
Printing & Binding	129	72	-	-	312	-	-	-	-	149	179	841	500	168%
Web Site Development														
Web Site Development	50	50	50	50	50	50	50	50	50	50	-	500	2,000	25%
Subscription & Memberships														
Subscription & Memberships	175	-	-	-	-	-	-	-	-	-	-	175	175	100%
Legal Services														
Legal - General Counsel	-	-	455	832	-	140	1,963	-	1,146	245	70	4,850	5,000	97%
Legal - Foreclosure Counsel	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Legal - Trustee Counsel	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Legal - Bond Counsel	-	-	1,235	-	-	1,077	228	-	-	943	-	3,482	-	N/A

**Tern Bay Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through August 31, 2021**

Description	October	November	December	January	February	March	April	May	June	July	August	Year to Date	Total Annual Budget	% of Budget
Legal - Ryan Golf Counsel	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
DRI NOPC	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Legal - TB LLC Counsel	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Eminent Domain Counsel	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Comprehensive Planning Services	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Other General Government Services														
Engineering Services - General Fund	-	-	-	-	-	-	-	-	-	-	-	-	5,000	0%
Engineering Services - Traffic	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
NOPC Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Contingencies	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Other Public Safety														
Professional Services														
Charlotte County Sheriff's Patrol	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Guardhouse Operations														
Professional - Roving Patrol	-	-	-	-	-	-	-	-	-	-	-	-	57,300	0%
Professional - Gate Attendant	5,550	-	10,989	-	13,515	-	18,988	1,726	6,905	6,905	7,016	71,594	190,000	38%
Hosting Resident Access	375	-	875	-	1,000	-	1,375	125	500	500	500	5,250	-	N/A
Utilities														
Electric	-	36	-	-	-	412	837	242	147	145	162	1,982	2,400	83%
Water & Wastewater	-	-	-	-	-	-	-	-	125	125	57	307	2,400	13%
Repairs & Maintenance														
Guardhouse Janitorial	-	-	-	-	-	-	-	-	-	-	-	-	4,200	0%
Gate	-	-	-	-	-	-	-	-	-	-	-	-	6,500	0%
Wastewater Services														
Utility Services														
Electric Service	-	84	87	402	551	-	397	372	169	264	373	2,699	2,000	135%
Stormwater Management System														
Repairs & Maintenance														
Lake Banks/Outfall Control Structures	-	-	-	-	-	-	-	-	-	-	-	-	5,000	0%
Aquatic Weed Control														
Lake Spraying	10,720	-	-	6,939	3,470	-	28,378	-	3,470	-	3,470	56,445	5,000	1129%
Lake Vegetation Removal	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Upland Monitoring & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	30,000	0%
Other Physical Environment														
Professional Services														
Field Manager Services	-	-	-	-	-	-	-	-	-	-	-	-	2,500	0%
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Contingencies	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Assessments -Charlotte County	-	37	-	-	-	-	-	-	-	-	-	37	-	N/A
Road & Street Facilities														
Professional Services	-	-	1,900	-	-	-	3,600	-	-	-	2,400	7,900	-	N/A
Street Lights														

**Tern Bay Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through August 31, 2021**

Description	October	November	December	January	February	March	April	May	June	July	August	Year to Date	Total Annual Budget	% of Budget
Electric Service														
Electric Service	-	694	1,205	1,724	804	1,867	1,426	1,369	902	1,690	1,179	12,860	12,000	107%
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Sidewalk Repairs	-	-	-	-	-	-	-	-	-	-	4,118	4,118	-	N/A
Economic Environment														
Professional Services - Appraisal	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Landscaping Services														
Electric Service	-	1,447	1,878	1,826	2,065	2,524	2,474	2,458	2,418	1,194	1,328	19,613	48,000	41%
Repairs & Maintenance														
Common Area Maintenance														
Routine Maintenance	-	-	-	11,660	34,981	-	34,981	-	11,660	11,660	11,660	116,604	119,200	98%
Tree Trimming	-	-	-	-	-	-	-	-	-	-	-	-	15,000	0%
Sod Replacement	-	-	-	-	-	-	-	-	-	-	-	-	3,000	0%
Material Replacement	-	-	-	-	-	-	-	-	-	-	-	-	12,000	0%
Mulch Installation	-	-	-	-	-	-	-	-	-	-	12,235	12,235	40,000	31%
Landscape Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Annuals	-	-	-	-	-	-	-	3,087	34,191	163	5,290	42,730	21,000	203%
Holiday Decorations	-	-	-	-	-	-	-	-	-	-	-	-	16,000	0%
Irrigation System														
Pumps & Wells														
Routine Maintenance	-	-	-	-	1,940	-	-	-	-	3,088	918	5,945	16,000	37%
Well Testing/Meter Reading	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Line Distribution System														
Routine Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	42,665	0%
Contingencies	\$ 33,021	\$ 7,894	\$ 25,454	\$ 28,772	\$ 64,149	\$ 11,413	\$ 100,014	\$ 14,884	\$ 67,991	\$ 32,510	\$ 62,654	448,757	\$ 764,640	59%
Net Increase/ (Decrease) in Fund Balance	(30,631)	(2,297)	147,353	(27,718)	(39,652)	(10,695)	185,868	(14,884)	74,243	(32,510)	79,580	328,655	-	
Fund Balance - Beginning	67,959	37,327	35,031	182,383	154,665	115,014	104,318	290,186	275,302	349,545	317,035	67,959	67,959	
Fund Balance - Ending	\$ 37,327	\$ 35,031	\$ 182,383	\$ 154,665	\$ 115,014	\$ 104,318	\$ 290,186	\$ 275,302	\$ 349,545	\$ 317,035	\$ 396,614	396,614	\$ 67,959	

Tern Bay Community Development District
Debt Service Fund - Series 2005 Bonds
Statement of Revenues, Expenditures and Changes in Fund Balance
Through August 31, 2021

Description	October	November	December	January	February	March	April	May	June	July	August	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources														
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Miscellaneous Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income														
Reserve Account	0	0	0	0	0	0	0	0	0	0	0	5	-	N/A
Prepayment Account	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Revenue Account	1	1	0	1	1	1	1	1	1	1	1	8	-	N/A
Special Assessment Revenue														
Special Assessments - On-Roll	1,096	2,567	79,245	483	11,234	329	648	-	-	-	-	95,602	101,875	94%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Extraordinary Items (Gain)														
Operating Transfers In (From Other Funds)	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 1,097	\$ 2,568	\$ 79,246	\$ 484	\$ 11,235	\$ 331	\$ 650	\$ 2	\$ 1	\$ 1	\$ 1	\$ 95,615	\$ 101,875	94%
Expenditures and Other Uses														
Debt Service														
Principal Debt Service - Mandatory														
Series 2005 Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000	\$ 40,000	100%
Principal Debt Service - Early Redemptions														
Series 2005 Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Interest Expense														
Series 2005A Bonds	-	29,428	-	-	-	-	-	29,428	-	-	-	58,856	58,856	100%
Series 2005B Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Trustee Services														
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$0	\$29,428	\$0	\$0	\$0	\$0	\$0	\$69,428	\$0	\$0	\$0	\$98,856	\$ 98,856	100%
Net Increase/ (Decrease) in Fund Balance	1,097	(26,860)	79,246	484	11,235	331	650	(69,427)	1	1	1	(3,241)	3,019	
Fund Balance - Beginning	118,639	119,736	92,876	172,122	172,606	183,841	184,172	184,821	115,395	115,396	115,397	118,639	118,639	
Fund Balance - Ending	\$ 119,736	\$ 92,876	\$ 172,122	\$ 172,606	\$ 183,841	\$ 184,172	\$ 184,821	\$ 115,395	\$ 115,396	\$ 115,397	\$ 115,398	\$ 115,398	\$ 121,658	