

*Scenic Terrace North
Community Development District*

Meeting Agenda

July 19, 2023

AGENDA

Scenic Terrace North

Community Development District

219 E. Livingston St., Orlando, Florida 32801

Phone: 407-841-5524 – Fax: 407-839-1526

July 12, 2023

**Board of Supervisors
Scenic Terrace North
Community Development District**

Dear Board Members:

A regular Board of Supervisors Meeting of the **Scenic Terrace North Community Development District** will be held on **Wednesday, July 19, 2023 at 1:30 PM** at **346 E. Central Ave., Winter Haven, FL 33880**.

Zoom Video Link: <https://us06web.zoom.us/j/89472110528>

Zoom Call-In Number: 1-646-876-9923

Meeting ID: 894 7211 0528

Following is the advance agenda for the meeting:

Board of Supervisors Meeting

1. Roll Call
2. Public Comment Period (¹Speakers will fill out a card and submit it to the District Manager prior to the beginning of the meeting)
3. Approval of Minutes of the April 19, 2023 Board of Supervisors Meeting
4. Presentation and Approval of Engineer's Report dated July 18, 2023
5. Presentation and Approval of Supplemental Assessment Methodology for Series 2023 Assessment Area dated July 19, 2023
6. Consideration of Resolution 2023-04 Amended and Restated Delegation Resolution (Series 2023 Bonds)
7. Public Hearing
 - A. Public Hearing on the Adoption of the Fiscal Year 2024 Budget
 - i. Consideration of Resolution 2023-05 Adopting the District's Fiscal Year 2024 Budget and Appropriating Funds
 - ii. Consideration of Fiscal Year 2023/2024 Developer Funding Agreement
8. Consideration of Construction Funding Agreement
9. Consideration of Temporary Construction and Access Easement Agreement
10. Review and Ranking of Proposals Received for Construction Services RFP

¹ Comments will be limited to three (3) minutes

11. Consideration of Resolution 2023-06 Appointing an Assistant Treasurer
12. Consideration of Resolution 2023-07 Designation of a Regular Monthly Meeting Date, Time, and Location for Fiscal Year 2024
13. Consideration of Resolution 2023-08 Designating a Date, Time, and Location for a Landowners' Meeting and Election
14. Ratification of Notice of Boundary Amendment
15. Acceptance of Fiscal Year 2022 Audit Report
16. Staff Reports
 - A. Attorney
 - i. Memo Regarding Ethics Training for Elected Officials
 - B. Engineer
 - C. District Manager's Report
 - i. Approval of Check Register
 - ii. Balance Sheet & Income Statement
 - iii. Presentation of Number of Registered Voters—0
17. Other Business
18. Supervisors Requests and Audience Comments
19. Adjournment

MINUTES

**MINUTES OF MEETING
SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Scenic Terrace North Community Development District was held Wednesday, **April 19, 2023** at 1:30 p.m. at 346 E. Central Avenue, Winter Haven, Florida.

Present and constituting a quorum:

Rennie Heath	Chairman
Lauren Schwenk	Vice Chairperson
Daniel Arnette	Assistant Secretary
Pat Hudson	Assistant Secretary
Chuck Cavaretta	Assistant Secretary

Also present were:

Jill Burns	District Manager, GMS
Roy Van Wyk	District Counsel, KVV Law
Rey Malave	District Engineer, Dewberry

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order and called the roll. Five Supervisors were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

There were no members of the public present for the meeting or joining us via Zoom.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the February 15, 2023
Board of Supervisors Meetings**

Ms. Burns presented the minutes from the February 15, 2023 Board of Supervisors meeting and asked for any changes or corrections from the Board.

On MOTION by Mr. Heath, seconded by Ms. Hudson, with all in favor, the Minutes of the February 15, 2023 Board of Supervisors meeting, were approved.
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FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2023-01
Approving the Proposed Fiscal Year
2023/2024 Budget (Suggested Date: July 19,**

**2023), Declaring Special Assessments, and
Setting the Public Hearings on the Adoption of
the Fiscal Year 2023/2024 Budget and the
Imposition of Operations and Maintenance
Assessments**

Mr. Burns stated that July 19th date is the date proposed for the public hearing. She noted there were some development timelines sent over. Based on what was provided, it looks like there will be little to no field expenses on this District for the upcoming fiscal year which runs through October 1, 2024. She noted the administrative line items stayed the same with no increases and then did the small field contingency in case the playground or there is something that comes online that needs to be purchased early and just a small field contingency in case any landscaping or pond bank mowing or anything like that needs to be done. She noted again it is developer funded so it would be billed as incurred.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, Resolution 2023-01 Approving Proposed Fiscal Year 2024 Budget and Setting the Public Hearing for July 19th, was approved.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2023-02 Waiving
a Portion of the Rules of Procedure Regarding
Noticing of Meetings**

Ms. Burns stated this was done last year but this one was not caught and is still in there so this is just waiving the requirement for monthly meeting notices.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, Resolution 2023-02 Waiving a Portion of the Rules of Procedure Regarding Noticing of Meetings, was approved.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2023-03
Authorizing Bank Account Signatories**

Ms. Burns stated this will authorize officers rather than people as signers on the accounts with the event that officers change, we can provide this to the bank.

On MOTION by Mr. Cavaretta, seconded by Mr. Arnette, with all in favor, Resolution 2023-03 Authorizing Bank Account Signatories, was approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Van Wyk had nothing to report.

B. Engineer

Mr. Malave stated that he nothing to report.

C. District Manager's Report

i. Approval of Check Register

Ms. Burns presented the check register to the Board which is included in the agenda package for review and offered to answer any questions on those invoices.

On MOTION by Ms. Hudson, seconded by Mr. Arnette, with all in favor, the Check Register, was approved.

ii. Balance Sheet & Income Statement

Ms. Burns stated that the financials were included in the agenda package for review and there was no action needed.

EIGHTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

NINTH ORDER OF BUSINESS

**Supervisors Requests and Audience
Comments**

There being no comments, the next item followed.

TENTH ORDER OF BUSINESS

Adjournment

Ms. Burns adjourned the meeting.

On MOTION by Mr. Heath, seconded by Mr. Arnette, with all in favor, the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

REFERENCE NO. 50144568

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT

Engineer's Report

JULY 18, 2023



ORIGINAL

SUBMITTED BY
Dewberry Engineers Inc.
800 N. Magnolia Avenue
Suite 1000
Orlando, Florida 32803
321.354.9656

SUBMITTED TO
Scenic Terrace North CDD
Attention: Jill Burns, District Manager
219 E. Livingston Street
Orlando, Florida 32801
407.841.5524

Engineer's Report

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1. Introduction

The Scenic Terrace North Community Development District (the "District" or "CDD") is located on the west side of SR 17 – Scenic Highway within the city limits of Haines City ("City"), Polk County, Florida. The CDD was established under the City Ordinance No.21-1741, which was approved by the City Commission on August 19, 2021. Under this ordinance, the District contained approximately 113.29 acres and was expected to consist of 330 residential lots of various sizes for single-family lots with recreation/amenity areas, parks, and associated infrastructure for the development. The City approved Ordinance No. 23-2042 on June 1, 2023, to amend the District's boundary, which reduced the acreage from 113.29 acres to 103.731 acres. The acreage being removed was originally designated to be a school development; therefore, the overall lot count of the District is unchanged and remains at 330 lots.

The District will own and operate the public roadways, utilizes systems, and stormwater management facilities, as well as the landscape, irrigation, signage, and recreational facilities within the development.

The Master Developer ("Developer") Highland Sumner, LLC is based in Winter Haven, Florida. The development is approved as a residential Planned Development (PD). A land use summary is presented in Table 1.

Public improvements and facilities financed, acquired, and/or constructed by the District will be designed and constructed to conform to regulatory criteria from the city, county, Southwest Florida Water Management District (SWFWMD), and other applicable agencies with regulatory jurisdiction over the development, an overall estimate of the probable cost of the public improvements are provided in Exhibit 7 of this report.

The Capital Improvement Plan (CIP) or this Engineer's Report reflects the present intentions of the District and the landowners. It should be noted that the location of the proposed facilities and improvements may be adjusted during the final design, permitting, and implementation phases. It should also be noted that these modifications are not expected to diminish the benefits to the property within the District. The District reserves the right to make reasonable adjustments to the development plan to meet applicable regulatory requirements of agencies with jurisdiction over the development while maintaining a comparable level of benefits to the lands served by the improvements. Changes and modifications are expected as changes in regulatory criteria are implemented.

Table 2.1 Land Uses

LAND USES	
LAND USE	AREA
Master Stormwater System	16.73 acres
Residential Land (Single-Family and Townhomes Lots)	45.671 acres
Roadways Infrastructure & Public Facilities	12.93 acres
Open Space/Conservation Areas/Parks	28.40 acres
TOTAL	103.731 acres

Table 2.2 Lot Types

Lot Types	
LAND USE	AREA
42-ft Lots	41
52-ft Lots	289
TOTAL	330

Implementation of any proposed facilities or improvements outlined in this report requires written approval from the District's Board of Supervisors. Estimated costs outlined in this report are based on the best available information, which includes, but is not limited to, previous experience with similar projects. Actual costs could be different than estimates because final engineering and specific field conditions may affect construction costs.

All roadway improvements including sidewalks in the right-of-way and storm drainage collection systems (from the curb inlets to their connection to the stormwater ponds) within the development will be maintained by the District. Water distribution and wastewater collection systems (gravity lines, force mains, and lift stations) will be dedicated to the City for ownership and maintenance upon completion.

2. Purpose and Scope

The purpose of this report is to provide engineering support for the funding of the proposed improvements within the District. This report will identify the proposed public infrastructure to be constructed or acquired by the District along with an Opinion of Probable Construction Costs. The District will finance, construct, acquire, operate, and maintain all or specific portions of the proposed public infrastructure.

The predominant portion of this report provides descriptions of the proposed public infrastructure improvements, determination of estimated probable construction costs, and the corresponding benefits associated with the implementation of the described improvements. Detailed site construction plans and specifications have not yet been completed and permitted for the improvements described herein. The engineer has considered and in specific instances has relied upon, the information and documentation prepared or supplied by others to prepare this Engineer's Report.

3. General Site Description

The development will consist of a total of 330 residential units and associated infrastructure. The development is a planned residential community consisting of 113.29 acres located west side of SR 17 – Scenic Highway from the northern boundary adjacent to Floyd Road and extending south to Hughes Road. The District is located within the incorporated area of Haines City in Polk County. The land uses and zoning for the development are LDR – RPUD, Residential Low, and Planned Unit Development. The development will be constructed in two phases.

4. Capital Improvements

The CIP consists of public infrastructure in the development. The primary portions of the CIP will provide for stormwater pond construction, roadways built to an urban roadway typical section, water, and sewer facilities including a lift station, and off-site improvements (including turn lanes and extension of water and sewer mains to serve the development). Assets will be purchased by the District at the lesser of fair market price or actual cost.

There will also be stormwater structures and conveyance culverts within the CIP, which will outfall into the various on-site stormwater ponds. These structures and pond areas comprise the overall stormwater facilities of the CIP. Installation of the water distribution and wastewater collection system will also occur at this time as well as the lift station serving the project. Below-ground installation of telecommunications and cable television will occur but will not be funded by the District. The incremental cost of undergrounding of power within the public rights-of-way or easements will be funded by the District.

As a part of the recreational component of the CIP, there are conservation areas that can serve as passive parks within the development that are available to the public for utilization of the facilities. The recreational areas will have connectivity via sidewalks to the other portions of the District. The recreational areas will be open to the public and be accessible by public roadways and sidewalks.

5. Capital Improvement Plan Components

The CIP for the District includes the following:

5.1 Stormwater Management Facilities

Stormwater management facilities consisting of storm conveyance systems and retention/detention ponds are contained within the District boundaries. Stormwater will be discharged via roadway curb and gutter and storm inlets. Storm culverts convey the runoff into the proposed retention ponds for water quality treatment and attenuation. The proposed stormwater systems will utilize dry retention and wet retention for biological pollutant assimilation to achieve water quality treatment. The design criteria for the District's stormwater treatment systems are regulated by the city, the county, and SWFWMD. There are various conservation areas throughout the District and will be preserved in the existing condition and these will accept stormwater discharges from our ponds as shown in Exhibit 6.

Federal Emergency Management Agency Flood Insurance Rate Map (FEMA FIRM) Panel No. 12105C0380G, dated December 22, 2016, demonstrates that the property is located within Flood Zones AE and X. Based on this information and the site topography, it appears that 100-year compensation will be done in areas where we will impact existing depressions throughout the development and the 100-year flood volumes will be compensated as it is required the county and FEMA.

During the construction of stormwater management facilities, utilities, and roadway improvements the contractor will be required to adhere to a Stormwater Pollution Prevention Plan (SWPPP) as required by the Florida Department of Environmental Protection (FDEP) as delegated by the Environmental Protection Agency (EPA). The SWPPP will be prepared to depict the proposed recommended locations of required erosion control measures and staked turbidity barriers specifically along the downgradient side of any proposed construction activity. The site contractor will be required to provide the necessary reporting as required by the National Pollutant Discharge Elimination System (NPDES) General Permit with erosion control, its maintenance, and any rainfall events that occur during construction activity.

5.2 Public Roadways

The proposed public roadway sections include a 24-foot roadway consisting of asphalt and with Miami curbs or Type F curb and gutter on both sides along with a 40-foot right-of-way. The proposed roadway section will consist of stabilized subgrade, a lime rock, crushed concrete, or cement-treated base, and asphalt type roadway wearing surface. The proposed curb is to be 2-feet wide and placed along the edge of the proposed roadway section for purposes of protecting the integrity of the pavement and to provide stormwater runoff conveyance to the proposed stormwater inlets.

The proposed roadways will also require signing and pavement markings within the public rights-of-way, as well as street signs depicting street name identifications and addressing, which will be utilized by the residents and public. As stated above, the District's funding of roadway construction will occur for all public roadways.

5.3 Water and Wastewater Facilities

A potable drinking water system inclusive of a water main, gate valves, fire hydrants, and appurtenances will be installed for the District. The water service provider will be the City of Haines City Public Utilities. The water system will be designed to provide an equally distributed system that provides redundancy to the system. These facilities will be installed within the proposed public rights-of-way and will provide potable drinking water (domestic) and fire protection services to serve the entire District.

A domestic wastewater collection system inclusive of gravity sanitary sewer mains and sewer laterals will be installed. The gravity sanitary sewer mains will be a minimum of eight (8)-inch diameter PVC pipe systems. The gravity sanitary sewer lines will be placed inside of the proposed public rights-of-way, under the proposed paved roadways. Sewer laterals will branch off from these sewer lines to serve the development. Lift stations are anticipated for this CIP. Flow from the lift station shall be connected to a

proposed force main that will pump to an existing force main that will connect to the city wastewater treatment facility.

The City's public utilities will provide the reclaimed water to be used for all irrigation within the CDD. The reclaimed water will be funded by the District and installed onsite within the roadways to provide for irrigation within the public right-of-way or any areas needing irrigation. Any water, sewer, or reclaim water pipes or facilities placed on private property will not be publicly funded.

5.4 Off-Site Improvements

The District will provide funding for the anticipated turn lanes at the development entrances. The site construction activities associated with the CIP are anticipated to be completed in the next two (2) to three (3) years. Upon completion of each phase, the improvements required inspections will be completed and final certifications of completions will be obtained from SWFWMD, Polk County Health Department (water distribution system), FDEP (wastewater collection), City of Haines City Public Utilities, and Polk County.

5.5 Amenities and Parks

The District will provide funding for an amenity center to include the following: parking areas, pavilion with restroom facilities, pool, all-purpose playfields, and walking trails between the phases and villages to provide connectivity to the various amenity centers within the CDD. In addition, there will be passive parks throughout the development, which will include benches and walking trails. All such amenities and parks will be accessible and open to residents and the public.

5.6 Electric Utilities and Lighting

The electric distribution system thru the District is currently planned to be underground. The District presently intends to fund the incremental cost of undergrounding of the electric conduits, transformer/cabinet pads, and electric manholes required by Duke Energy (Duke). As the electric facilities and equipment will be owned and maintained by Duke after the dedication, no tax-exempt bonds will be used for such facilities and equipment. The CDD will not fund the cost to purchase and install the street lighting along the internal roadways within the CDD with any tax-exempt bonds because these lights will be operated and maintained by Duke after the dedication, with the District funding maintenance services.

5.7 Entry Feature

Landscaping, irrigation, entry features, and buffer walls at the entrances and along the outside boundary of the development will be provided by the District. The irrigation system will use an irrigation well. The well and irrigation water mains to the various phases of the development will be constructed and acquired by the CDD with District funds and operated and maintained by the CDD. Landscaping for the roadways will consist of sod, perennial flowers, shrubs, ground cover, and trees for the internal roadways within the CDD. Perimeter fencing will be provided at the site entrances and perimeters. No entrance gates are included as part of such fencing. These items will be funded, owned, and maintained by the CDD.

5.8 Miscellaneous

The stormwater improvements, landscaping and irrigation, recreational improvements, and certain permits and professional fees as described in this report are being financed by the District to benefit the developable real property within the District. The construction and maintenance of the proposed public improvements will benefit the development for the intended use as a single-family/residential planned development.

5.9 Permitting

Construction permits for all phases are required and include the SWFWMD Environmental Resource Permit, Polk County Health Department, FDEP, and Haines City construction plan approval.

Following is a summary of required permits obtained or pending approval for the construction of the public infrastructure improvements for the District:

Permitting	
PERMITS	APPROVAL/EXPECTED DATE
Zoning Approval	Residential Planned Unit Development (RPUD) – 02/03/2022
Preliminary Plat	06/02/2022
SWFWMD ERP	10/18/2022
Construction Permits	08/23/2022
City of Haines City Public Utilities Water/Sewer	08/23/2022
FDEP Sanitary Sewer General Permit	09/02/2022
FDEP Water Distribution General Permit	10/11/2022
FDEP Notice of Intent	10/10/2022

6. Recommendation

As previously explained within this report, the public infrastructure, as described, is necessary for the development and functional operation as required by the City. The site planning, engineering design, and construction plans for the infrastructure are in accordance with the applicable requirements of the City of Haines City, Polk County, and SWFWMD. It should be noted that the infrastructure will provide its intended use and function so long as the construction and installation are in substantial conformance with the design construction plans and regulatory permits.

Items utilized in the Opinion of Probable Costs for this report are based upon the proposed plan infrastructure as shown on construction drawings incorporating specifications in the most current SWFWMD, Polk County, and the TWA regulations.

7. Report Modification

During the development and implementation of the designed public infrastructure improvements, it may be necessary to make modifications and/or deviations to the plans. However, if such deviations and/or revisions do not change the overall primary objective of the plan for such improvements, then the cost differences would not materially affect the proposed construction cost estimates.

8. Summary and Conclusion

The improvements as outlined are necessary for the functional development of the project. The project is being designed in accordance with current government regulatory requirements. The project will serve its intended function provided the construction is in substantial compliance with the design. Items of construction for the project are based upon current development plans.

9. Engineer's Certification

It is our professional opinion that the public infrastructure costs for the CIP provided in this report are reasonable to complete the construction of the public infrastructure improvements. Furthermore, the public infrastructure improvements will provide a special benefit to the assessable property within the District that is at least equal to the costs for said improvements. The general public, property owners, and property outside the District will benefit from the provisions of the District's CIP; however, these are incidental to the District's CIP, which is designed solely to provide special benefits peculiar to property within the District.

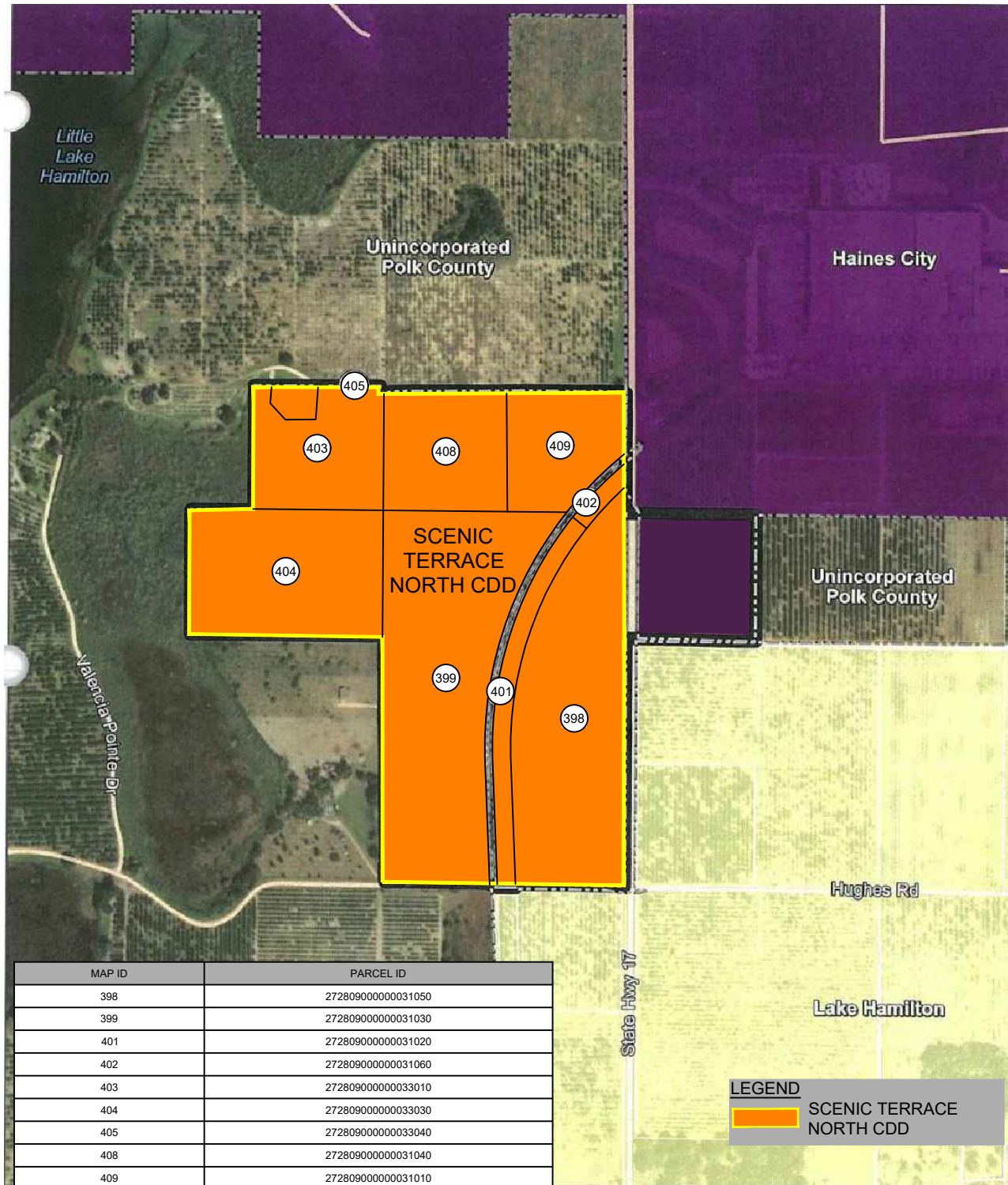
The Opinion of Probable Costs for the public infrastructure improvements is only an estimate and is not a guaranteed maximum price. The estimated costs are based upon current unit prices and on our experience with ongoing and similar projects and basis in the county and city. However, labor market, future costs of equipment; materials, changes to the regulatory permitting agencies' activities, and the actual construction processes employed by the chosen site contractor are beyond the engineer's control. Due to this inherent opportunity for changes (upward or downward) in the construction costs, the total, final construction cost may be more or less than this estimate.

Based upon the presumption that the CIP construction continues in a timely manner, it is our opinion that the costs of the CIP proposed represent a system of improvements benefitting all developable property located within the District, are fair and reasonable, and that the District-funded improvements are assessable improvements within the meaning of Chapter 190, F.S. We have no reason to believe that the CIP improvements cannot be constructed at the cost described in this report. We expect the improvements to be constructed or acquired by the District with bond proceeds, as indicated within this report. We believe that the District will be well served by the improvements discussed in this report.

I hereby certify that the foregoing is a true and correct copy of the engineer's report for the Scenic Terrace North Community Development District.



Reinardo Malavé, P.E.
Florida License No. 31588



SECTS 9, T28S, R27E

EXHIBITS 1 AND 3 - LOCATION AND BOUNDARY MAP SCENIC TERRACE NORTH CDD



DATE: 7/3/2023

LEGAL DESCRIPTION

LEGAL DESCRIPTION:

A PORTION OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 89°43'08" WEST ALONG THE NORTH LINE OF THE NORTHWEST 1/4 FOR A DISTANCE OF 43.74 FEET; THENCE DEPARTING SAID NORTH LINE RUN SOUTH 00°13'50" EAST FOR A DISTANCE OF 22.16 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00°33'34" EAST ALONG THE WEST RIGHT OF WAY LINE OF STATE ROAD 17, ALSO KNOWN AS SCENIC HIGHWAY, AS RECORDED IN OFFICIAL RECORDS BOOK 646, PAGE 443, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, FOR A DISTANCE OF 644.11 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°59'05" EAST ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 705.84 FEET TO THE NORTH EAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN SOUTH 00°36'22" EAST ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 667.03 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN NORTH 89°55'13" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 689.39 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8); THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 1318.91 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF HUGHES ROAD, AS RECORDED IN MAP BOOK 9, PAGE 12 THROUGH 30, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID NORTH RIGHT OF WAY LINE: NORTH 89°27'06" WEST, 126.48 FEET; NORTH 88°35'32" WEST, 100.01 FEET; NORTH 88°52'43" WEST, 100.00 FEET; NORTH 89°27'06" WEST, 100.00 FEET; NORTH 89°23'39" WEST, 100.00 FEET; NORTH 89°37'24" WEST, 100.00 FEET; NORTH 00°39'47" EAST, 3.50 FEET; SOUTH 89°58'32" WEST, 200.01 FEET; SOUTH 89°31'02" WEST, 100.02 FEET; NORTH 89°20'13" WEST, 100.00 FEET; NORTH 89°54'36" WEST, 200.01 FEET; SOUTH 00°39'47" WEST, 5.00 FEET; THENCE RUN NORTH 89°20'13" WEST FOR A DISTANCE OF 29.89 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF PALMER OY ROAD, AS RECORDED IN MAP BOOK 8, PAGE 99 THROUGH 100, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID EAST RIGHT OF WAY LINE: NORTH 23°51'25" WEST, 44.92 FEET; NORTH 05°21'16" WEST, 49.28 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°29'16" WEST FOR A DISTANCE OF 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; NORTH 01°38'01" WEST, 200.04 FEET; NORTH 00°39'29" EAST, 100.02 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; THENCE RUN NORTH 00°29'16" WEST, 20.16 FEET TO A POINT ON THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°57'35" WEST ALONG SAID SOUTH LINE AND THE SOUTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 1029.22 FEET TO THE SOUTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°32'44" WEST ALONG THE WEST LINE OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 661.46 FEET TO THE NORTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°50'22" EAST ALONG THE NORTH LINE OF

(CONTINUED ON SHEET 2)

SHEET 1 OF 7

SECTS 9, T28S, R27E

EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



DATE: 7/3/2023

LEGAL DESCRIPTION

(CONTINUED FROM SHEET 1)

THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 333.31 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°33'19" WEST ALONG THE WEST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 662.16 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°43'08" EAST ALONG THE NORTH LINE OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 666.38 FEET TO THE NORTHEAST CORNER OF THE SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 00°34'31" EAST ALONG THE EAST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 31.81 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF FLOYD ROAD, AS RECORDED IN MAP BOOK 8, PAGE 106, AFORESAID PUBLIC RECORDS; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: NORTH 86°38'31" EAST, 37.56 FEET; NORTH 86°38'21" EAST, 16.64 FEET; NORTH 87°32'49" EAST, 100.02 FEET; NORTH 89°15'56" EAST, 300.01 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 89°50'19" EAST, 100.02 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 88°07'11" EAST, 100.00 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; NORTH 89°50'19" EAST, 100.02 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; SOUTH 89°01'00" EAST, 100.08 FEET; THENCE RUN SOUTH 89°01'55" EAST A DISTANCE OF 34.67 FEET TO THE POINT OF BEGINNING.

LESS OUT:

THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, LYING EAST OF SCENIC HIGHWAY (STATE ROAD 17) ACCORDING TO THE STATE OF FLORIDA STATE ROAD DEPARTMENT RIGHT OF WAY MAP, PROJ. 5209-RD.(8), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, RUN THENCE ALONG THE WEST BOUNDARY OF SAID NORTHEAST 1/4, S.00°36'53"E., A DISTANCE OF 1332.66 FEET TO THE SOUTH BOUNDARY OF AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, S.89°55'02"E., A DISTANCE OF 36.65 FEET TO THE EASTERLY RIGHT OF WAY OF SAID SCENIC HIGHWAY (STATE ROAD 17) FOR A **POINT OF BEGINNING**; THENCE ALONG SAID EASTERLY RIGHT OF WAY, N.00°36'33"W., A DISTANCE OF 666.37 FEET TO THE NORTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID NORTH BOUNDARY, S.89°58'33"E., A DISTANCE OF 624.63 FEET TO THE EASTERLY BOUNDARY THEREOF; THENCE ALONG SAID EASTERLY BOUNDARY, S.00°36'20"E., A DISTANCE OF 667.01 FEET TO AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, N.89°55'02"W., A DISTANCE OF 624.59 FEET TO THE **POINT OF BEGINNING**.

ALTOGETHER CONTAINING 103.731 ACRES, MORE OR LESS.

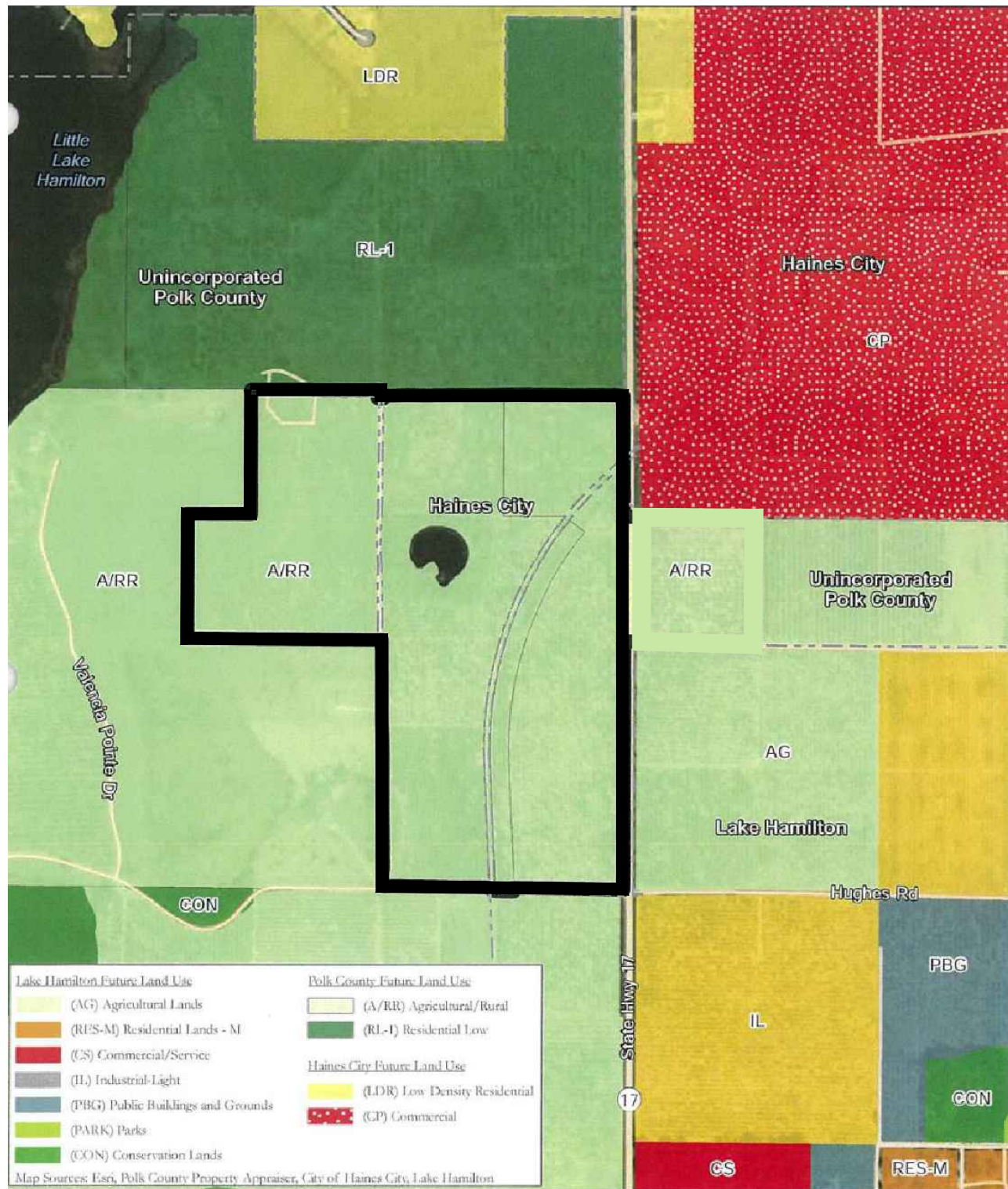
SHEET 2 OF 7

SECTS 9, T28S, R27E

EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



DATE: 7/3/2023

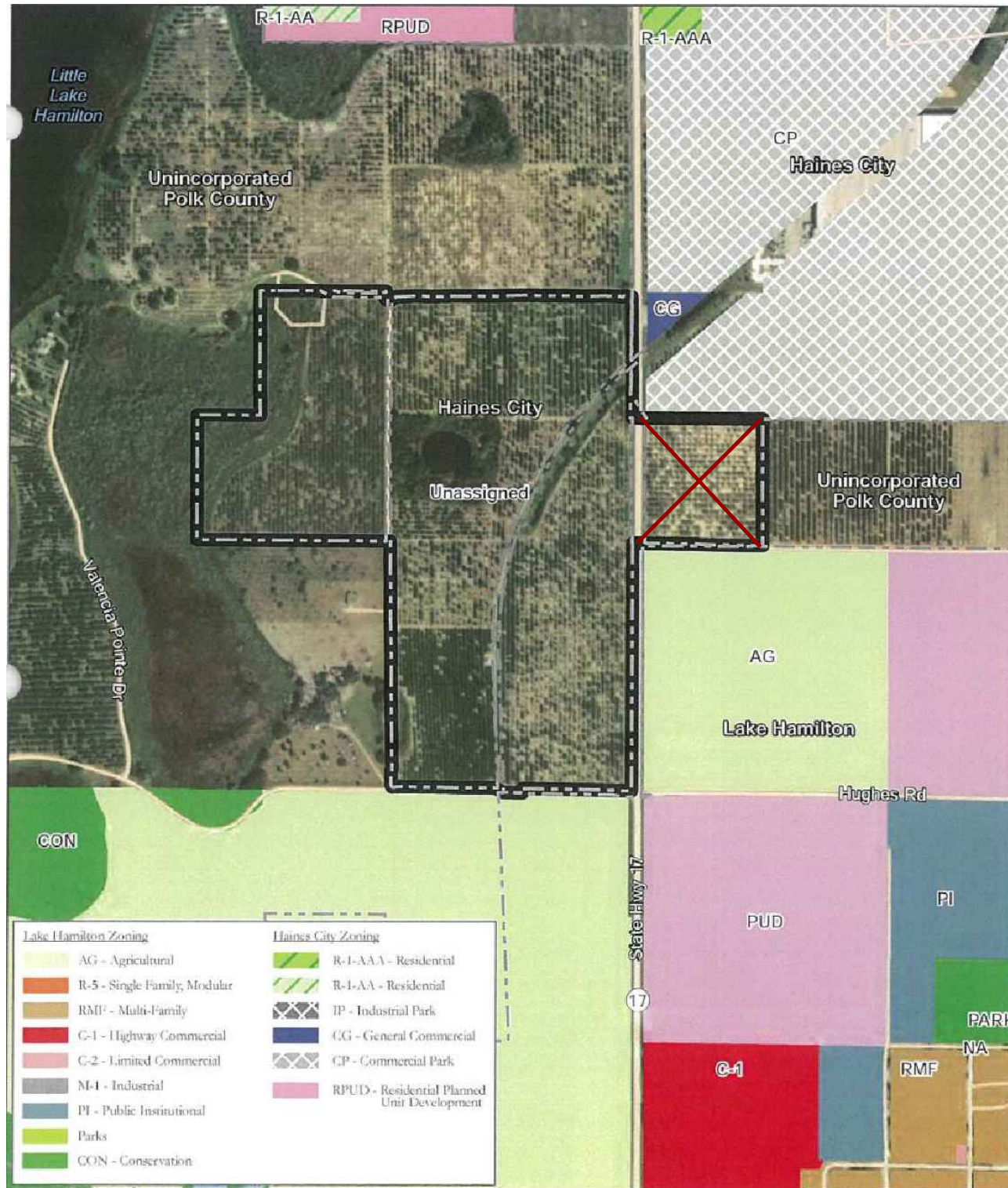


SECTS 9, T28S, R27E

EXHIBIT 7 - FUTURE LAND USE MAP SCENIC TERRACE NORTH CDD



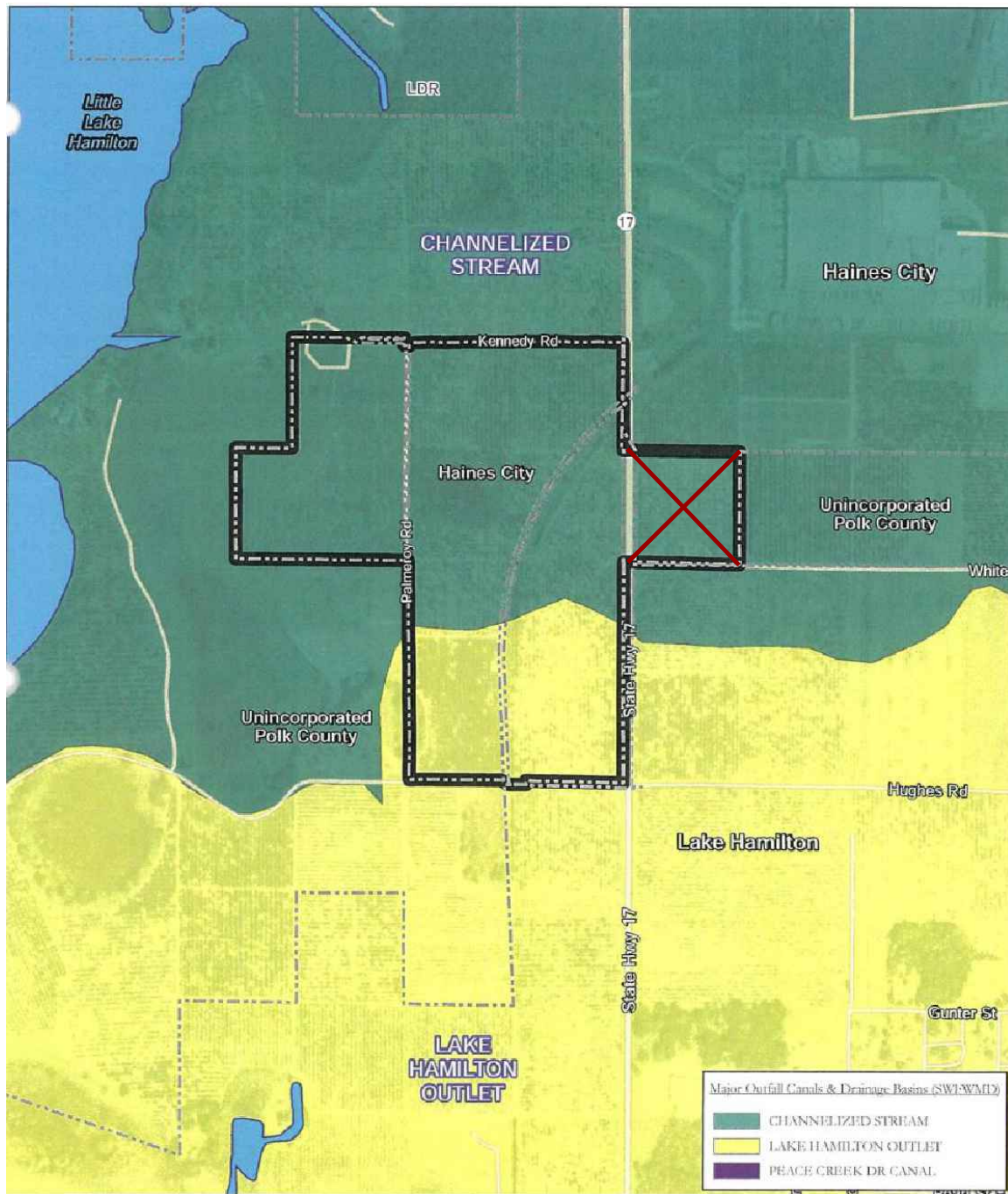
DATE: 7/3/2023



SECTS 9, T28S, R27E

EXHIBIT 5 - ZONING MAP SCENIC TERRACE NORTH CDD





SECTS 9, T28S, R27E

EXHIBIT 6 - DRAINAGE MAP SCENIC TERRACE NORTH CDD



EXHIBIT 7A

Scenic Terrace North

Community Development District

Summary of Proposed District Facilities

District Infrastructure	Construction	Ownership	Capital Financing*	Operation and Maintenance
Stormwater Facilities	District	District	District Bonds	District
Lift Stations/Water/Sewer	District	City of Haines City	District Bonds	City of Haines City
Street Lighting	District	District	District Bonds	District
Onsite Road Construction	District	District	District Bonds	District
Offsite Road Construction	District	Polk County	District Bonds	Polk County
Entry Feature & Signage	District	District	District Bonds	District
Parks and Recreation Facilities	District	District	District Bonds	District

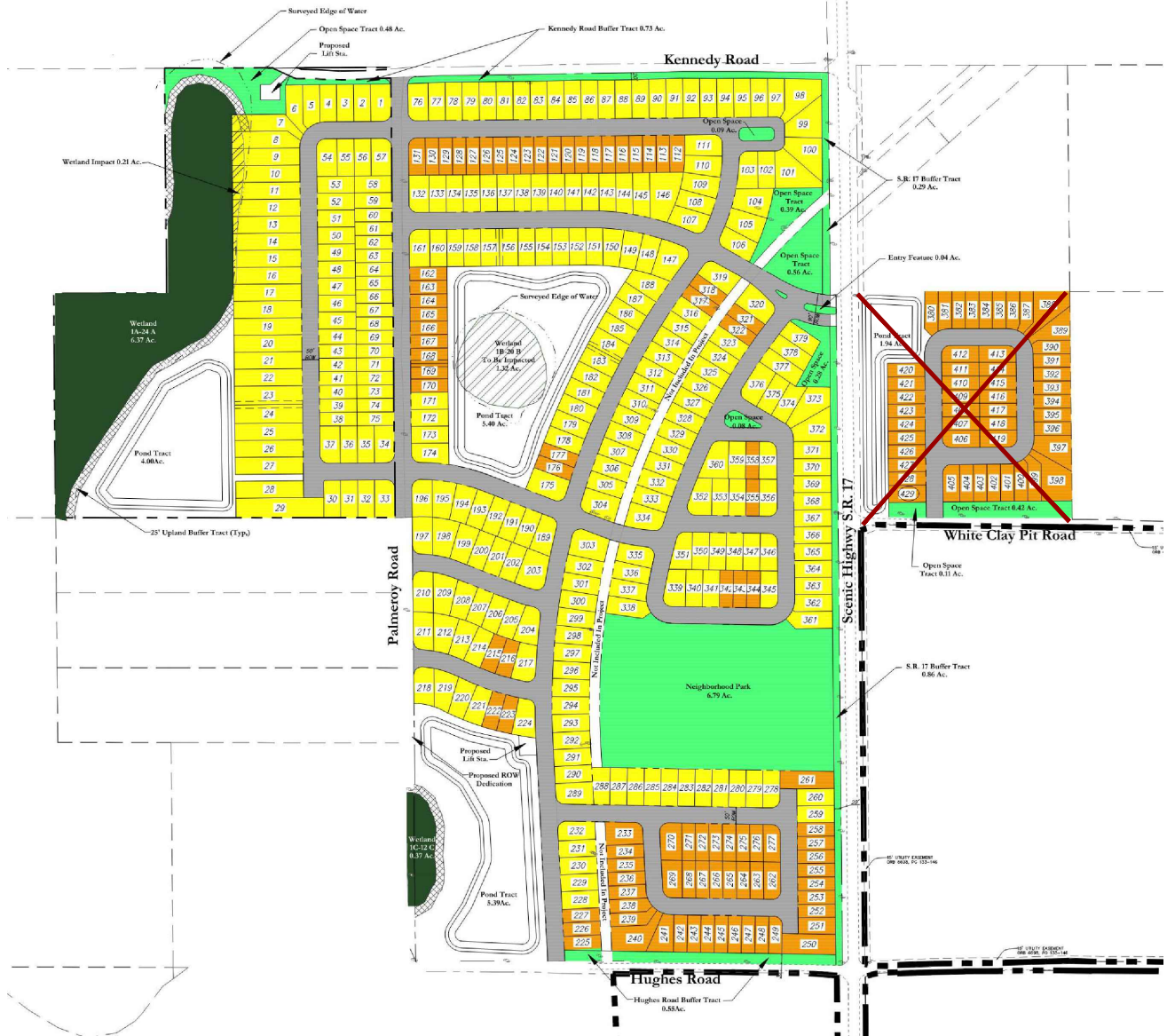
*Costs not funded by bonds will be funded by the developer.

EXHIBIT 7B
Scenic Terrace North Community Development District
Estimate of Probable Capital Improvement Costs^{7,10,11}
DATE: July 2023

	TOTALS
Infrastructure ¹⁻¹¹	
Number of LOTS	330
Offsite Improvements	\$1,750,000.00
Stormwater Management ^{3,6}	\$2,200,000.00
Mass Grading and Master Stormwater Drainage ^{2,3}	\$3,100,000.00
Roadway - Curb, Paving and Drainage ⁴	\$3,250,000.00
Utilities (Water, Sewer, & Reuse)	\$4,600,000.00
Water	\$1,600,000.00
Reuse	\$900,000.00
Wastewater Systems	\$2,100,000.00
Electrical	\$800,000.00
Electrical Distribution (Incremental cost of undergrounding)	
Landscaping & Entry Feature ⁸	\$1,000,000.00
Parks and Amenities	\$800,000.00
SUBTOTAL CONSTRUCTION	\$17,500,000.00
General Consulting (Engr & Legal) @ 10% ⁵	\$2,000,000.00
Subtotal	\$19,500,000.00
Contingency @ 15%	\$2,625,000.00
Grand Total	\$22,125,000.00

Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another government entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2023 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and buffer fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the streetlight poles and lighting service. Includes only the incremental cost of undergrounding.
10. Estimates based on 330 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).



SECTION V

**SUPPLEMENTAL
ASSESSMENT METHODOLOGY FOR
SERIES 2023 ASSESSMENT AREA

FOR

SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT DISTRICT**

Date: July 19, 2023

Prepared by

**Governmental Management Services - Central Florida, LLC
219 E. Livingston St.
Orlando, FL 32801**

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GMS-CF, LLC does not represent the Scenic Terrace North Community Development District as a Municipal Advisor or Securities Broker nor is GMS-CF, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, GMS-CF, LLC does not provide the Scenic Terrace North Community Development District with financial advisory services or offer investment advice in any form.

1.0 Introduction

The Scenic Terrace North Community Development District (the “District”) is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes as amended. The District anticipates the issuance at this time of not to exceed \$12,500,000 of tax-exempt bonds in one or more series (the “Bonds”) for the purpose of financing certain infrastructure improvements (“Series 2023 Assessment Area Capital Improvement Plan”) within a designated area (herein the “Series 2023 Assessment Area”) within the District more specifically described in the Engineer’s Report Exhibit 2 as Series 2022 Assessment Area, dated July 18, 2023 prepared by Dewberry Engineers Inc. as may be amended and supplemented from time to time (the “Engineer’s Report”). The District anticipates the construction of all or a portion of the Series 2023 Assessment Area Capital Improvement Plan benefit property owners within Series 2023 Assessment Area of the District.

1.1 Purpose

This Supplemental Assessment Methodology for Series 2023 Assessment Area (the “Assessment Report”) supplements the Master Assessment Methodology dated September 2, 2021 (the “Master Assessment Methodology”). This Assessment Report provides for an assessment methodology that allocates the debt to be incurred by the District to benefiting properties within the Series 2023 Assessment Area of the District. This Assessment Report allocates the debt to properties based on the special benefits each receives from the Series 2023 Assessment Area Capital Improvement Plan. This Assessment Report may be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of each series of Bonds issued to finance all or a portion of the Series 2023 Assessment Area Capital Improvement Plan. This Assessment Report is designed to conform to the requirements of Chapters 190 and 170, Florida Statutes, with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to levy, impose and collect non ad valorem special assessments (“Special Assessments”) on the benefited lands within the Series 2023 Assessment Area of the District securing repayment of the Bonds based on this Assessment Report. It is anticipated that all of the proposed Special Assessments will be collected through the Uniform Method of Collection described in Section 197.3632, Florida Statutes or any other legal means available to the District. It is not the intent of this Assessment Report to address any other assessments, if applicable, that may be levied by the District including those for maintenance and operation of the Bonds, a homeowner’s association, or any other unit of government.

1.2 Background

The District currently includes approximately 103.73 gross developable acres within Haines City, Florida. The development program for the Series 2023 Assessment Area of the District currently envisions approximately 330 residential units. The proposed development program is depicted in Table 1. It is recognized that such development plan may change, and this Assessment Report will be modified or supplemented accordingly.

The Series 2023 Assessment Area Capital Improvement Plan contemplated by the District in the Capital Improvement Plan will provide facilities that benefit certain property within the District. Specifically, the District will construct and/or acquire certain offsite improvements, stormwater management facilities, mass grading and master systems, utility facilities, roadways, entry features, and park and amenity features. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements that may be provided by the District and the costs to implement the Series 2023 Capital Improvement Plan.
2. The District Engineer determines the assessable acres that benefit from the District's Series 2023 Capital Improvement Plan.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the Series 2023 Capital Improvement Plan.
4. This amount is initially divided equally among the benefited properties on a prorated assessable acreage basis. Ultimately, as land is platted, this amount will be assigned to each of the benefited properties based on the number and type of platted units.

1.3 Special Benefits and General Benefits

The Series 2023 Capital Improvement Plan undertaken by the District create special and peculiar benefits to the property, different in kind and degree, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to property within the District. The implementation of the Capital Improvement Plan enables properties within the boundaries of the Series 2023 Assessment Area of the District to be developed. Without the District's Series 2023 Capital Improvement Plan, there would be no infrastructure to support development of land within the Series 2023 Assessment Area of the District. Without these improvements, development of the property within District would be prohibited by law.

The general public and property owners outside of the Series 2023 Assessment Area of the District may benefit from the provision of the Series 2023 Capital Improvement Plan. However, any such benefit will be incidental for the purpose of the Series 2023 Capital Improvement Plan, which is designed solely to meet the needs of property within the Series 2023 Assessment Area of the District. Properties outside of the Series 2023 Assessment Area of the District boundaries do not depend upon the District's Series 2023 Capital Improvement Plan. The property owners within the Series 2023 Assessment Area of the District are therefore receiving special benefits not received by the general public and those outside of the Series 2023 Assessment Area of the District's boundaries.

1.4 Requirements of a Valid Assessment Methodology

There are two requirements under Florida law for a valid special assessment:

- 1) The properties must receive a special benefit from the Capital Improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated or apportioned to the properties being assessed based on the special benefit such properties receive.

Florida law provides for a wide application of special assessments that meet these two characteristics of special assessments.

1.5 Special Benefits Will Equal or Exceed the Costs Allocated

The special benefits provided to the property within the Series 2023 Assessment Area of the District will be equal to or greater than the costs associated with providing these benefits. The District Engineer estimates that the District's Capital Improvement Plan that is necessary to support full development of property within the Series 2023 Assessment Area of the District will cost approximately \$21,125,000. The District's Underwriter projects that financing costs required to fund a portion of the Series 2023 Capital Improvement Plan costs, the cost of issuance of the Bonds, the funding of a debt service reserve account and capitalized interest, will be approximately \$12,500,000. Without the Series 2023 Capital Improvement Plan, the property within the Series 2023 Assessment Area of the District would not be able to be developed and occupied by future residents of the community.

2.0 Assessment Methodology

2.1 Overview

The District anticipates issuing approximately \$12,500,000 in Bonds in one or more series to fund a portion of the District's Series 2023 Capital Improvement Plan, provide

for capitalized interest, a debt service reserve account and pay cost of issuance. It is the purpose of this Assessment Report to allocate the \$12,500,000 in debt to the properties within the District benefiting from the Capital Improvement Plan. This report will be supplemented to reflect actual bond terms.

Table 1 identifies the land uses and lot sizes in the development as identified by the Developer within the Series 2023 Assessment Area of the District. The District has commissioned an Engineer's Report that includes estimated construction costs for the Capital Improvements needed to support the development; these construction costs are outlined in Table 2. The Series 2023 Capital Improvement Plan needed to support the development are described in detail in the Engineer's Report and are estimated to cost \$21,125,000. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for a portion of the Series 2023 Capital Improvement Plan and related costs was determined by the District's Underwriter to total approximately \$12,500,000. Table 3 shows the breakdown of the Bond sizing.

2.2 Allocation of Debt

Allocation of debt is a continuous process until the development plan for the District are completed. Until the platting process occurs, the Series 2023 Capital Improvement Plan funded by District Bonds benefits all acres within Series 2023 Assessment Area of the District.

The initial assessments will be levied on an equal basis to all gross acreage within Series 2023 Assessment Area of the District. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits. At this point all the lands within the Series 2023 Assessment Area of the District are benefiting from the Series 2023 Capital Improvement Plan

Once platting or the recording of a declaration of condominium of any portion of the District into individual lots or units ("Assigned Properties") has begun, the Special Assessments will be levied to the Assigned Properties based on the benefits they receive, on a first platted, first assigned basis. The "Unassigned Properties" defined as property that has not been platted or subjected to a declaration of condominium, will continue to be assessed on a per acre basis. Eventually the development plan will be completed and the debt relating to the Bonds will be allocated to the assigned properties within the Series 2023 Assessment Area of the District, which are the beneficiaries of the Series 2023 Capital Improvement Plan, as depicted in Table 5 and Table 6. If there are changes to development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. The process is outlined in Section 3.0.

The assignment of debt in this Assessment Report sets forth the process by which debt is apportioned. As mentioned herein, this Assessment Report will be supplemented from time to time.

2.3 Allocation of Benefit

The Series 2023 Capital Improvement Plan consists of offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and amenity features and professional fees along with related incidental costs. There are two product types within the planned development. The single-family 40' home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of benefit to the product type. It is important to note that the benefit derived from the the Series 2023 Capital Improvement Plan on a particular unit will exceed the cost that the unit will be paying for such benefits.

2.4 Lienability Test: Special and Peculiar Benefit to the Property

Construction and/or acquisition by the District of its proposed the Series 2023 Capital Improvement Plan will provide several types of systems, facilities and services for its residents. These include offsite improvements, stormwater management facilities, mass grading and master systems, utility facilities, roadways, entry features, and park and amenity features. The benefit from the Series 2023 Capital Improvement Plan accrues in differing amounts and are somewhat dependent on the product type receiving the special benefits peculiar to that property type, which flow from the logical relationship of the Series 2023 Capital Improvement Plan to the assigned properties.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties because of their logical connection from the the Series 2023 Capital Improvement Plan actually provided.

For the provision of the Capital Improvement Plan, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual Special Assessment levied for the Improvement as allocated.

2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments

A reasonable estimate of the proportion of special and peculiar benefits received from the public improvements described in the the Series 2023 Capital Improvement Plan is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type). This is also shown on Table 7 depicting Allocation of Par Debt per Product Type.

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of the the Series 2023 Capital Improvement Plan have been apportioned to the property within the Series 2023 Assessment Area of the District according to reasonable estimates of the special and peculiar benefits provided consistent with the product type of assignable properties.

Accordingly, no acre or parcel of property within the boundaries of the Series 2023 Assessment Area of the District will have a lien for the payment of any Special Assessment more than the determined special benefit particular to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for each product type (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated assigned properties are built and sold as planned, and the entire proposed the Series 2023 Capital Improvement Plan is constructed.

3.0 True Up Mechanism

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is approved, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein ("Assigned Property"). In addition, the District must also prevent any buildup of debt on property or land that could be fully conveyed and/or platted without all of the debt being allocated ("Unassigned Property"). To preclude this, when platting for 25%, 50%, 75% and 100% of the units planned for platting has occurred within the District, the District will determine the amount of anticipated Bond Special Assessment revenue that remains on the Unassigned Properties, taking into account the full development plan of the District. If the total anticipated Bond Special Assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual

debt service then no debt reduction or true-up payment is required. In the case that the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

If a true-up payment is made less than 45 days prior to an interest payment date, the amount of accrued interest will be calculated to the next succeeding interest payment date.

4.0 Assessment Roll

The District will initially distribute the Special Assessments across the property within the Series 2023 Assessment Area of the District boundaries on a gross acreage basis. As Assigned Properties become known with certainty, the District will refine its allocation of debt from a per acre basis to a per unit basis as shown in Table 6. If the land use plan or product type changes, then the District will update Table 6 to reflect the changes as part of the foregoing true-up process. As a result, the assessment liens are not finalized with certainty on any acre of land in the District prior to the time final Assigned Properties become known. The preliminary assessment roll is attached as Table 7.

<p>TABLE 1</p> <p>SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT</p> <p>DEVELOPMENT PROGRAM</p> <p>SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2023 ASSESSMENT AREA</p>

Phase 1 Land Use*	ERUs per Unit (1)		Total ERUs
Single Family - 40'	41	1.00	41.00
Single Family - 50'	289	1.25	361.25
Total Units	330		402.25

(1) Benefit is allocated on an ERU basis; based on density of planned development, SF 40' lot at 1 ERU

* Unit mix is subject to change based on marketing and other factors

TABLE 2
 SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
 CAPITAL IMPROVEMENT PLAN COST ESTIMATES
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2023 ASSESSMENT AREA

Capital Improvement Plan ("CIP") (1)	Total Cost Estimate	
Offsite Improvements	\$	1,750,000
Stormwater Management	\$	2,200,000
Mass Grading and Master Systems	\$	3,100,000
Roadway	\$	3,250,000
Utilities (Water, Sewer, Electrical & Street Lighting)	\$	5,400,000
Landscaping & Entry Feature	\$	1,000,000
Parks and Amenities	\$	800,000
Contingencies	\$	3,625,000
	\$	21,125,000

(1) A detailed description of these improvements is provided in the Engineer's Report dated July 18, 2023.

TABLE 3 SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT BOND SIZING SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2023 ASSESSMENT AREA
--

Bond Sizing

Description		Total
Construction Funds	\$	10,425,166
Debt Service Reserve	\$	893,584
Capitalized Interest	\$	731,250
Underwriters Discount	\$	250,000
Cost of Issuance	\$	200,000
Par Amount*		\$ 12,500,000

Bond Assumptions:

Average Coupon	5.85%
Amortization	30 years
Capitalized Interest	12 months
Debt Service Reserve	Max Annual
Underwriters Discount	2%

* Par amount is subject to change based on the actual terms at the sale of the bonds

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 4
 SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
 ALLOCATION OF IMPROVEMENT COSTS
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2023 ASSESSMENT AREA

Land Use	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements Costs Per Product Type	Improvement Costs Per Unit
Single Family - 40'	41	1.00	41.00	10.19%	\$ 2,153,201	\$ 52,517
Single Family - 50'	289	1.25	361.25	89.81%	\$ 18,971,799	\$ 65,646
	<u>330</u>		<u>402.25</u>		<u>\$ 21,125,000</u>	

* Unit mix is subject to change based on marketing and other factors

TABLE 5
 SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
 ALLOCATION OF TOTAL PAR DEBT TO EACH PRODUCT TYPE
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2023 ASSESSMENT AREA

Land Use	No. of Units *	Total Improvements Costs Per Product Type	Allocation of Par Debt Per Product Type - Before Developer Contribution		Developer Contribution	Allocation of Par Debt - After Contribution		Par Per Unit
Single Family - 40'	41	\$ 2,153,201	\$	1,554,382	\$ (1,351)	\$ 1,553,030	\$	37,879
Single Family - 50'	289	\$ 18,971,799	\$	13,695,618	\$ (2,748,649)	\$ 10,946,970	\$	37,879
	330	\$ 21,125,000	\$	15,250,000	\$ (2,750,000)	\$ 12,500,000		

* Unit mix is subject to change based on marketing and other factors

TABLE 6
 SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
 PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2023 ASSESSMENT AREA

Land Use	No. of Units *	Allocation of Par Debt Per Product Type	Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit	Gross Annual Debt Assessment Per Unit (1)
Single Family - 40'	41	\$ 1,553,030	\$ 37,879	\$ 111,021	\$ 2,707.83	\$ 2,911.65
Single Family - 50'	289	\$ 10,946,970	\$ 37,879	\$ 782,563	\$ 2,707.83	\$ 2,911.65
	330	\$ 12,500,000		\$ 893,584		

(1) This amount includes estimated collection fees and early payment discounts when collected on the Polk County Tax Bill

* Unit mix is subject to change based on marketing and other factors

TABLE 7
 SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
 PRELIMINARY ASSESSMENT ROLL
 SUPPLEMENTAL ASSESSMENT METHODOLOGY FOR SERIES 2023 ASSESSMENT AREA

Owner	Property ID #'s*	Acres	Total Par Debt Allocation Per Acre	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Highland Sumner LLC	See Legal	103.73	\$ 120,505	\$ 12,500,000	\$ 893,584	\$ 960,843
Totals		103.73		\$ 12,500,000	\$ 893,584	\$ 960,843

Annual Assessment Periods	30
Projected Bond Rate (%)	5.85%
Maximum Annual Debt Service	\$893,584

(1) This amount includes estimated collection fees and early payment discounts when collected on the Polk County Tax Bill

Prepared by: Governmental Management Services - Central Florida, LLC

LEGAL DESCRIPTION

LEGAL DESCRIPTION:

A PORTION OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 89°43'08" WEST ALONG THE NORTH LINE OF THE NORTHWEST 1/4 FOR A DISTANCE OF 43.74 FEET; THENCE DEPARTING SAID NORTH LINE RUN SOUTH 00°13'50" EAST FOR A DISTANCE OF 22.16 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00°33'34" EAST ALONG THE WEST RIGHT OF WAY LINE OF STATE ROAD 17, ALSO KNOWN AS SCENIC HIGHWAY, AS RECORDED IN OFFICIAL RECORDS BOOK 646, PAGE 443, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, FOR A DISTANCE OF 644.11 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°59'05" EAST ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 705.84 FEET TO THE NORTH EAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN SOUTH 00°36'22" EAST ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 667.03 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN NORTH 89°55'13" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 689.39 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8); THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 1318.91 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF HUGHES ROAD, AS RECORDED IN MAP BOOK 9, PAGE 12 THROUGH 30, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID NORTH RIGHT OF WAY LINE: NORTH 89°27'06" WEST, 126.48 FEET; NORTH 88°35'32" WEST, 100.01 FEET; NORTH 88°52'43" WEST, 100.00 FEET; NORTH 89°27'06" WEST, 100.00 FEET; NORTH 89°23'39" WEST, 100.00 FEET; NORTH 89°37'24" WEST, 100.00 FEET; NORTH 00°39'47" EAST, 3.50 FEET; SOUTH 89°58'32" WEST, 200.01 FEET; SOUTH 89°31'02" WEST, 100.02 FEET; NORTH 89°20'13" WEST, 100.00 FEET; NORTH 89°54'36" WEST, 200.01 FEET; SOUTH 00°39'47" WEST, 5.00 FEET; THENCE RUN NORTH 89°20'13" WEST FOR A DISTANCE OF 29.89 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF PALMER OY ROAD, AS RECORDED IN MAP BOOK 8, PAGE 99 THROUGH 100, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID EAST RIGHT OF WAY LINE: NORTH 23°51'25" WEST, 44.92 FEET; NORTH 05°21'16" WEST, 49.28 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°29'16" WEST FOR A DISTANCE OF 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; NORTH 01°38'01" WEST, 200.04 FEET; NORTH 00°39'29" EAST, 100.02 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; THENCE RUN NORTH 00°29'16" WEST, 20.16 FEET TO A POINT ON THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°57'35" WEST ALONG SAID SOUTH LINE AND THE SOUTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 1029.22 FEET TO THE SOUTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°32'44" WEST ALONG THE WEST LINE OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 661.46 FEET TO THE NORTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°50'22" EAST ALONG THE NORTH LINE OF

(CONTINUED ON SHEET 2)

SHEET 1 OF 7

SECTS 9, T28S, R27E

EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



DATE: 7/3/2023

LEGAL DESCRIPTION

(CONTINUED FROM SHEET 1)

THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 333.31 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°33'19" WEST ALONG THE WEST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 662.16 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°43'08" EAST ALONG THE NORTH LINE OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 666.38 FEET TO THE NORTHEAST CORNER OF THE SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 00°34'31" EAST ALONG THE EAST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 31.81 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF FLOYD ROAD, AS RECORDED IN MAP BOOK 8, PAGE 106, AFORESAID PUBLIC RECORDS; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: NORTH 86°38'31" EAST, 37.56 FEET; NORTH 86°38'21" EAST, 16.64 FEET; NORTH 87°32'49" EAST, 100.02 FEET; NORTH 89°15'56" EAST, 300.01 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 89°50'19" EAST, 100.02 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 88°07'11" EAST, 100.00 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; NORTH 89°50'19" EAST, 100.02 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; SOUTH 89°01'00" EAST, 100.08 FEET; THENCE RUN SOUTH 89°01'55" EAST A DISTANCE OF 34.67 FEET TO THE POINT OF BEGINNING.

LESS OUT:

THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, LYING EAST OF SCENIC HIGHWAY (STATE ROAD 17) ACCORDING TO THE STATE OF FLORIDA STATE ROAD DEPARTMENT RIGHT OF WAY MAP, PROJ. 5209-RD.(8), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, RUN THENCE ALONG THE WEST BOUNDARY OF SAID NORTHEAST 1/4, S.00°36'53"E., A DISTANCE OF 1332.66 FEET TO THE SOUTH BOUNDARY OF AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, S.89°55'02"E., A DISTANCE OF 36.65 FEET TO THE EASTERLY RIGHT OF WAY OF SAID SCENIC HIGHWAY (STATE ROAD 17) FOR A **POINT OF BEGINNING**; THENCE ALONG SAID EASTERLY RIGHT OF WAY, N.00°36'33"W., A DISTANCE OF 666.37 FEET TO THE NORTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID NORTH BOUNDARY, S.89°58'33"E., A DISTANCE OF 624.63 FEET TO THE EASTERLY BOUNDARY THEREOF; THENCE ALONG SAID EASTERLY BOUNDARY, S.00°36'20"E., A DISTANCE OF 667.01 FEET TO AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, N.89°55'02"W., A DISTANCE OF 624.59 FEET TO THE **POINT OF BEGINNING**.

ALTOGETHER CONTAINING 103.731 ACRES, MORE OR LESS.

SHEET 2 OF 7

SECTS 9, T28S, R27E

EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



DATE: 7/3/2023

SECTION VI

RESOLUTION 2023-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF ITS SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2023 (THE "SERIES 2023 BONDS"); DETERMINING CERTAIN DETAILS OF THE SERIES 2023 BONDS AND ESTABLISHING CERTAIN PARAMETERS FOR THE SALE THEREOF; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2023 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT WITH RESPECT TO THE SERIES 2023 BONDS AND AWARDED THE SERIES 2023 BONDS TO THE UNDERWRITER NAMED THEREIN; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2023 BONDS AND ITS USE BY THE UNDERWRITER IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2023 BONDS; APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2023 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; PROVIDING FOR THE APPLICATION OF THE SERIES 2023 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2023 BONDS; MAKING CERTAIN DECLARATIONS; REPEALING RESOLUTION NO. 2022-11 ADOPTED AUGUST 17, 2022; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.

WHEREAS, Scenic Terrace North Community Development District (the "District") is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act") and created pursuant to Ordinance No. 21-1741 enacted by the City Commission of the City of Haines City, Florida (the "City Commission"), which became effective on August 19, 2021, as amended by Ordinance No. 23-2042 enacted by the City Commission, which became effective on June 1, 2023; and

WHEREAS, pursuant to the Act and Resolution No. 2021-26 duly adopted by the Board of Supervisors on September 2, 2021 (the "Bond Resolution"), the Board of Supervisors has approved the form of a Master Trust Indenture (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, as Trustee (the "Trustee"); and

WHEREAS, on September 2, 2021, the District approved a Master Assessment Methodology dated September 2, 2021, as supplemented by the Supplemental Assessment Methodology for Series 2023 Assessment Area dated July 19, 2023 and approved by the Board on July 19, 2023 (collectively, the "Assessment Methodology"), each prepared by the District's Methodology Consultant, Governmental Management Services – Central Florida, LLC, setting forth the District's methodology for allocating debt to property within the District; and

WHEREAS, the District duly adopted Resolution No. 2021-27 on September 2, 2021, declaring the levy and collection of special assessments (the "Special Assessments") pursuant to the Act and Chapter 170, Florida Statutes, indicating the location, nature and estimated cost of the improvements which cost is to be defrayed by the Special Assessments, providing the manner in which the Special Assessments will be made, designating the benefited lands upon which the Special Assessments will be levied, authorizing the preparation of a preliminary assessment roll and fixing the time and place of a public hearing; and

WHEREAS, the District duly adopted Resolution No. 2021-28 on September 2, 2021 setting a public hearing to be held on October 20, 2021, for the purpose of hearing public comment on imposing the Special Assessments; and

WHEREAS, the District determined the development will be constructed in two phases, and plans to undertake construction of the residential development and to provide public infrastructure for 330 residential lots, as described more particularly in the Scenic Terrace North Community Development District Engineer's Report dated July 18, 2023, approved by the Board on July 19, 2023, , and prepared by Dewberry Engineers, Inc., as summarized in Schedule I, attached hereto; and

WHEREAS, on August 17, 2022, the Board adopted Resolution No. 2022-11 (the "Prior Resolution") authorizing the issuance of not exceeding \$16,000,000 aggregate principal amount of the District's special assessment Bonds to provide for the costs of the infrastructure for 330 residential lots within the District; and

WHEREAS, as a result of certain unforeseen delays including the removal of a certain parcel of land from the District reducing the overall acreage by approximately 9.559 acres, as well as increases to costs of construction and financing from the approximately 11 month delay, the provisions of the documents approved pursuant to the Prior Resolution no longer accurately reflect the proposed financing; and

WHEREAS, the Board hereby wishes to repeal the Prior Resolution and authorize the issuance of its Series 2023 Bonds (as defined herein); and

WHEREAS, the District has determined to issue its Scenic Terrace North Community Development District Special Assessment Bonds, Series 2023 (the "Series 2023 Bonds") for the primary purpose of providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2023 Project; and

WHEREAS, the District obtained a final judgment in the Tenth Judicial Circuit Court in and for Hardee, Highlands and Polk Counties, Florida entered on January 28, 2022, with an

appeals period following, validating Bonds to be issued under the Indenture (as defined herein); and

WHEREAS, the Series 2023 Bonds will be secured by the Special Assessments levied and imposed on assessable land within the District in accordance with the Assessment Methodology; and

WHEREAS, there has been submitted to this meeting with respect to the issuance and sale of the Series 2023 Bonds and submitted to the Board:

- (i) a form of First Supplemental Trust Indenture between the Trustee and the District attached hereto as Exhibit A (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture");
- (ii) a form of Bond Purchase Contract with respect to the Series 2023 Bonds between FMSbonds, Inc. (the "Underwriter") and the District attached hereto as Exhibit B (the "Bond Purchase Contract"), together with the form of a disclosure statement attached to the Bond Purchase Contract in accordance with Section 218.385, Florida Statutes;
- (iii) a form of Preliminary Limited Offering Memorandum relating to the Series 2023 Bonds, attached hereto as Exhibit C (the "Preliminary Limited Offering Memorandum");
- (iv) a form of Rule 15c2-12 Certificate of the District relating to the Preliminary Limited Offering Memorandum, attached hereto as Exhibit D (the "Rule 15c2-12 Certificate"); and
- (v) a form of the Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") to be entered into among the District, the dissemination agent named therein (the "Dissemination Agent"), and any landowner constituting an "Obligated Person" under the terms of the Continuing Disclosure Agreement, attached hereto as Exhibit E;

WHEREAS, any capitalized term used herein and not otherwise expressly defined herein shall have the meaning ascribed thereto in the Indenture; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Scenic Terrace North Community Development District, as follows:

Section 1. Authorization of Issuance of Series 2023 Bonds. There are hereby authorized and directed to be issued: the Scenic Terrace North Community Development District Special Assessment Bonds, Series 2023 (the "Series 2023 Bonds") in an aggregate principal amount not to exceed \$16,000,000, for the purposes of (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2023 Project, (ii) making a deposit to the Series 2023 Reserve Account in an amount equal to the Series 2023 Reserve Requirement, (iii) paying a portion of the interest coming due

on the Series 2023 Bonds, and (iv) paying certain costs of issuance in respect of the Series 2023 Bonds. The Series 2023 Bonds shall be issued under and secured by the Indenture, the form of which by reference is hereby incorporated by reference into this resolution as if set forth in full herein.

Section 2. Details of the Series 2023 Bonds. The District hereby determines that the Series 2023 Bonds shall mature in the amounts and at the times, shall bear interest at the rates, be redeemable at the redemption prices and in the manner as determined by the Chairperson of the Board of Supervisors (the "Chairperson") or any member of the Board of Supervisors designated by the Chairperson (a "Designated Member"), prior to the sale of said Series 2023 Bonds, all in a manner consistent with the requirements of the Bond Resolution and within the parameters set forth in Section 5 hereof.

Section 3. First Supplemental Indenture. The District hereby approves and authorizes the execution of the First Supplemental Indenture by the Chairperson or any Designated Member and the Secretary or any Assistant Secretary of the Board of Supervisors (the "Secretary") and the delivery of the First Supplemental Indenture in substantially the form thereof attached hereto as Exhibit A, with such changes therein as shall be approved by the Chairperson or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of First Supplemental Indenture attached hereto.

Section 4. Negotiated Sale. The Series 2023 Bonds shall be sold by a negotiated sale to the Underwriter. It is hereby determined by the District that a negotiated sale of the Series 2023 Bonds to the Underwriter will best effectuate the purposes of the Act, is in the best interests of the District and is necessitated by, in general, the characteristics of the issues and prevailing market conditions and specifically, the following additional reasons:

(i) because of the complexity of the financing structure of the Series 2023 Bonds, including the pledge of Special Assessments as security for the Series 2023 Bonds, it is desirable to sell the Series 2023 Bonds pursuant to a negotiated sale so as to have an underwriter involved from the outset of the financing to assist in these matters;

(ii) because of changing market conditions for tax-exempt bonds and the necessity of being able to adjust the terms of the Series 2023 Bonds, it is in the best interests of the District to sell the Series 2023 Bonds by a negotiated sale;

(iii) the Underwriter has participated in structuring the issuance of the Series 2023 Bonds and can assist the District in attempting to obtain the most attractive financing for the District;

(iv) the Series 2023 Bonds do not bear a credit rating and will be offered initially only to accredited investors within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder; and

(v) the District will not be adversely affected if the Series 2023 Bonds are not sold pursuant to a competitive sale.

Section 5. Bond Purchase Contract. The District hereby approves the form of the Bond Purchase Contract submitted by the Underwriter and attached hereto as Exhibit B, and the sale of the Series 2023 Bonds by the District upon the terms and conditions set forth in the Bond Purchase Contract is hereby approved. The Chairperson or a Designated Member are each hereby authorized, acting individually, to execute the Bond Purchase Contract and to deliver the Bond Purchase Contract to the Underwriter. The Bond Purchase Contract shall be in substantially the form of the Bond Purchase Contract attached hereto as Exhibit B with such changes, amendments, modifications, omissions and additions as may be approved by the Chairperson or the Designated Member; provided, however,

(i) If the Series 2023 Bonds are subject to optional redemption, which determination will be made on or before the sale date of the Series 2023 Bonds, the first optional call date and the redemption price shall be determined on or before the Bond Purchase Contract is executed;

(ii) The interest rate on the Series 2023 Bonds shall not exceed an average net interest cost rate, which shall be computed by adding 300 basis points to The Bond Buyer "20 Bond Index" published immediately preceding the first day of the calendar month in which the bonds are sold, as provided in Section 215.84(3), Florida Statutes, as amended;

(iii) The aggregate principal amount of the Series 2023 Bonds shall not exceed \$16,000,000;

(iv) The Series 2023 Bonds shall have a final maturity not later than the maximum term allowed by Florida law, which is currently thirty (30) years of principal amortization; and

(v) The price at which the Series 2023 Bonds shall be sold to the Underwriter shall not be less than 98.0% of the aggregate face amount of the Series 2023 Bonds, exclusive of original issue discount.

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

Section 6. Preliminary Limited Offering Memorandum; Final Limited Offering Memorandum. The District hereby approves the form of the Preliminary Limited Offering Memorandum submitted to this meeting and attached hereto as Exhibit C and authorizes its distribution and use in connection with the limited offering for sale of the Series 2023 Bonds. The preparation of a final Limited Offering Memorandum relating to the Series 2023 Bonds (the "Limited Offering Memorandum") is hereby approved and the Chairperson or any Designated Member is hereby authorized to execute such final Limited Offering Memorandum to be dated the date of the award of the Series 2023 Bonds and, upon such award, to deliver the same to the Underwriter for use by it in connection with the sale and distribution of the Series 2023 Bonds. The Limited Offering Memorandum shall be substantially in the form of the Preliminary Limited Offering Memorandum attached hereto as Exhibit C, with such changes as shall be approved by the Chairperson or Designated Member as necessary to conform the details of the Series 2023 Bonds and such other insertions, modifications and changes as may be approved by the Chairperson or Designated Member. The execution and delivery of the Limited Offering

Memorandum by the Chairperson or Designated Member shall constitute evidence of the approval thereof. The District hereby authorizes the use of the Limited Offering Memorandum and the information contained therein in connection with the offering and sale of the Series 2023 Bonds. The Chairperson is further authorized to deem the Preliminary Limited Offering Memorandum "final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, in the form as mailed, and in furtherance thereof to execute the Rule 15c2-12 Certificate evidencing the same substantially in the forms attached hereto as Exhibit D.

Section 7. Continuing Disclosure. The District hereby authorizes and approves the execution and delivery of the Continuing Disclosure Agreement by and among the District, the Dissemination Agent and any landowner constituting an "Obligated Person" under the Continuing Disclosure Agreement, by the Chairperson or a Designated Member substantially in the form presented to this meeting and attached hereto as Exhibit E, with such changes therein as shall be approved by the Chairperson or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of Continuing Disclosure Agreement attached hereto. The Continuing Disclosure Agreement is being executed by the District in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) promulgated by the U.S. Securities and Exchange Commission.

Section 8. Application of Bond Proceeds. The proceeds of the Series 2023 Bonds shall be applied in the manner required in the First Supplemental Indenture.

Section 9. Further Official Action; Ratification of Prior and Subsequent Acts. The Chairperson, the Secretary and each member of the Board of Supervisors of the District and any other proper official of the District are each hereby authorized and directed to execute and deliver any and all documents and instruments (including, without limitation, any documents required by the Trustee to evidence its rights and obligations with respect to the Series 2023 Bonds, any documents required in connection with implementation of a book-entry system of registration, and investment agreements relating to the investment of the proceeds of the Series 2023 Bonds and any agreements in connection with maintaining the exclusion of interest on the Series 2023 Bonds from gross income of the holders thereof) and to do and cause to be done any and all acts and things necessary or desirable for carrying out the transactions contemplated by this Resolution. In the event that the 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. The Secretary or any Assistant Secretary is hereby authorized and directed to apply and attest the official seal of the District to any agreement or instrument authorized or approved herein that requires such a seal and attestation. The Chairperson or any Designated Member may, among other things, change the date of any document accompanying this Resolution as an exhibit. Execution by the Chairperson or a Designated Member of such document shall be deemed to be conclusive evidence of approval of such change of date. All of the acts and doings of such members of the Board, the officers of the District, and the agents and employees of the District, which are in conformity with the intent and purposes of this

Resolution and the issuance of the Series 2023 Bonds, whether heretofore, subject to Section 12 herein, or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 10. 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 11. Inconsistent Proceedings. All resolutions or proceedings, or parts thereof, in conflict with the provisions hereof are to the extent of such conflict hereby repealed or amended to the extent of such inconsistency.

Section 12. Repeal Prior Resolution. The Prior Resolution is hereby repealed in its entirety and replaced by the provisions of this Resolution.

Section 13. Public Meetings. It is hereby found and determined that all formal actions of the District concerning and relating to the adoption of this Resolution and the consummation of the transactions contemplated by this Resolution were adopted in open meetings of the District, and that all deliberations of the District that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE
FOLLOWS]

PASSED in Public Session of the Board of Supervisors of Scenic Terrace North Community Development District, this 19th day of July, 2023.

**SCENIC TERRACE NORTH COMMUNITY
DEVELOPMENT DISTRICT**

Attest:

Secretary,
Board of Supervisors

Chairperson, Board of Supervisors

SCHEDULE I

DESCRIPTION OF SERIES 2023 PROJECT

The Series 2023 Project includes, but is not limited to, the following improvements:

	TOTALS
Infrastructure ¹⁻¹¹	
Number of LOTS	330
Offsite Improvements	\$1,750,000.00
Stormwater Management ^{3,6}	\$2,200,000.00
Mass Grading and Master Stormwater Drainage ^{2,3}	\$3,100,000.00
Roadway - Curb, Paving and Drainage ⁴	\$3,250,000.00
Utilities (Water, Sewer, & Reuse)	\$4,600,000.00
Water	\$1,600,000.00
Reuse	\$900,000.00
Wastewater Systems	\$2,100,000.00
Electrical	\$800,000.00
Electrical Distribution (Incremental cost of undergrounding)	
Landscaping & Entry Feature ⁸	\$1,000,000.00
Parks and Amenities	\$800,000.00
SUBTOTAL CONSTRUCTION	\$17,500,000.00
General Consulting (Engr & Legal) @ 10% ⁵	\$2,000,000.00
Subtotal	\$19,500,000.00
Contingency @ 15%	\$2,625,000.00
Grand Total	\$22,125,000.00

Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another government entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2023 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and buffer fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the streetlight poles and lighting service. Includes only the incremental cost of undergrounding.
10. Estimates based on 330 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

Source: Scenic Terrace North Community Development District Engineer's Report dated July 18, 2023, prepared by Dewberry Engineers, Inc.

EXHIBIT A

FORM OF FIRST SUPPLEMENTAL TRUST INDENTURE

FIRST SUPPLEMENTAL TRUST INDENTURE

between

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
(CITY OF HAINES CITY, FLORIDA)**

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

as Trustee

Dated as of [August] 1, 2023

**Authorizing and Securing
\$ _____
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT BONDS, SERIES 2023**

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THIS FIRST SUPPLEMENTAL TRUST INDENTURE (the "First Supplemental Trust Indenture"), dated as of [August] 1, 2023, between the **SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT** (together with its successors and assigns, the "Issuer" or the "District"), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and **U.S. BANK TRUST COMPANY, 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 (said national banking association and any bank or trust company becoming successor trustee under this First Supplemental Trust 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 Ordinance No. 21-1741 enacted by the City Commission of the City of Haines City, Florida (the "City Commission"), which became effective on August 19, 2021, as amended by Ordinance No. 23-2042 enacted by the City Commission, which became effective on June 1, 2023, for the purposes of delivering community development services and facilities to property to be served by the District (as defined below); and

WHEREAS, the premises governed by the Issuer (the "District Lands") (as further described in Exhibit A attached to the Master Indenture (as defined herein)) currently consist of approximately 103.731 gross acres of land located within the City of Haines City, Florida (the "City") and planned for 330 units; 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 the acquisition and/or construction of public infrastructure improvements and community facilities for the special benefit of the District Lands to be developed in one or more phases; and

WHEREAS, the Issuer has previously adopted Resolution No. 2021-26 on September 2, 2021, authorizing the issuance of not to exceed \$28,000,000 in aggregate principal amount of its Special Assessment Bonds (the "Bonds") to finance all or a portion of the planning, financing, construction, and acquisition 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 the Master Indenture; and

WHEREAS, Highland Sumner, LLC, a Florida limited liability company, is the owner of the lands (the "Series 2023 Landowner") planned for 330 single-family residential units (the "Series 2023 Assessment Area") and associated infrastructure; and

WHEREAS, the Series 2023 Landowner will construct or cause the Issuer to construct all or a portion of the public infrastructure necessary to serve the Series 2023 Assessment Area

(such public infrastructure as described on Exhibit A attached hereto and collectively referred to as the "Series 2023 Project"); and

WHEREAS, the Issuer has determined to issue its first Series of Bonds, as authorized by Resolution No. 2023-[04] duly adopted by the Board on July [19], 2023, and designated as the Scenic Terrace North Community Development District Special Assessment Bonds, Series 2023 (the "Series 2023 Bonds"), pursuant to that certain Master Indenture and this First Supplemental Trust Indenture (hereinafter sometimes collectively referred to as the "Series 2023 Indenture"); and

WHEREAS, in the manner provided herein, the net proceeds of the Series 2023 Bonds will be used for the purposes of (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2023 Project, (ii) funding a deposit to the Series 2023 Reserve Account in the amount of the Series 2023 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2023 Bonds, and (iv) paying the costs of issuance of the Series 2023 Bonds; and

WHEREAS, the Series 2023 Bonds will be secured by a pledge of Series 2023 Pledged Revenues (as herein defined) to the extent provided herein.

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL TRUST INDENTURE WITNESSETH, that to provide for the issuance of the Series 2023 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 2023 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2023 Bonds by the Holders 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 Trust Company, 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 2023 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 2023 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, to the extent the same may be lawfully granted, 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 Series 2023 Indenture with respect to the Series 2023 Bonds.

IN TRUST NEVERTHELESS, for the equal and ratable benefit and security of all present and future Holders of the Series 2023 Bonds issued and to be issued under this First Supplemental Trust Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this First Supplemental Trust Indenture) of any one Series 2023 Bond over any other Series 2023 Bond, all as provided in the Series 2023 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 2023 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 2023 Bonds and the Series 2023 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 Series 2023 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 Trust Indenture and the rights hereby granted shall cease and terminate, otherwise this First Supplemental Trust Indenture to be and remain in full force and effect.

ARTICLE I DEFINITIONS

In this First Supplemental Trust 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 Agreement by and between the District and the Series 2023 Landowner regarding the acquisition of certain work product, improvements and real property, dated _____, 2023.

"Arbitrage Certificate" shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants, of the Issuer, dated _____, 2023, relating to certain restrictions on arbitrage under the Code with respect to the Series 2023 Bonds.

"Assessment Resolutions" shall mean Resolution No. 2021-27, 2021-28, 2022-03 and 2023-____ of the Issuer adopted on September 2, 2021, September 2, 2021, October 20, 2021 and _____, 2023, respectively, as amended and supplemented from time to time.

"Authorized Denomination" shall mean, with respect to the Series 2023 Bonds, on the date of issuance in the denominations of \$5,000 and any integral multiple thereof; provided, however, if any initial Beneficial Owner (as defined in the Master Indenture) does not purchase at least \$100,000 of the Series 2023 Bonds at the time of initial delivery of the Series 2023 Bonds, such Beneficial Owner must either execute and deliver to the Issuer and the Underwriter on the date of delivery of the Series 2023 Bonds the investor letter 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.

"Collateral Assignment" shall mean the agreement wherein certain rights and material documents necessary to complete the development planned by the Series 2023 Landowner on the District Lands are collaterally assigned to the District as security for the Series 2023 Landowner's obligation to pay the Series 2023 Special Assessments imposed against such lands

which are within the Series 2023 Assessment Area subject to the Series 2023 Special Assessments and owned by the Series 2023 Landowner from time to time.

"Completion Agreement" shall mean the Agreement between the District and the Series 2023 Landowner regarding the completion of certain improvements, dated _____, 2023.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Series 2023 Bonds, dated _____, 2023, by and among the Issuer, the dissemination agent named therein, and the Series 2023 Landowner, in connection with the issuance of the Series 2023 Bonds.

"Declaration of Consent" shall mean the certain instrument executed by the Series 2023 Landowner declaring consent to the jurisdiction of the District and the imposition of the Series 2023 Special Assessments.

"District Manager" shall mean Governmental Management Services – Central Florida, LLC, and its successors and assigns.

"Electronic Means" shall mean telecopy, facsimile transmission, email transmission or other similar electronic means of communicating providing evidence of transmission.

"Engineer's Report" shall mean the Scenic Terrace North Community Development District Engineer's Report dated July 18, 2023.

"Interest Payment Date" shall mean May 1 and November 1 of each year, commencing November 1, 2023.

"Majority Holders" means the Beneficial Owners of more than fifty percent (50%) in aggregate principal amount of the Outstanding Series 2023 Bonds.

"Master Indenture" shall mean the Master Trust Indenture, dated as of [August] 1, 2023, 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 2023 Bonds (as opposed to supplements or amendments relating to any Series of Bonds other than the Series 2023 Bonds as specifically defined in this First Supplemental Trust Indenture).

"Paying Agent" shall mean U.S. Bank Trust Company, National Association, and its successors and assigns as Paying Agent hereunder.

"Prepayment" shall mean the payment by any owner of property of the amount of Series 2023 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 2023 Special Assessments. "Prepayments" shall include, without limitation, Series 2023 Prepayment Principal.

"Quarterly Redemption Date" shall mean each February 1, May 1, August 1, and November 1 of any calendar year.

"Redemption Price" shall mean the principal amount of any Series 2023 Bond plus the applicable premium, if any payable upon redemption thereof pursuant to this First Supplemental Trust Indenture.

"Registrar" shall mean U.S. Bank Trust Company, National Association and its successors and assigns as Registrar hereunder.

"Regular Record Date" shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date or the date on which the principal of the Series 2023 Bonds are to be paid.

"Reserve Release Conditions #1" shall mean collectively (i) all lots subject to the Series 2023 Special Assessments have been developed, platted and conveyed to homebuilders, as certified by the District Manager in writing and upon which the Trustee may conclusively rely, and (ii) there shall be no Events of Default under the Series 2023 Indenture, all as certified by the District Manager in writing and upon which the Trustee may conclusively rely.

"Reserve Release Conditions #2" shall mean collectively (i) satisfaction of Reserve Release Conditions #1, (ii) all homes subject to the Series 2023 Special Assessments have been built and have received a certificate of occupancy, (iii) all of the outstanding principal portion of the Series 2023 Special Assessments has been assigned to such homes and (iv) there shall be no Events of Default under the Series 2023 Indenture, all as certified by the District Manager in writing and upon which the Trustee may conclusively rely.

"Resolution" shall mean, collectively, (i) Resolution No. 2021-26 of the Issuer adopted on September 2, 2021, pursuant to which the Issuer authorized the issuance of not exceeding \$28,000,000 aggregate principal amount of its Bonds to finance the construction and/or acquisition of certain public infrastructure improvements for the special benefit of the District Lands, including the Series 2023 Project, and (ii) Resolution No. 2023-[04] of the Issuer adopted on July [19], 2023, pursuant to which the Issuer authorized, among other things, the issuance of the Series 2023 Bonds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2023 Project, specifying the details of the Series 2023 Bonds and awarding the Series 2023 Bonds to the purchasers of the Series 2023 Bonds.

"Series 2023 Assessment Area" shall mean the approximately 103.731 gross acres of land within the District currently planned for 330 single-family lots.

"Series 2023 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 Trust Indenture in connection with components of the Series 2023 Project.

"Series 2023 Bond Redemption Account" shall mean the Account so designated, established as a separate Account within the Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2023 Bonds" shall mean the \$_____ aggregate principal amount of Scenic Terrace North Community Development District Special Assessment Bonds, Series 2023, to be issued as fully registered Bonds in accordance with the provisions of the Master Indenture and this First Supplemental Trust Indenture, and secured and authorized by the Master Indenture and this First Supplemental Trust Indenture.

"Series 2023 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 Trust Indenture.

"Series 2023 General Redemption Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Series 2023 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2023 Indenture" shall mean collectively, the Master Indenture and this First Supplemental Trust Indenture.

"Series 2023 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 Trust Indenture.

"Series 2023 Landowner" shall mean Highland Sumner, LLC, a Florida limited liability company, and any entity or entities which succeed to all or any part of the interests and assume any or all of the responsibilities of said entities.

"Series 2023 Optional Redemption Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Series 2023 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2023 Pledged Revenues" shall mean with respect to the Series 2023 Bonds (a) all revenues received by the Issuer from Series 2023 Special Assessments levied and collected on the assessable lands within the Series 2023 Assessment Area, benefitted by the Series 2023 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2023 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Series 2023 Indenture created and established with respect to or for the benefit of the Series 2023 Bonds; provided, however, that Series 2023 Pledged Revenues shall not include (A) any moneys transferred to the Series 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2023 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 Series 2023 Indenture shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso).

"Series 2023 Prepayment Principal" shall mean the portion of a Prepayment corresponding to the principal amount of Series 2023 Special Assessments being prepaid pursuant to Section 4.05 of this First Supplemental Trust Indenture or Series 2023 Special

Assessments collected as a result of an acceleration of the Series 2023 Special Assessments pursuant to Section 170.10, Florida Statutes, if such Series 2023 Special Assessments are being collected through a direct billing method.

"Series 2023 Prepayment Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Series 2023 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2023 Project" shall mean approximately 103.731 gross acres of District Lands planned for 330 single-family residential units and associated infrastructure and described on Exhibit A attached hereto.

"Series 2023 Rebate Account" shall mean the Account so designated, established as a separate Account within the Rebate Fund pursuant to Section 4.01(j) of this First Supplemental Trust Indenture.

"Series 2023 Reserve Account" shall mean the Account so designated, established as a separate Account within the Debt Service Reserve Fund pursuant to Section 4.01(f) of this First Supplemental Trust Indenture.

"Series 2023 Reserve Requirement" or "Reserve Requirement" shall be (i) initially, an amount equal to the maximum annual debt service on the Series 2023 Bonds as calculated from time to time; (ii) upon the occurrence of the Reserve Release Conditions #1, fifty percent (50%) of the maximum annual debt service on the Series 2023 Bonds as calculated from time to time; and (iii) upon the occurrence of the Reserve Release Conditions #2, ten percent (10%) of the maximum annual debt service on the Series 2023 Bonds as calculated from time to time. Upon satisfaction of the Reserve Release Conditions #1 or Reserve Release Conditions #2, as applicable, such excess amount shall be released from the Series 2023 Reserve Account and transferred to the Series 2023 Acquisition and Construction Account in accordance with the provisions of Sections 4.01(a) and 4.01(f) hereof. For the purpose of calculating the Series 2023 Reserve Requirement, maximum annual debt service, fifty percent (50%) of the maximum annual debt service, or ten percent (10%) of the maximum annual debt service, as the case may be, shall be recalculated in connection with the extraordinary mandatory redemption described in Sections 3.01(b)(i) and 3.01(b)(iii) hereof (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the Series 2023 Reserve Account and, other than as provided in the immediately preceding sentence, transferred to the Series 2023 General Redemption Subaccount or the Series 2023 Prepayment Subaccount as applicable, in accordance with the provisions of Sections 3.01(b)(i), 3.01(b)(iii), 4.01(f), 4.01(i) and 4.05(a) hereof. Amounts on deposit in the Series 2023 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2023 Bonds be used to pay principal of and interest on the Series 2023 Bonds at that time. Initially, the Series 2023 Reserve Requirement shall be equal to \$ _____.

"Series 2023 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 Trust Indenture.

"Series 2023 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 Trust Indenture.

"Series 2023 Special Assessments" shall mean the Special Assessments levied on the assessable lands within the Series 2023 Assessment Area as a result of the Issuer's acquisition and/or construction of the Series 2023 Project, corresponding in amount to the debt service on the Series 2023 Bonds and designated as such in the methodology report relating thereto.

"Substantially Absorbed" means the date at least 90% of the principal portion of the Series 2023 Special Assessments have been assigned to residential units within the Series 2023 Assessment Area that have received certificates of occupancy. The District shall present the Trustee with a certification that the Series 2023 Special Assessments are Substantially Absorbed and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Series 2023 Special Assessments are Substantially Absorbed.

"True-Up Agreement" shall mean the Agreement dated _____, 2023, by and between the Issuer and the Series 2023 Landowner relating to the true-up of Series 2023 Special Assessments.

"Underwriter" shall mean FMSbonds, Inc., the underwriter of the Series 2023 Bonds.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the form of Series 2023 Bonds), refer to the entire Series 2023 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 2023 BONDS

SECTION 2.01. Amounts and Terms of the Series 2023 Bonds; Issue of Series 2023 Bonds. No Series 2023 Bonds may be issued under this First Supplemental Trust 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 the Series 2023 Bonds that may be issued under this First Supplemental Trust Indenture is expressly limited to \$_____. The Series 2023 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2023 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 Series 2023 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 2023 Bonds upon execution of this First Supplemental Trust 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 2023 Bonds and deliver them as specified in the request.

SECTION 2.02. Execution. The Series 2023 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

SECTION 2.03. Authentication. The Series 2023 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2023 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 2023 Bonds.

(a) The Series 2023 Bonds are being issued hereunder in order to provide funds for the purposes of (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2023 Project, (ii) funding a deposit to the Series 2023 Reserve Account in the amount of the Series 2023 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2023 Bonds and (iv) paying the costs of issuance of the Series 2023 Bonds. The Series 2023 Bonds shall be designated "Scenic Terrace North Community Development District Special Assessment Bonds, Series 2023," and shall be issued as fully registered Bonds without coupons in Authorized Denominations.

(b) The Series 2023 Bonds shall be dated as of the date of initial delivery. Interest on the Series 2023 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2023 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to November 1, 2023, 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 Trust Indenture in connection with a book-entry-only system of registration of the Series 2023 Bonds, the principal or Redemption Price of the Series 2023 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 2023 Bonds. Except as otherwise provided in Section 2.07 of this First Supplemental Trust Indenture in connection with a book-entry-only system of registration of the Series 2023 Bonds, the payment of interest on the Series 2023 Bonds shall be made on each Interest Payment Date to the Registered Owners of the Series 2023 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Registered Owner as such Registered 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 2023 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 Registered Owner in whose name the Series 2023 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 sent by Electronic Means or mailed, first-class, postage-prepaid, to each Registered 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 Registered Owner of Series 2023 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Registered 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 Registered 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 2023 Bonds.

(a) The Series 2023 Bonds will mature on May 1 in the years and in the principal amounts, and bear interest at the rates all 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>
	\$	%

(b) Interest on the Series 2023 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 2023 Bonds on the day before the default occurred.

SECTION 2.06. Disposition of Series 2023 Bond Proceeds. From the net proceeds of the Series 2023 Bonds received by the Trustee in the amount of \$_____ (par amount of \$_____, and less underwriter's discount of \$_____ which is retained by the underwriter of the Series 2023 Bonds):

(a) \$_____, which is an amount equal to the initial Series 2023 Reserve Requirement, shall be deposited in the Series 2023 Reserve Account of the Debt Service Reserve Fund;

(b) \$_____, shall be deposited into the Series 2023 Interest Account and applied to pay interest coming due on the Series 2023 Bonds through _____ 1, 20__;

(c) \$_____, shall be deposited into the Series 2023 Costs of Issuance Account of the Acquisition and Construction Fund for payment of the costs of issuing the Series 2023 Bonds; and

(d) \$_____, shall be deposited into the Series 2023 Acquisition and Construction Account of the Acquisition and Construction Fund which the Issuer shall cause to be applied only to the payment of costs of the Series 2023 Project in accordance with Section 4.01(a) hereof, Article V of the Master Indenture and the terms of the Acquisition Agreement.

SECTION 2.07. Book-Entry Form of Series 2023 Bonds. The Series 2023 Bonds shall be issued as one fully registered bond for each maturity of Series 2023 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 2023 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. The Series 2023 Bonds shall not be required to be presented for payment. 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 2023 Bonds ("Beneficial Owners").

Principal and interest on the Series 2023 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 2023 Bonds, through DTC Participants and Indirect Participants.

During the period for which Cede & Co. is Registered Owner of the Series 2023 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 2023 Bonds in the form of fully registered Series 2023 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 2023 Bonds may be exchanged for an equal aggregate principal amount of Series 2023 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 2023 Bonds, and hereby appoints U.S. Bank Trust Company, National Association, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. U.S. Bank Trust Company, 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 Trust Company, National Association as Paying Agent for the Series 2023 Bonds. U.S. Bank Trust Company, 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 2023 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2023 Bonds, all the Series 2023 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) A copy of the executed Master Indenture and an executed copy of this First Supplemental Trust Indenture;
- (c) Customary closing opinions of District Counsel and Bond Counsel;
- (d) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2023 Bonds, the Issuer will not be in default in the performance of the terms and provisions of the Master Indenture or this First Supplemental Trust Indenture;
- (e) Copies of executed investor letters in the form attached hereto as Exhibit D if such investor letter is required, as determined by the Underwriter; and
- (f) Executed copies of the Arbitrage Certificate, the True-Up Agreement, the Acquisition Agreement, Declaration of Consent, the Completion Agreement, the Continuing Disclosure Agreement and the Collateral Assignment.

Payment to the Trustee of the net proceeds of the Series 2023 Bonds shall be conclusive evidence that the foregoing conditions have been fulfilled to the satisfaction of the Issuer and the Underwriter.

[END OF ARTICLE II]

ARTICLE III REDEMPTION OF SERIES 2023 BONDS

SECTION 3.01. Redemption Dates and Prices. The Series 2023 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 2023 Bonds shall be made on the dates hereinafter required. Except as otherwise provided in this Section 3.01, if less than all the Series 2023 Bonds of a maturity are to be redeemed pursuant to an extraordinary mandatory redemption, the Trustee shall select the Series 2023 Bonds or portions of the Series 2023 Bonds to be redeemed by lot. Partial redemptions of Series 2023 Bonds shall, to the extent possible, be made in such a manner that the remaining Series 2023 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2023 Bond.

The Series 2023 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 2023 Bonds shall be made on the dates specified below. Upon any redemption of Series 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 2023 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 2023 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 2023 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 occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

(a) Optional Redemption. The Series 2023 Bonds maturing after May 1, 20__ may, at the option of the Issuer be called for redemption prior to maturity as a whole or in part, at any time, on or after May 1, 20__ (less than all Series 2023 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2023 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2023 Optional Redemption Subaccount of the Series 2023 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2023 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

(b) Extraordinary Mandatory Redemption in Whole or in Part. The Series 2023 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 2023 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2023 Prepayment Principal deposited into the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account following the payment in whole or in part of Series 2023 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of this First Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount as a result of such Prepayment and pursuant to Sections 4.01(f) and 4.05(a) of this First Supplemental Trust Indenture. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

(ii) from moneys, if any, on deposit in the Funds, Accounts and subaccounts held by the Trustee hereunder (other than the Series 2023 Rebate Fund and the Series 2023 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2023 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2023 Acquisition and Construction Account in accordance with the provisions of Section 4.01(a) hereof, not otherwise reserved to complete the Series 2023 Project and transferred to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account, together with moneys deposited therein in accordance with the provisions of Section 4.01(a) hereof, as a result of the reduction of the Series 2023 Reserve Requirement. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

(c) Mandatory Sinking Fund Redemption. The Series 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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>	<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$		\$

*

* Maturity.

The Series 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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>	<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$		\$

* Maturity.

SECTION 3.02. Notice of Redemption. When required to redeem Series 2023 Bonds under any provision of this First Supplemental Trust Indenture or directed to redeem Series 2023 Bonds by the Issuer, the Trustee shall give or cause to be given to Registered Owners of the Series 2023 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 AND ACCOUNTS;
ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS;
REMOVAL OF SERIES 2023 SPECIAL ASSESSMENT LIENS

SECTION 4.01. Establishment of Certain Funds and Accounts.

(a) The Trustee shall establish a separate account within the Acquisition and Construction Fund designated as the "Series 2023 Acquisition and Construction Account." Net proceeds of the Series 2023 Bonds shall initially be deposited into the Series 2023 Acquisition and Construction Account in the amount set forth in Section 2.06 of this First Supplemental Trust Indenture, together with any moneys subsequently transferred or deposited thereto, including moneys transferred from the Series 2023 Reserve Account after satisfaction of either the Reserve Release Conditions #1 or Reserve Release Conditions #2 as certified in writing by the District Manager and upon which the Trustee may conclusively rely, and such moneys shall be applied as set forth in this Section 4.01(a), Section 5.01 of the Master Indenture, the Acquisition Agreement and the Engineer's Report. Funds on deposit in the Series 2023 Acquisition and Construction Account shall only be requested by the Issuer to be applied to the Costs of the Series 2023 Project, subject to Section 4.01(f) herein. Upon satisfaction of the Reserve Release Conditions #1 and Reserve Release Conditions #2, the amount on deposit in the Series 2023 Reserve Account in excess of the Series 2023 Reserve Requirement, as applicable and as calculated by the District shall then be transferred by the Trustee to the Series 2023 Acquisition and Construction Account, as directed in writing to the Trustee by the District Manager, upon consultation with the Consulting Engineer, and applied as provided in this Section 4.01(a).

Following the Completion Date for the Series 2023 Project, all moneys remaining in the Series 2023 Acquisition and Construction Account that have not been requisitioned within thirty (30) days after satisfaction of the Reserve Release Conditions #2, shall be transferred to the Series 2023 General Redemption Subaccount, as directed in writing by the District Manager, on behalf of the Issuer to the Trustee to be applied as provided in Section 3.01(b)(iii). Notwithstanding the foregoing, the Series 2023 Acquisition and Construction Account shall not be closed until the Reserve Release Conditions #2 shall have occurred and the excess funds from the Series 2023 Reserve Account shall have been transferred to the Series 2023 Acquisition and Construction Account, as directed in writing to the Trustee by the District Manager, and applied in accordance with this Section 4.01(a) or as otherwise provided in Section 4.01(f) hereinbelow. The Trustee shall not be responsible for determining the amounts in the Series 2023 Acquisition and Construction Account and subaccounts allocable to the Series 2023 Project or any transfers made to such Accounts in accordance with direction from the District Manager.

The Trustee shall make no such transfers from the Series 2023 Acquisition and Construction Account to the Series 2023 General Redemption Subaccount if an Event of Default exists with respect to the Series 2023 Bonds of which the Trustee has actual knowledge as described in Section 11.06 of the Master Indenture. Except as provided in Section 5.05 and Section 3.01(b)(iii) hereof, only upon presentment to the Trustee of a properly signed requisition in substantially the form attached hereto as Exhibit C, shall the Trustee withdraw moneys from

the Series 2023 Acquisition and Construction Account or subaccounts therein. After no funds remain in the Series 2023 Acquisition and Construction Account, such Account shall be closed.

Pursuant to the Master Indenture, the Trustee shall establish a separate account within the Acquisition and Construction Fund designated as the "Series 2023 Costs of Issuance Account." Net proceeds of the Series 2023 Bonds shall be deposited into the Series 2023 Costs of Issuance Account in the amount set forth in Section 2.06 of this First Supplemental Trust 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 2023 Costs of Issuance Account to pay the costs of issuing the Series 2023 Bonds. Six months after the issuance of the Series 2023 Bonds, any moneys remaining in the Series 2023 Costs of Issuance Account in excess of the amounts requested to be disbursed by the Issuer shall be deposited into the Series 2023 Interest Account and the Series 2023 Costs of Issuance Account shall be closed. Any deficiency in the amount allocated to pay the cost of issuing the Series 2023 Bonds shall be paid from excess Series 2023 Pledged Revenues on deposit in the Series 2023 Revenue Account as provided in Section 4.02. After no funds remain therein, the Series 2023 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 2023 Revenue Account." Series 2023 Special Assessments (except for Prepayments of Series 2023 Special Assessments which shall be identified as such by the Issuer to the Trustee and deposited in the Series 2023 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2023 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 Trust Indenture. The Trustee may conclusively rely that unless expressly indicated in writing by the District as a Prepayment upon deposit thereof with the Trustee, payments of Series 2023 Special Assessments otherwise received by the Trustee are to be deposited into the Series 2023 Revenue Account.

(c) [RESERVED].

(d) Pursuant to Section 6.04 of the Master Indenture and Section 4.02 of this First Supplemental Trust Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2023 Interest Account." Moneys deposited into the Series 2023 Interest Account pursuant to Section 6.04 of the Master Indenture and Sections 2.06 and 4.02 of this First Supplemental Trust Indenture, shall be applied for the purposes provided therein and used to pay interest on the Series 2023 Bonds.

(e) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate account within the Debt Service Fund designated as the "Series 2023 Sinking Fund Account." Moneys shall be deposited into the Series 2023 Sinking Fund Account as provided in Section 6.04 of the Master Indenture and Section 4.02 of this First Supplemental Trust Indenture, and applied for the purposes provided therein and in Section 3.01(c) of this First Supplemental Trust 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 2023 Reserve

Account." Net proceeds of the Series 2023 Bonds shall be deposited into the Series 2023 Reserve Account in the amount set forth in Section 2.06 of this First Supplemental Trust Indenture, and such moneys, together with any other moneys deposited into the Series 2023 Reserve Account shall be applied for the purposes provided in the Master Indenture Section 4.01(a) and in this Section 4.01(f) and Section 4.05 of this First Supplemental Trust Indenture. Notwithstanding any provisions in the Master Indenture to the contrary, the Issuer covenants not to substitute the cash and Investment Securities on deposit in the Series 2023 Reserve Account with a Debt Service Reserve Insurance Policy or a Debt Service Reserve Letter of Credit. Except as provided in the next paragraph, all investment earnings on moneys in the Series 2023 Reserve Account shall remain on deposit therein.

On each March 15 and September 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2023 Reserve Account and transfer any excess therein above the Series 2023 Reserve Requirement for the Series 2023 Bonds caused by investment earnings to the Series 2023 Revenue Account in accordance with Section 4.02 hereof.

Subject to the provisions of Section 4.05 hereof, on any date the Issuer receives notice from the District Manager that a landowner wishes to prepay its Series 2023 Special Assessments relating to the benefited property of such landowner, 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 Series 2023 Prepayment Principal due by the amount of money in the Series 2023 Reserve Account that will be in excess of the Series 2023 Reserve Requirement for the Series 2023 Bonds, taking into account the proposed Prepayment. Such excess shall be transferred to the Series 2023 Prepayment Subaccount of the Series 2023 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 such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the respective landowner from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2023 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 any of the foregoing, amounts on deposit in the Series 2023 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holders of the Series 2023 Bonds to the Series 2023 General Redemption Subaccount, if as a result of the application of Article X of the Master Indenture, the proceeds received from lands sold subject to the Series 2023 Special Assessments and applied to redeem a portion of the Series 2023 Bonds is less than the principal amount of Series 2023 Bonds indebtedness attributable to such lands.

Notwithstanding the foregoing, upon satisfaction of the Reserve Release Conditions #2, the Trustee shall deposit such excess as directed by the District Manager in writing on deposit in the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account and pay such amount as designated in a requisition in the form attached hereto as Exhibit C to the Issuer submitted by the Series 2023 Landowner 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

Series 2023 Landowner can establish, to the satisfaction of the Consulting Engineer, Costs of the Series 2023 Project that were not paid from moneys initially deposited in the Series 2023 Acquisition and Construction Account. In the event that there are no unreimbursed Costs to pay to the Series 2023 Landowner, such excess moneys transferred from the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account shall be deposited into the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account upon direction to the Trustee by the District. If no completed requisition as provided in this section is submitted to the Trustee within thirty (30) days of moneys having been transferred from the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account as a result of the satisfaction of the Reserve Release Conditions #2, such excess moneys in the Series 2023 Acquisition and Construction Account shall then be transferred by the Trustee to the Series 2023 General Redemption Subaccount and applied to the redemption of Series 2023 Bonds as provided in Section 4.01(a) hereinabove.

In addition, and together with the moneys transferred from the Series 2023 Reserve Account pursuant to this paragraph, if the amount on deposit in the Series 2023 General Redemption Subaccount, is not sufficient to redeem a principal amount of the Series 2023 Bonds in an Authorized Denomination, the Trustee is authorized to withdraw amounts from the Series 2023 Revenue Account to round up to the amount in the Series 2023 General Redemption Subaccount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2023 Revenue Account shall be made to pay interest on and/or principal of the Series 2023 Bonds for the redemption pursuant to Section 3.01(b)(iii) if as a result the deposits required under Section 4.02 FIRST through FIFTH cannot be made in full.

(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 2023 Bond Redemption Account" and within such Account, a "Series 2023 General Redemption Subaccount," a "Series 2023 Optional Redemption Subaccount," and a "Series 2023 Prepayment Subaccount." Except as otherwise provided in this First Supplemental Trust Indenture regarding Prepayments or in connection with the optional redemption of the Series 2023 Bonds, moneys to be deposited into the Series 2023 Bond Redemption Account as provided in Section 6.06 of the Master Indenture, shall be deposited to the Series 2023 General Redemption Subaccount.

(h) Moneys that are deposited into the Series 2023 General Redemption Subaccount (including all earnings on investments held therein) shall be used to call for the extraordinary mandatory redemption (i) in whole, pursuant to Section 3.01(b)(ii) hereof, the Outstanding amount of Series 2023 Bonds, or (ii) in whole or in part pursuant to Section 3.01(b)(iii) hereof.

(i) Moneys in the Series 2023 Prepayment Subaccount (including all earnings on investments held in such Series 2023 Prepayment Subaccount) shall be accumulated therein to be used to call for redemption pursuant to Section 3.01(b)(i) hereof an amount of Series 2023 Bonds equal to the amount of money transferred to the Series 2023 Prepayment Subaccount of the Series 2023 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. In addition, and together with the moneys transferred from the Series 2023 Reserve Account pursuant to paragraph (f) above, if the amount on deposit in the Series 2023 Prepayment Subaccount is not

sufficient to redeem a principal amount of the Series 2023 Bonds in an Authorized Denomination, the Trustee upon written direction from the Issuer, shall be authorized to withdraw amounts from the Series 2023 Revenue Account to deposit to the Series 2023 Prepayment Subaccount to round-up the amount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2023 Revenue Account shall be directed by the Issuer to pay interest on and/or principal of the Series 2023 Bonds for the redemption pursuant to Section 3.01(b)(i) if as a result the deposits required under Section 4.02 FIRST through FIFTH cannot be made in full.

(j) The Issuer hereby directs the Trustee to establish a separate account in the Rebate Fund designated as the "Series 2023 Rebate Account." Moneys shall be deposited into the Series 2023 Rebate Account, as provided in the Arbitrage Certificate and applied for the purposes provided therein.

(k) Moneys on deposit in the Series 2023 Optional Redemption Subaccount shall be used to optionally redeem all or a portion of the Series 2023 Bonds pursuant to Section 3.01(a) hereof.

SECTION 4.02. Series 2023 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2023 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 Interest Payment Date, commencing November 1, 2023, to the Series 2023 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2023 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Series 2023 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, commencing May 1, 20__, to the Series 2023 Sinking Fund Account, an amount equal to the principal amount of Series 2023 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2023 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2023 Bonds remain Outstanding, to the Series 2023 Reserve Account, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Reserve Requirement for the Series 2023 Bonds;

FOURTH, notwithstanding the foregoing, at any time the Series 2023 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2023 Interest Account, the amount necessary to pay interest on the Series 2023 Bonds subject to redemption on such date; and

FIFTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Series 2023 Costs of Issuance Account upon the written request of the Issuer to cover any deficiencies in the

amount allocated to pay the cost of issuing the Series 2023 Bonds and next, any balance in the Series 2023 Revenue Account shall remain on deposit in such Series 2023 Revenue Account, unless needed to be transferred to the Series 2023 Prepayment Subaccount for the purposes of rounding the principal amount of a Series 2023 Bond subject to extraordinary mandatory redemption pursuant to Sections 4.01(f) or 4.01(i) hereof to an Authorized Denomination, or unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2023 Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.

In addition to a redemption of Series 2023 Bonds from Prepayments on deposit in the Series 2023 Prepayment Subaccount, the Trustee is further authorized, upon written direction from the Issuer, to transfer from the Series 2023 Revenue Account to the Series 2023 General Redemption Subaccount sufficient funds to cause the redemption of the next closest Authorized Denomination of Series 2023 Bonds, as provided in Section 4.01(f) hereof.

SECTION 4.03. Power to Issue Series 2023 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2023 Bonds, to execute and deliver the Series 2023 Indenture and to pledge the Series 2023 Pledged Revenues for the benefit of the Series 2023 Bonds to the extent set forth herein. The Series 2023 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 2023 Bonds, except as otherwise permitted under the Master Indenture and in Section 5.04 hereof. The Series 2023 Bonds and the provisions of the Series 2023 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 Series 2023 Indenture and all the rights of the Holders of the Series 2023 Bonds under the Series 2023 Indenture against all claims and demands of all persons whomsoever.

SECTION 4.04. Series 2023 Project to Conform to Engineer's Report. Simultaneously with the issuance of the Series 2023 Bonds, the Issuer will promptly proceed to construct and/or acquire the Series 2023 Project, as described in Exhibit A hereto and in the Engineer's Report relating thereto, all pursuant to the terms and provisions of the Acquisition Agreement.

SECTION 4.05. Prepayments; Removal of Series 2023 Special Assessment Liens.

(a) At any time any owner of property subject to the Series 2023 Special Assessments may, at its option, or as a result of acceleration of the Series 2023 Special Assessments because of non-payment thereof, shall, or by operation of law, require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2023 Special Assessments by paying or causing there to be paid, to the Issuer all or a portion of the Series 2023 Special Assessment, which shall constitute Series 2023 Prepayment Principal, plus, except as provided below, accrued interest to the next succeeding Quarterly Redemption Date (or the first succeeding Quarterly Redemption Date that is at least forty-five (45) days after such Prepayment, if such Prepayment is made within 45 calendar days before the next succeeding Quarterly Redemption Date, as the case may be), attributable to the property subject

to Series 2023 Special Assessments owned by such owner. To the extent that such Prepayments are to be used to redeem Series 2023 Bonds pursuant to Section 3.01(b)(i) hereof, in the event the amount on deposit in the Series 2023 Reserve Account will exceed the Series 2023 Reserve Requirement for the Series 2023 Bonds as a result of a Prepayment in accordance with this Section 4.05(a) and the resulting extraordinary mandatory redemption in accordance with Section 3.01(b)(i) of this First Supplemental Trust Indenture of Series 2023 Bonds, the excess amount shall be transferred from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount, as a credit against the Series 2023 Prepayment Principal otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the Issuer to the Trustee together with a certificate of a Responsible Officer of the Issuer, upon which the Trustee may conclusively rely, stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2023 Reserve Account to equal or exceed the Series 2023 Reserve Requirement.

(b) Upon receipt of Series 2023 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 improvement lien book of the District that the Series 2023 Special Assessment has been paid in whole or in part and that such Series 2023 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be.

The Trustee may conclusively rely on the Issuer's determination of what moneys constitute Prepayments. The Trustee shall calculate the amount available for the extraordinary mandatory redemption of the applicable Series 2023 Bonds pursuant to Section 3.01(b)(i) forty-five (45) days prior to each Quarterly Redemption Date.

[END OF ARTICLE IV]

ARTICLE V

COVENANTS AND DESIGNATIONS OF THE ISSUER

SECTION 5.01. Collection of Series 2023 Special Assessments. The Series 2023 Special Assessments levied for each full year on platted lots shall be collected pursuant to the uniform method provided for in Sections 197.3632 and 197.3635 Florida Statutes, (the "Uniform Method") unless the District determines that it is in its best interests to collect directly. The Series 2023 Special Assessments levied on unplatted lots or lands shall be billed and collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method unless the District determines that it is in its best interests to do so. Prior to an Event of Default, the election to collect and enforce Series 2023 Special Assessments in any year pursuant to any one method shall not, to the extent permitted by law, preclude the District from electing to collect and enforce Series 2023 Special Assessments pursuant to any other method permitted by law in any subsequent year. Following an Event of Default, Series 2023 Special Assessments levied on platted lots shall be collected pursuant to the Uniform Method and Series 2023 Special Assessments levied on unplatted lots or lands shall be billed and collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless the Trustee, acting at the direction of the Majority Holders of the Series 2023 Bonds Outstanding, provides written consent/direction to a different method of collection. All Series 2023 Special Assessments that are billed and collected directly by the District and not via the Uniform Method shall be due and payable by the landowner no later than thirty (30) days prior to each Interest Payment Date; provided, however, that such Series 2023 Special Assessments shall not be deemed to be delinquent unless and until they are not paid by the applicable Interest Payment Date with respect to which they have been billed. The applicable assessment methodology report shall not be materially amended without the written consent of the Majority Holders, which consent shall be deemed given if no response is received within sixty (60) days of a written request therefor.

SECTION 5.02. Continuing Disclosure. Contemporaneously with the execution and delivery hereof, the Issuer and the Series 2023 Landowner has executed and delivered a Continuing Disclosure Agreement in order to assist the Underwriter in complying 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 the 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 and Accounts. The provisions of Section 7.02 of the Master Indenture shall apply to the investment and reinvestment of moneys in the Funds, Accounts and subaccounts therein created hereunder.

SECTION 5.04. Additional Bonds. The Issuer covenants not to issue any other Bonds or other debt obligations secured by the Series 2023 Special Assessments. In addition, the Issuer covenants not to issue any other Bonds or debt obligations for capital projects, secured by Special Assessments on the assessable lands within the District that are subject to the Series 2023 Special Assessments, until the Series 2023 Special Assessments are Substantially

Absorbed. The District shall present the Trustee with a certification that the Series 2023 Special Assessments are Substantially Absorbed and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Series 2023 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to assume that the Series 2023 Special Assessments have not been Substantially Absorbed. Such covenant shall not prohibit the Issuer from issuing refunding Bonds or any Bonds or other obligations secured by Special Assessments levied on District Lands outside of the Series 2023 Assessment Area, or to finance any other capital project that is necessary to remediate any natural disaster, catastrophic damage or failure with respect to the Series 2023 Project.

SECTION 5.05. Acknowledgement Regarding the Moneys in the Series 2023 Acquisition and Construction Account Following an Event of Default. In accordance with the provisions of the Series 2023 Indenture, the Series 2023 Bonds are payable solely from the Series 2023 Pledged Revenues and any other moneys held by the Trustee under the Series 2023 Indenture for such purpose. Anything in the Series 2023 Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that, the Series 2023 Pledged Revenues include, without limitation, all amounts on deposit in the Series 2023 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, and that upon the occurrence of an Event of Default with respect to the Series 2023 Bonds, (i) the Series 2023 Pledged Revenues may not be used by the Issuer (whether to pay costs of the Series 2023 Project or otherwise) without the consent of the Majority Holders and (ii) the Series 2023 Pledged Revenues may be used by the Trustee, at the direction or with the approval of the Majority Holders, to pay costs and expenses incurred in connection with the pursuit of remedies under the Series 2023 Indenture, provided, however notwithstanding anything herein to the contrary the Trustee is also authorized to utilize the Series 2023 Pledged Revenues to pay fees and expenses as provided in Section 10.12 of the Master Indenture.

[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 Series 2023 Indenture. The Trustee agrees to act as Paying Agent, Registrar and Authenticating Agent for the Series 2023 Bonds.

SECTION 6.02. Trustee's Duties. The Trustee shall not be responsible in any manner for the due execution of this First Supplemental Trust Indenture by the Issuer or for the recitals contained herein (except for the certificate of authentication on the Series 2023 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.

[END OF ARTICLE VI]

ARTICLE VII MISCELLANEOUS PROVISIONS

SECTION 7.01. Interpretation of First Supplemental Trust Indenture. This First Supplemental Trust Indenture amends and supplements the Master Indenture with respect to the Series 2023 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this First Supplemental Trust Indenture by reference. To the maximum extent possible, the Master Indenture and the First Supplemental Trust Indenture shall be read and construed as one document.

SECTION 7.02. Amendments. Any amendments to this First Supplemental Trust Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

SECTION 7.03. Counterparts. This First Supplemental Trust 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 Trust Indenture are hereby incorporated herein and made a part of this First Supplemental Trust 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 2023 Bonds or the date fixed for the redemption of any Series 2023 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 2023 Bonds, and no other person is intended to be a third party beneficiary hereof to be entitled to assert or preserve any claim hereunder.

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IN WITNESS WHEREOF, Scenic Terrace North Community Development District has caused this First Supplemental Trust Indenture to be executed by the Chairperson of its Board of Supervisors and its corporate seal to be hereunto affixed and attested by the Assistant Secretary of its Board of Supervisors and U.S. Bank Trust Company, 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 first above written.

[SEAL]

**SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT
DISTRICT**

Attest:

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

By: _____
Name: Lauren Schwenk
Title: Chairperson, Board of Supervisors

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

By: _____
Name: Scott A. Schuhle
Title: Vice President

EXHIBIT A DESCRIPTION OF SERIES 2023 PROJECT

The Series 2023 Project includes, but is not limited to the following public infrastructure comprising the Series 2023 Project:

	TOTALS
Infrastructure ¹⁻¹¹	
Number of LOTS	330
Offsite Improvements	\$1,750,000.00
Stormwater Management ^{3,6}	\$2,200,000.00
Mass Grading and Master Stormwater Drainage ^{2,3}	\$3,100,000.00
Roadway - Curb, Paving and Drainage ⁴	\$3,250,000.00
Utilities (Water, Sewer, & Reuse)	\$4,600,000.00
Water	\$1,600,000.00
Reuse	\$900,000.00
Wastewater Systems	\$2,100,000.00
Electrical	\$800,000.00
Electrical Distribution (Incremental cost of undergrounding)	
Landscaping & Entry Feature ⁸	\$1,000,000.00
Parks and Amenities	\$800,000.00
SUBTOTAL CONSTRUCTION	\$17,500,000.00
General Consulting (Engr & Legal) @ 10% ⁵	\$2,000,000.00
Subtotal	\$19,500,000.00
Contingency @ 15%	\$2,625,000.00
Grand Total	\$22,125,000.00

Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another government entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2023 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and buffer fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the streetlight poles and lighting service. Includes only the incremental cost of undergrounding.
10. Estimates based on 330 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

Source: Scenic Terrace North Community Development District Engineer's Report dated July 18, 2023, prepared by Dewberry Engineers Inc.

EXHIBIT B

[FORM OF SERIES 2023 BOND]

R-__

\$ _____

**UNITED STATES OF AMERICA
STATE OF FLORIDA
CITY OF HAINES CITY, FLORIDA
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT BOND, SERIES 2023**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issuance</u>	<u>CUSIP</u>
_____ %	May 1, 20__	_____, 2023	_____

Registered Owner: CEDE & CO.

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the Scenic Terrace North Community Development District (the "Issuer"), for value received, hereby promises to pay to the Registered Owner shown above or registered assigns, on the maturity date set forth above, from the sources hereinafter mentioned, the principal amount set forth above (with interest thereon at the interest rate per annum set forth above, computed on 360-day year of twelve 30-day months). Principal of and interest on this Bond are payable by U.S. Bank Trust Company, National Association, in Fort Lauderdale, Florida, as paying agent (said U.S. Bank Trust Company, National Association and/or any bank or trust company to become successor paying agent being herein called the "Paying Agent") made payable to the Registered Owner and mailed on each Interest Payment Date commencing November 1, 2023, 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 Trust Company, National Association, as Registrar (said U.S. Bank Trust Company, National Association and any successor Registrar being herein called the "Registrar") at the close of business on the fifteenth day of the calendar month preceding each Interest Payment Date or the date on which the principal of a Bond is to be paid (the "Record Date"), provided however presentation is not required for payment while the Series 2023 Bonds are registered in book-entry only form. Such interest shall be payable from the most recent Interest Payment Date next preceding the date of authentication hereof to which interest has been paid, unless the date of authentication hereof is a May 1 or November 1 to which interest has been paid, in which case from the date of authentication hereof, or unless such date of authentication is prior to November 1, 2023, 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 the Paying Agent, notice whereof

shall be given to Bondholders of record as of the fifth (5th) day prior to such mailing, at their registered addresses, not less than ten (10) days prior to such Special Record Date, or may be paid, at any time in any other lawful manner, as more fully provided in the Series 2023 Indenture (defined below). Any capitalized term used in this Bond and not otherwise defined shall have the meaning ascribed to such term in the Series 2023 Indenture.

THE SERIES 2023 BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE SERIES 2023 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE SERIES 2023 INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, POLK COUNTY, FLORIDA (THE "COUNTY"), CITY OF HAINES CITY, FLORIDA (THE "CITY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2023 BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE SERIES 2023 INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2023 SPECIAL ASSESSMENTS (AS DEFINED IN THE SERIES 2023 INDENTURE) TO SECURE AND PAY THE SERIES 2023 BONDS. THE SERIES 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE COUNTY, THE CITY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

This Bond is one of an authorized issue of Series 2023 Bonds of the Scenic Terrace North 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"), created pursuant to Ordinance No. 21-1741 enacted by the City Commission of the City of Haines City, Florida (the "City Commission"), which became effective on August 19, 2021, as amended by Ordinance No. 23-2042 enacted by the City Commission, which became effective on June 1, 2023, designated as "Scenic Terrace North Community Development District Special Assessment Bonds, Series 2023" (the "Series 2023 Bonds"), in the aggregate principal amount of _____ and 00/100 Dollars (\$_____) of like date, tenor and effect, except as to number. The Series 2023 Bonds are being issued under authority of the laws and Constitution of the State, including particularly the Act, to pay, among other things, the costs of constructing and/or acquiring a portion of the Series 2023 Project (as defined in the herein referred to Series 2023 Indenture). The Series 2023 Bonds shall be issued as fully registered Series 2023 Bonds in Authorized Denominations, as set forth in the Series 2023 Indenture. The Series 2023 Bonds are issued under and secured by a Master Trust Indenture dated as of [August] 1, 2023 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of [August] 1, 2023 (the "First Supplemental Trust Indenture" and together with the Master Indenture, the "Series 2023 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 Series 2023 Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2023 Bonds issued under the Series 2023 Indenture, the operation and application of the Series 2023 Reserve Account within the Debt Service Reserve Fund and other Funds and Accounts (each as defined

in the Series 2023 Indenture) charged with and pledged to the payment of the principal of and the interest on the Series 2023 Bonds, the levy and the evidencing and certifying for collection, of the Series 2023 Special Assessments, the nature and extent of the security for the Series 2023 Bonds, the terms and conditions on which the Series 2023 Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Series 2023 Indenture, the conditions under which such Series 2023 Indenture may be amended without the consent of the Registered Owners of the Series 2023 Bonds, the conditions under which such Series 2023 Indenture may be amended with the consent of the Registered Owners of a majority in aggregate principal amount of the Series 2023 Bonds outstanding, and as to other rights and remedies of the Registered Owners of the Series 2023 Bonds.

It is expressly agreed by the Registered Owner of this Bond that such Registered Owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, the County, the City, 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 City, 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 Series 2023 Indenture, except for Series 2023 Special Assessments to be assessed and levied by the Issuer as set forth in the Series 2023 Indenture.

By the acceptance of this Bond, the Registered Owner hereof assents to all the provisions of the Series 2023 Indenture.

This Bond is payable from and secured by Series 2023 Pledged Revenues, as such term is defined in the Series 2023 Indenture, all in the manner provided in the Series 2023 Indenture. The Series 2023 Indenture provides for the levy and the evidencing and certifying, of non-ad valorem assessments in the form of Series 2023 Special Assessments to secure and pay the Series 2023 Bonds.

The Series 2023 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 2023 Bonds shall be made on the dates specified below. Upon any redemption of Series 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 2023 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 2023 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 2023 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 2023 Bonds maturing after May 1, 20__ may, at the option of the Issuer be called for redemption prior to maturity as a whole or in part, at any time, on or after May 1, 20__ (less than all Series 2023 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2023 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2023 Optional Redemption Subaccount of the Series 2023 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2023 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

Extraordinary Mandatory Redemption in Whole or in Part

The Series 2023 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 2023 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2023 Prepayment Principal deposited into the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account following the payment in whole or in part of Series 2023 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of the First Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount as a result of such Series 2023 Prepayment and pursuant to Sections 4.01(f) and 4.05(a) of the First Supplemental Trust Indenture. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

(ii) from moneys, if any, on deposit in the Funds, Accounts and subaccounts held by the Trustee under the First Supplemental Trust Indenture (other than the Series 2023 Rebate Fund and the Series 2023 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2023 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2023 Acquisition and Construction Account in accordance with the provisions of the First Supplemental Trust Indenture, not otherwise reserved to complete the Series 2023 Project and transferred to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account, together with moneys deposited therein in accordance with the provisions of the First Supplemental Trust Indenture, as a result of the reduction of the Series 2023 Reserve Requirement. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

Mandatory Sinking Fund Redemption

The Series 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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.

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The Series 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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.

Year	Mandatory Sinking Fund Redemption Amount	Year	Mandatory Sinking Fund Redemption Amount
	\$		\$

*

* Maturity.

The Series 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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.

Year	Mandatory Sinking Fund Redemption Amount	Year	Mandatory Sinking Fund Redemption Amount
	\$		\$

*

* Maturity.

Except as otherwise provided in the Series 2023 Indenture, if less than all of the Series 2023 Bonds subject to redemption shall be called for redemption, the particular such Series 2023 Bonds or portions of such Series 2023 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Series 2023 Indenture.

Notice of each redemption of the Series 2023 Bonds is required to be sent by Electronic Means or mailed by the Registrar, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date to each Registered Owner of the Series 2023 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Registrar. The Issuer may provide that the any optional redemption of Series 2023 Bonds issued under the Series 2023 Indenture may be subject to certain conditions; provided that the notice of such conditional optional redemption must expressly state that such optional redemption is conditional and describe the conditions for such redemption. On the date designated for redemption, notice having been given and money for the payment of the

Redemption Price being held by the Paying Agent, all as provided in the Series 2023 Indenture, the Series 2023 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2023 Bonds or such portions thereof on such date, interest on such Series 2023 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2023 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Series 2023 Indenture and the Registered Owners thereof shall have no rights in respect of such Series 2023 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Registrar to certain registered securities depositories and information services as set forth in the Series 2023 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.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Series 2023 Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Series 2023 Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Series 2023 Indenture.

In certain events, on the conditions, in the manner and with the effect set forth in the Series 2023 Indenture, the principal of all the Series 2023 Bonds then Outstanding under the Series 2023 Indenture may become and may be declared due and payable before the stated maturity thereof, with the interest accrued thereon.

Modifications or alterations of the Series 2023 Indenture or of any Series 2023 Indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Series 2023 Indenture.

Any moneys held by the Trustee or Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for two (2) 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 Government Obligations (as defined in the Master Indenture) sufficient to pay the principal or Redemption Price of any the Series 2023 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Series 2023 Indenture, together with the interest accrued to the due date or date of redemption, as applicable, the lien of such Series 2023 Bonds as to the trust estate with respect to the Series 2023 Bonds shall be discharged, except for the rights of the Registered Owners thereof with respect to the funds so deposited as provided in the Series 2023 Indenture.

This Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida.

This Bond shall initially be issued in the name of Cede & Co. as nominee for DTC, and so long as this Bond is held in book-entry-only form Cede & Co. shall be considered the Registered Owner for all purposes hereof, including the payment of the principal of and interest on this Bond. Payment to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to individual Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Issuer or the Trustee.

The Issuer shall keep books for the registration of the Series 2023 Bonds at the designated corporate trust office of the Registrar in Fort Lauderdale, Florida. Subject to the restrictions contained in the Series 2023 Indenture, and except when the Series 2023 Bonds are registered in book-entry only form, the Series 2023 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 Series 2023 Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Series 2023 Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Series 2023 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 Series 2023 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 and notwithstanding any notation of ownership or other writing thereon made by anyone other than the Issuer, the Trustee, any Paying Agent, the Registrar, or the Authenticating Agent) for the purpose of receiving payment of or on account of the principal of, premium, if any, and interest on such Bond as the same becomes due, and for all other purposes. All such payments so made to any such Registered Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer, the Trustee, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed, precedent to and in the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, including particularly the Act, and that the issuance of this Bond, and of the issue of the Series 2023 Bonds of which this Bond is one, is in full compliance with all constitutional and statutory limitations or provisions.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Series 2023 Indenture until it shall have been authenticated by

execution of the Trustee, or such other authenticating agent as may be appointed by the Trustee under the Series 2023 Indenture, of the certificate of authentication endorsed hereon.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE
FOLLOWS]

IN WITNESS WHEREOF, Scenic Terrace North Community Development District has caused this Bond to be signed by the manual signature of the Chairperson of its Board of Supervisors and a manual 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.

**SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT
DISTRICT**

By: _____
Chairperson, Board of Supervisors

(SEAL)

Attest:

By: _____
Secretary, Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2023 Bonds delivered pursuant to the within mentioned Series 2023 Indenture.

Date of Authentication: _____

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

By: _____
Authorized Signatory

STATEMENT OF VALIDATION

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court of the Tenth Judicial Circuit of Florida, in and for Hardee, Highlands and Polk Counties, rendered on the 28th day of January, 2022.

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT

By: _____
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 entireties
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

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2023

(Acquisition and Construction)

The undersigned, a Responsible Officer of the Scenic Terrace North Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), dated as of [August] 1, 2023, as supplemented by that certain First Supplemental Trust Indenture dated as of [August] 1, 2023 (collectively, the "Series 2023 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2023 Indenture):

- (A) Requisition Number:
- (B) Identify Acquisition Agreement, if applicable;
- (C) Name of payee pursuant to Acquisition Agreement:
- (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 2023 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 2023 Acquisition and Construction Account of the Acquisition and Construction Fund; and

- 3. each disbursement set forth above was incurred in connection with:
the Costs of the Series 2023 Project.

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 or on file with the District are copies of the invoice(s) or applicable contracts from the vendor of the property acquired or the services rendered, as well as applicable conveyance instruments (e.g. deed(s), bill(s) of sale, easement(s), etc.) with respect to which disbursement is hereby requested.

**SCENIC TERRACE NORTH 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 a Cost of the Series 2023 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Series 2023 Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineer, as such report shall have been amended or modified on the date hereof. The Consulting Engineer further certifies and agrees that for any acquisition (a) the portion of the Series 2023 Project that is the subject of this requisition is complete, and (b) the purchase price to be paid by the District for the portion of the Series 2023 Project to be acquired with this disbursement is no more than the lesser of (i) the fair market value of such improvements and (ii) the actual cost of construction of such improvements.

Consulting Engineer

Date: _____

FORMS OF REQUISITIONS

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2023

(Costs of Issuance)

The undersigned, a Responsible Officer of the Scenic Terrace North Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), dated as of [August] 1, 2023, as supplemented by that certain First Supplemental Trust Indenture dated as of [August] 1, 2023 (collectively, the "Series 2023 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2023 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 2023 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 2023 Costs of Issuance Account that have not previously been paid;
2. each disbursement set forth above is a proper charge against the Series 2023 Costs of Issuance Account;
3. each disbursement set forth above was incurred in connection with the issuance of the Series 2023 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 or on file with the District are copies of the invoice(s) from the vendor of the services rendered, with respect to which disbursement is hereby requested.

**SCENIC TERRACE NORTH COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Responsible Officer

Date: _____

[Date]

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 [_____, 2023] 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 Series 2023 Indenture.

Very truly yours,

[Name], [Type of Entity]

By: _____

Name: _____

Title: _____

Date: _____

Or

[Name], an Individual

EXHIBIT B

FORM OF BOND PURCHASE CONTRACT

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
(CITY OF HAINES CITY, FLORIDA)**

\$[_____]]
SPECIAL ASSESSMENT BONDS, SERIES 2023

BOND PURCHASE CONTRACT

[_____] , 2023

Board of Supervisors
Scenic Terrace North Community Development District
City of Haines City, Florida

Dear Board of Supervisors:

FMSbonds, Inc. (the "Underwriter") offers to enter into this Bond Purchase Contract (the "Purchase Contract") with Scenic Terrace North Community Development District (the "District"). The District is located within the City of Haines City, Florida (the "City"). 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 Special Assessment Bonds, Series 2023 (the "Series 2023 Bonds"). The Series 2023 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 Series 2023 Bonds shall be \$[_____] (representing the \$[_____] aggregate principal amount of the Series 2023 Bonds, [plus/less net original issue premium/discount of \$[_____] and] less underwriter's discount of \$[_____]). The payment for and delivery of the Series 2023 Bonds and the other actions contemplated hereby to take place at the Closing Date (as hereinafter defined) being hereinafter referred to as the "Closing."

2. The Series 2023 Bonds. The Series 2023 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"), and by Ordinance No. 21-1741 enacted by the City Commission of the City of Haines City, Florida (the "City") on August 19, 2021, as amended by Ordinance No. 23-2042 enacted by the City Commission on June 1, 2023 (collectively, the "Ordinance"). The Series 2023 Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of [_____] 1, 2023 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of [_____] 1, 2023 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), and

Resolution No. 2021-26 and Resolution No. 2023-[] adopted by the Board on September 2, 2021 and July [19], 2023, respectively (collectively, and together with the Supplemental Bond Resolution as described herein, the "Bond Resolution"). The Series 2023 Special Assessments, the revenues from which constitute part of the Series 2023 Pledged Revenues, have been, or will be prior to the time of Closing, levied by the District on the lands within the District specially benefited by the Series 2023 Project pursuant to the Assessment Resolutions (as such terms are defined in the Indenture).

3. Limited Offering; Establishment of Issue Price. It shall be a condition to the District's obligation to sell and to deliver the Series 2023 Bonds to the Underwriter, and to the Underwriter's obligation to purchase, accept delivery of and pay for the Series 2023 Bonds, that the entire principal amount of the Series 2023 Bonds be issued, sold and delivered by the District and purchased, accepted and paid for by the Underwriter at the Closing and that the District and the Underwriter receive the opinions, documents and certificates described in Section 8(c) hereof.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Series 2023 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 Series 2023 Bonds.

(b) Except as otherwise indicated in Exhibit B, the District will treat the first price at which 10% of each maturity of the Series 2023 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 Series 2023 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 Series 2023 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 Series 2023 Bonds.

(c) The Underwriter confirms that it has offered the Series 2023 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 Series 2023 Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2023 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 Series 2023 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 Series 2023 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 Series 2023 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 Series 2023 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 Series 2023 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 Series 2023 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 Series 2023 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 Series 2023 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 representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2023 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,

including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 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 Series 2023 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with requirements for establishing issue price of the Series 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 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 Series 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 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 Series 2023 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 Series 2023 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 Series 2023 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 Series 2023 Bonds to the public),

(iii) a purchaser of any of the Series 2023 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 [____], 2023 (the "Preliminary Limited Offering Memorandum"), of the District, relating to the Series 2023 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 Series 2023 Bonds. The Underwriter has reviewed the Preliminary Limited Offering Memorandum prior to the execution of this Purchase Contract. The District has, prior to the date hereof, authorized the 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 Underwriter agrees to file the Limited Offering Memorandum with the MSRB not later than two (2) business days after the Closing Date. The Underwriter agrees that it will not confirm the sale of any Bonds unless a final written confirmation of sale is accompanied or preceded by the delivery of a copy of the Limited Offering Memorandum. The District hereby approves the circulation and use by the Underwriter of the Limited Offering Memoranda with respect to the Series 2023 Bonds.

5. Definitions. For purposes hereof, (a) this Purchase Contract, the Series 2023 Bonds, the Indenture, the Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District, Highland Sumner, LLC, a Florida limited liability company (the "Landowner"), and Governmental Management Services - Central Florida, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent"), 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) [the Agreement Regarding the Completion of Certain Improvements by and between the District and the Landowner dated as of the Closing Date (the "Completion Agreement"), the Agreement Regarding the Acquisition of Work Product, Improvements and Real Property by and between the District and the Landowner dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2023 Project by and between the District and the Landowner, dated as of the Closing Date in recordable form (the "Collateral Assignment"), and the Agreement Regarding True-Up by and between the District and the Landowner dated as of the Closing Date in recordable form (the "True-Up Agreement") are collectively referred to herein as the "Ancillary Agreements."]

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

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

(b) The District has full legal right, power and authority to: (i) adopt the Bond Resolution and the Assessment Resolutions; (ii) enter into the Financing Documents and Ancillary Agreements; (iii) sell, issue and deliver the Series 2023 Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Series 2023 Bonds for the purposes described in the Limited Offering Memoranda; (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 Agreements, and the Limited Offering Memoranda. The District has complied, and on the Closing Date will be in compliance in all material respects, with the terms of the Act and with the obligations on its part contained in the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary Agreements and the Series 2023 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 and, with respect to the Bond resolution, as will be supplemented by the Supplemental Bond Resolution. By all necessary official Board action, the District has duly authorized and approved the use and delivery of the Preliminary Limited Offering Memorandum and the execution and delivery of the Financing Documents, the Ancillary Agreements, the Series 2023 Bonds and the Limited Offering Memorandum, has duly authorized and approved the performance by the District of the obligations on its part contained in the Financing Documents, the Ancillary Agreements and the Series 2023 Bonds and the consummation by it of all other transactions contemplated by this Purchase Contract and the Limited Offering Memoranda in connection with the issuance of the Series 2023 Bonds. Upon execution and delivery by the District and the Trustee (and assuming the due authorization, execution and delivery of the Indenture by the Trustee), the Indenture will constitute a legal, valid and binding obligation of the District, enforceable in accordance with its terms, subject only to applicable bankruptcy, insolvency, and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law). Upon execution by the District and the other parties thereto (and assuming the due authorization, execution and delivery of such agreements by the other parties thereto) the Financing Documents and the Ancillary Agreements will constitute the legal, valid and binding obligations of the District, enforceable in accordance with their respective terms; subject only to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);

(d) Except as may be expressly disclosed in the Preliminary Limited Offering Memorandum, the District is not in material breach of or material default under any applicable provision of the Act or any applicable constitutional provision or statute or, to the best of its knowledge, administrative regulation of the State or the United States of America or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement, or other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of its knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or material event of default under any such instrument; and the execution and delivery of the Series 2023 Bonds, the Financing Documents, the Ancillary Agreements and the Limited Offering Memorandum, the approval of the delivery of the Preliminary Limited Offering Memorandum, and the adoption of the Bond Resolution and the Assessment Resolutions, and compliance with the provisions on the District's part contained therein, will not conflict with or constitute a material breach of or material default under any applicable constitutional provision, or law, or, to the best of its knowledge, any administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as provided by the Assessment Resolutions, the Series 2023 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 Series 2023 Bonds, the Financing Documents or the Ancillary Agreements;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization by, or which would constitute a condition precedent to, or the absence of which would materially adversely affect, the due performance by the District of its obligations, to issue the Series 2023 Bonds, or under the Series 2023 Bonds, the Bond Resolution, the Assessment Resolutions, Financing Documents or the Ancillary Agreements have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Series 2023 Bonds;

(f) The descriptions of the Series 2023 Bonds, the Financing Documents, the Ancillary Agreements and the Series 2023 Project to the extent referred to in the Limited Offering Memoranda, conform in all material respects to the Series 2023 Bonds, the Financing Documents, the Ancillary Agreements and the Series 2023 Project, respectively;

(g) The Series 2023 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 Series 2023 Bonds, the Indenture will provide, for the benefit of the holders from time to time of the Series 2023 Bonds, a legally valid and binding pledge of and first lien on the Series 2023 Pledged Revenues. On the Closing Date, all conditions precedent to the issuance of the Series 2023 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 Series 2023 Bonds or the application of the proceeds of the sale thereof for the purposes described in the Limited Offering Memoranda or the collection of the Series 2023 Special Assessments or the pledge of and lien on the Series 2023 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 Series 2023 Bonds, or the authorization of the Series 2023 Project, the Bond Resolution, the Assessment Resolutions, the Financing Documents and Ancillary Agreements to which the District is a party, or the application of the proceeds of the Series 2023 Bonds for the purposes set forth in the Limited Offering Memoranda; (iv) contesting the federal tax status of the Series 2023 Bonds; or (v) contesting the completeness or accuracy of the Limited Offering Memoranda or any supplement or amendment thereto;

(i) To the extent applicable, the District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order to: (i) qualify the Series 2023 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) determine the eligibility of the Series 2023 Bonds for investment under the laws of such states and other jurisdictions, and the District will use its best efforts to continue such qualifications in effect so long as required for the initial limited offering and distribution of the Series 2023 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 date hereof 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 2023 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE LANDOWNER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Landowner," "UNDERWRITING" and, with respect to the Landowner, as set forth under the caption "CONTINUING DISCLOSURE";

(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 2023 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE LANDOWNER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Landowner," "UNDERWRITING" and, with respect to the Landowner, as set forth under the caption "CONTINUING DISCLOSURE";

(l) If between the date of this Purchase Contract and the earlier of (i) the date that is ninety (90) days from the end of the "Underwriting Period" as defined in the Rule, or (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB's Electronic Municipal Market Access system (but in no event less than twenty-five (25) days following the end of the Underwriting Period), any event shall occur, of which the District has actual knowledge, which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter thereof, and, if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the District will at its expense (unless such supplement or amendment is the direct result of information provided by the Landowner or Underwriter, then at the expense of said relevant person) supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter. The end of the Underwriting Period shall be the next business day after the Closing Date;

(m) Since its inception, there has been no material adverse change in the properties, businesses, results of operations, prospects, management or financial or other condition of the District, except as disclosed in the Limited Offering Memoranda, and the District has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution, the Assessment Resolutions, the Series 2023 Bonds, the Financing Documents

or the Ancillary Agreements, direct or contingent, other than as set forth in or contemplated by the Limited Offering Memoranda;

(n) The District 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) The District has disclosed in the Preliminary Limited Offering Memorandum any failure in the previous five (5) years to comply, in all material respects, with any previous continuing disclosure obligations undertaken by the District in accordance with the continuing disclosure requirements of the Rule;

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

(q) From the date of this Purchase Contract through the Closing Date, the District will not issue any bonds (other than the Series 2023 Bonds), notes or other obligations payable from the Series 2023 Pledged Revenues.

7. **Closing.** At 10:00 a.m. prevailing time on [____], 2023 (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 Series 2023 Bonds in definitive book-entry only form, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Series 2023 Bonds as set forth in Section 1 hereof, in federal or other immediately available funds to the order of the District. Delivery of the Series 2023 Bonds as aforesaid shall be made pursuant to the FAST system of delivery of The Depository Trust Company, New York, New York, or at such other place as may be mutually agreed upon by the District and the Underwriter. The Series 2023 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 Series 2023 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 (including without limitation the Supplemental Bond Resolution), the Assessment Resolutions, the Series 2023 Bonds, the Financing Documents and the Ancillary Agreements shall each be in full force and effect in accordance with

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

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

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

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

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

(4) The opinion, dated 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 C 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 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 of Kilinski | Van Wyk PLLC, counsel to the District, in the form annexed as Exhibit D hereto or in form and substance otherwise acceptable to the Underwriter and its counsel;

(7) An opinion, dated as of the Closing Date and addressed to the Underwriter, Underwriter's Counsel, the District and Bond Counsel, of counsel to the Trustee, in form and substance acceptable to Bond Counsel, Underwriter, Underwriter's Counsel, and the District;

(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 and the Underwriter, of Straughn & Turner, P.A., counsel to the Landowner, in the form annexed as Exhibit E hereto or in form and substance otherwise acceptable to the Underwriter and Underwriter's counsel;

(10) A certificate of the Landowner 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 2023 Special Assessments as described in the Indenture; and (v) the Limited Offering Memoranda (other than the information under the captions "DESCRIPTION OF THE SERIES 2023 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE LANDOWNER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Landowner," "UNDERWRITING" and, with respect to the Landowner, as set forth under the caption "CONTINUING DISCLOSURE," 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 Series 2023 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 Series 2023 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 Indenture, an investor letter from each initial beneficial owner of the Series 2023 Bonds in the form attached to the Indenture;

(21) Such additional documents as may be required by the Indenture to be delivered as a condition precedent to the issuance of the Series 2023 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 Tenth Judicial Circuit Court of Florida in and for Polk County, Florida, validating the Series 2023 Bonds and appropriate certificate of no-appeal;

(24) A copy of the Master Assessment Methodology for Scenic Terrace North Community Development District, dated September 2, 2021, as supplemented by the Supplemental Assessment Methodology for Scenic Terrace North Community Development District dated the date hereof, as the same may be amended and supplemented from time to time, relating to the Series 2023 Bonds;

(25) A copy of the "Scenic Terrace North Community Development District Engineer's Report" dated September 1, 2021 (the "Engineer's Report");

(26) Acknowledgments in recordable form by all mortgage holders, if any, on lands which are subject to the Series 2023 Special Assessments as to the superior lien of the Series 2023 Special Assessments, in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(27) Declaration of Consent to Jurisdiction of the District and to Imposition of Special Assessments by the Landowner and any other landowners with respect to all real property which is subject to the Series 2023 Special Assessments, each in recordable form and otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(28) Evidence acceptable to the Underwriter in its sole discretion that the District has engaged a dissemination agent acceptable to the Underwriter (the "Dissemination Agent") for the Series 2023 Bonds;

(29) A certificate of the Dissemination Agent (i) acknowledging its agreement to serve as the initial Dissemination Agent for the District and undertake the obligations of the Dissemination Agent as set forth in the Continuing Disclosure Agreements (ii) representing that the Dissemination Agent is aware of the continuing disclosure requirements set forth in the Continuing Disclosure Agreements and the Rule and that it has policies and procedures in place to ensure its compliance with its obligations under the Disclosure Agreements, and (iii) covenanting to comply with its obligations under the Disclosure Agreements; and

(30) 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 Landowner on or prior to the Closing of all the agreements then to be performed and conditions then to be satisfied by each.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2023 Bonds contained in this Purchase Contract (unless waived by the Underwriter in its sole discretion), or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2023 Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the District shall be under any further obligation hereunder, except that the respective obligations of the District and the Underwriter set forth in Section 10 hereof shall continue in full force and effect.

9. Termination. The Underwriter shall have the right to terminate its obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Series 2023 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 Series 2023 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 Series 2023 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 of the Series 2023 Bonds, or the market price generally of obligations of the general character of the Series 2023 Bonds; (ii) the District or the Landowner 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 Landowner, 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 Supplemental Bond Resolution, the Assessment Resolutions or fails to perform any action to be performed by it in connection with the levy of the Series 2023 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 Series 2023 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 and any other experts or consultants retained by the District; and (v) the cost of recording in the Official Records of the Polk County, Florida (the "County") any Financing Documents, Ancillary Agreements or other documents or certificates that are required to be recorded pursuant to the terms of this Purchase Contract. 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 Series 2023 Bonds, if any.

11. No Advisory or Fiduciary Role. The District acknowledges and agrees that (i) the purchase and sale of the Series 2023 Bonds pursuant to this Agreement is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection with such transaction and with the discussions, undertakings and processes leading up to such transaction, the Underwriter is and has been acting solely as a principal and not as an advisor (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), agent or a fiduciary of the District, (iii) the Underwriter has not assumed an advisory or a fiduciary responsibility in favor of the District with respect to the limited offering of the Series 2023 Bonds or the discussions, undertakings and process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has provided or is currently advising or providing services to the District on other matters) or any other obligation to the District except the obligations expressly set forth in this Agreement, (iv) the Underwriter has financial and other interests that differ from those of the District, (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 Series 2023 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 Governmental Management Services – Central Florida, LLC, 219 E. Livingston Street, Ft. Lauderdale, Florida 32801, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to FMSbonds, Inc., 20660 W. Dixie Highway, North Miami Beach, Florida 33180, Attention: Jon Kessler.

13. Parties in Interest; Survival of Representations. This Purchase Contract is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the District's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect and survive the closing on the Series 2023 Bonds, regardless of: (i) any investigations made by or on behalf of the Underwriter and (ii) delivery of and payment for the Series 2023 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. Swinarski
Senior Vice President - Trading

Accepted and agreed to this
____ day of _____, 2023.

**SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT
DISTRICT**

By: _____
Warren K. "Rennie" Heath
Chair, Board of Supervisors

EXHIBIT A

DISCLOSURE AND TRUTH-IN-BONDING STATEMENT

[____], 2023

Scenic Terrace North Community Development District
City of Haines City, Florida

Re: \$[_____] Scenic Terrace North Community Development District Special Assessment
Bonds, Series 2023 (the "Series 2023 Bonds")

Dear Board of Supervisors:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced Bonds, FMSbonds, Inc. (the "Underwriter"), having purchased the Series 2023 Bonds pursuant to a Bond Purchase Contract dated [____], 2023 (the "Bond Purchase Contract"), by and between the Underwriter and Scenic Terrace North Community Development District (the "District"), furnishes the following information in connection with the limited offering and sale of the Series 2023 Bonds. Capitalized terms used and not defined herein shall have the meanings given to them under the Bond Purchase Contract.

1. The total underwriting discount paid to the Underwriter pursuant to the Bond Purchase Contract for the Series 2023 Bonds is approximately \$[____] per \$1,000.00 or \$[_____].
2. There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Series 2023 Bonds.
3. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2023 Bonds are set forth in Schedule I attached hereto.
4. The management fee charged by the Underwriter is: \$0/\$1,000 or \$0.
5. Any other fee, bonus or other compensation estimated to be paid by the Underwriter in connection with the Series 2023 Bonds to any person not regularly employed or retained by the Underwriter in connection with the Series 2023 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.
6. 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 2023 Bonds.
7. 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 2023 Bonds for the purposes of: (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2023 Project, (ii) funding a deposit to the Series 2023

Reserve Account in the amount of the Series 2023 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2023 Bonds and (iv) paying the costs of issuance of the Series 2023 Bonds. This debt or obligation is expected to be repaid over a period of approximately [] () years, [] () months, and [] () days. [There shall be no more than thirty (30) principal installments.] At a net interest cost of approximately []% for the Series 2023 Bonds, total interest paid over the life of the Series 2023 Bonds will be \$[].

The source of repayment for the Series 2023 Bonds is the Series 2023 Special Assessments, imposed and collected by the District. Based solely upon the assumptions set forth in the paragraph above, the issuance of the Series 2023 Bonds will result in approximately \$[] (representing the average annual debt service payments due on the Series 2023 Bonds) of the District's special assessment revenues not being available to the District on an annual basis to finance other services of the District each year for [] () years, [] () months, and [] () days; provided however, that in the event that the Series 2023 Bonds were not issued, the District would not be entitled to impose and collect the Series 2023 Special Assessments in the amount of the principal of and interest to be paid on the Series 2023 Bonds.

[Remainder of page intentionally left blank.]

Sincerely,

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

Schedule I
Expenses for Bonds:

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

EXHIBIT B

TERMS OF BONDS

1. **Purchase Price:** \$[] (representing the \$[] aggregate principal amount of the Series 2023 Bonds, [plus/less net original issue premium/discount of \$[] and] less underwriter's discount of \$[]).
2. **Principal Amounts, Maturities, Interest Rates and Prices:**

<u>Series 2023 Bonds</u>			
<u>Amount</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Price</u>

The Underwriter has offered the Series 2023 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 2023 Bonds to the public at a price that is no higher than such initial offering prices[, except for the following maturities:].

4. **Redemption Provisions:**

Optional Redemption

The Series 2023 Bonds maturing after May 1, 20__ may, at the option of the District be called for redemption prior to maturity as a whole or in part, at any time, on or after May 1, 20__ (less than all Series 2023 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2023 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2023 Optional Redemption Subaccount of the Series 2023 Bond Redemption Account. If such optional redemption shall be in part, the District shall select such principal amount of Series 2023 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

Mandatory Sinking Fund Redemption

The Series 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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

Upon any redemption of Series 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 2023 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 2023 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 2023 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.

Extraordinary Mandatory Redemption

The Series 2023 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 Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2023 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2023 Prepayment Principal deposited into the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account following the payment in whole or in part of Series 2023 Special Assessments on any assessable property within the District in accordance with the provisions of the First Supplemental Indenture, together with any excess moneys transferred by the Trustee from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount as a result of such Series 2023 Prepayment and pursuant the First Supplemental Indenture. If such redemption shall be in part, the District shall select such principal amount of Series 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level;

(ii) from moneys, if any, on deposit in the Funds, Accounts and subaccounts held by the Trustee within the First Supplemental Indenture (other than the Series 2023 Rebate Fund and the Series 2023 Acquisition and Construction Accounts) sufficient to pay and redeem all Outstanding Series 2023 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture;

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2023 Acquisition and Construction Account in accordance with the provisions of the First Supplemental Trust Indenture, not otherwise reserved to complete the Series 2023 Project and transferred to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account, together with moneys deposited therein in accordance with the provisions of the First Supplemental Trust Indenture, as a result of the reduction of the Series 2023 Reserve Requirement. If such redemption shall be in part, the District shall select such principal amount of Series 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

EXHIBIT C

BOND COUNSEL'S SUPPLEMENTAL OPINION

[____], 2023

Scenic Terrace North Community Development District
City of Haines City, Florida

FMSbonds, Inc.
North Miami Beach, Florida

Re: \$_____ Scenic Terrace North Community Development District Special Assessment
 Bonds, Series 2023 (the "Series 2023 Bonds")

Ladies and Gentlemen:

We have acted as Bond Counsel to Scenic Terrace North 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 Special Assessment Bonds, Series 2023 (the "Series 2023 Bonds"). In such capacity, we have rendered our final approving opinion (the "Opinion") of even date herewith relating to the Series 2023 Bonds. The Series 2023 Bonds are secured pursuant to that certain Master Trust Indenture dated [____] 1, 2023 (the "Master Indenture"), as supplemented and amended by that certain First Supplemental Trust Indenture, dated as of [____] 1, 2023 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Series 2023 Indenture ") by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee").

In connection with the rendering of the Opinion, we have reviewed records of the acts taken by the District in connection with the authorization, sale and issuance of the Series 2023 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 [____], 2023 (the "Purchase Agreement"), for the purchase of the Series 2023 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 Series 2023 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 Series 2023 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 2023 BONDS" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS," insofar as such statements constitute descriptions of the Series 2023 Bonds or the Series 2023 Indenture, are accurate as to the matters set forth

or documents described therein (provided, we express no opinion with respect to any financial, statistical and demographic information and information under the caption "DESCRIPTION OF THE SERIES 2023 BONDS – Book-Entry Only System," and any other information in the Limited Offering Memoranda concerning DTC and its book-entry system of registration), and the information under the captions "TAX MATTERS" and "AGREEMENT BY THE STATE" are correct as to matters of law.

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 Series 2023 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 Series 2023 Bonds.

Very truly yours,

EXHIBIT D

ISSUER'S COUNSEL'S OPINION

[____], 2023

Scenic Terrace North Community Development District
City of Haines City, Florida

FMSbonds, Inc.
North Miami Beach, Florida

U.S. Bank Trust Company, National Association
Ft. Lauderdale, Florida
(solely for reliance upon Sections C.1., C.2. and C.3)

Re: \$_____ Scenic Terrace North Community Development District Special Assessment
 Bonds, Series 2023

Ladies and Gentlemen:

We serve as counsel to the Scenic Terrace North Community Development District (the "District"), a local unit of special-purpose government established pursuant to the laws of the State of Florida, in connection with the sale by the District of its \$_____ Special Assessment Bonds, Series 2023 (the "Series 2023 Bonds"). This letter is delivered to you pursuant to Section 3.01(3) of the Master Indenture (defined below), Section 2.09(c) of the First Supplemental Trust Indenture (defined below), and Section 8(c)(6) of the Bond Purchase Contract (referenced below), and is effective as of the date first written above. Each capitalized term not otherwise defined herein has the meaning given it to it in the Indenture (defined herein).

A. DOCUMENTS EXAMINED

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

1. Ordinance No. 21-1741 enacted by the City Commission of the City of Haines City, Florida (the "City") located within Polk County, Florida (the "**County**") on August 19, 2021, as amended by Ordinance No. 23-2042 enacted by the City Commission on June 1, 2023 (collectively, the "**Establishment Ordinance**");
2. the *Master Trust Indenture*, dated as of [____] 1, 2023 ("**Master Indenture**"), as supplemented with respect to the Series 2023 Bonds by the *First Supplemental Trust Indenture*, dated as of [____] 1, 2023 ("**First Supplemental Trust Indenture**" and, together with the Master Indenture, "**Indenture**"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee ("**Trustee**");
3. Resolutions Nos. 2021-26 and 2023-[__] adopted by the District on September 2, 2021 and July [19], 2023, respectively (collectively, "**Bond Resolution**");
4. "*Scenic Terrace North Community Development District Engineer's Report*" dated September 1, 2021 (the "**Engineer's Report**"), which describes among other things, the capital infrastructure improvements for the District (the "**Series 2023 Project**");
5. *Master Assessment Methodology for Scenic Terrace North Community Development District* dated September 2, 2021, as supplemented by the *Supplemental Assessment*

- Methodology for Scenic Terrace North Community Development District* dated [____], 2023 (collectively, "**Assessment Methodology**");
6. Resolution Nos. 2021-27, 2021-28, 2022-03 and 2023-[____], adopted by the District on September 2, 2021, September 2, 2021, October 20, 2021] and [____, 2023] (collectively, "**Assessment Resolution**"), establishing the debt service special assessments ("**Debt Assessments**"), securing the Series 2023 Bonds;
 7. the *Final Judgment* issued on January 28, 2022, by the Circuit Court for the Tenth Judicial Circuit in and for Polk County, Florida in Case No. 53-2021CA-003243000000 and the Certificate of No Appeal issued thereafter;
 8. the Preliminary Limited Offering Memorandum dated [____], 2023 ("**PLOM**") and Limited Offering Memorandum dated [____], 2023 ("**LOM**");
 9. certain certifications by FMSbonds, Inc. ("**Underwriter**"), as underwriter to the sale of the Series 2023 Bonds;
 10. certain certifications of Dewberry Engineers Inc., as District Engineer;
 11. certain certifications of Governmental Management Services – Central Florida, LLC, as Methodology Consultant;
 12. certain certifications of Governmental Management Services – Central Florida, LLC, as District Manager;
 13. general and closing certificate of the District;
 14. an opinion of Greenberg Traurig, P.A. ("**Bond Counsel**"), issued to the District in connection with the sale and issuance of the Series 2023 Bonds;
 15. an opinion of Aponte & Associates Law Firm, P.L.L.C. ("**Trustee Counsel**"), issued to the District and Underwriter in connection with the sale and issuance of the Series 2023 Bonds;
 16. an opinion of Straughn & Turner, P.A., counsel to the Landowner (defined herein), issued to the District and the Underwriter in connection with the sale and issuance of the Series 2023 Bonds;
 17. the following agreements ("**Bond Agreements**"):
 - (a) the Continuing Disclosure Agreement dated [____], 2023, by and among the District and Highland Sumner, LLC ("**Landowner**"), and a dissemination agent;
 - (b) the Bond Purchase Contract between Underwriter and the District and dated [____], 2023 ("**BPA**");
 - (c) the Acquisition Agreement (Series 2023 Bonds), between the District and the Landowner and dated [____], 2023;
 - (d) the Completion Agreement (Series 2023 Bonds), between the District and the Landowner and dated [____], 2023;
 - (e) the True-Up Agreement (Series 2023 Bonds), between the District and the Landowner and dated [____], 2023;
 - (f) the Collateral Assignment and Assumption Agreement (Series 2023 Bonds), between the District and the Landowner and dated [____], 2023;
 18. Declaration of Consent to Jurisdiction executed by the Landowner;
 19. Certificate of the Landowner;
 20. The following Executive Orders of Governor DeSantis of the State of Florida: 2020-52 issued March 9, 2020 and 2020-69 issued March 20, 2020, as amended, extended and supplemented, respectively; and
 21. such other documents as we have deemed necessary or appropriate in rendering the opinions set forth below.

We have also attended various meetings of the District and have participated in conferences from time to time with representatives of the District, the District Engineer, the District Manager, the Assessment Consultant, the Underwriter, Bond Counsel, counsel to the Underwriter, the Landowner, counsel to the

Landowner, and others relative to the Limited Offering Memorandum and the related documents described herein.

B. RELIANCE

This opinion is solely for the benefit of the (i) District; (ii) Underwriter; and (iii) Trustee; however, the Trustee may only rely on this opinion for the limited purposes of the opinions stated in Sections C.1, C.2 and C.3. This opinion may not be relied on by any other party or for any other purpose without our prior written consent.

C. OPINIONS

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

1. **Authority** – Under the Florida Constitution and laws of the State, the District has been duly established and validly exists as a local unit of special purpose government and a community development district under Chapter 190, Florida Statutes (the "Act"), with such powers as set forth in the Act, and with good, right and lawful authority: (a) to enter into and to consummate the transactions contemplated by the Bond Resolution, the Assessment Resolution, the Indenture, the Series 2023 Bonds and the Bond Agreements; (b) to issue the Series 2023 Bonds for the purposes for which they are issued; (c) to impose, levy, collect and enforce the Debt Assessments and pledge the Pledged Revenues to secure the Series 2023 Bonds as provided in the Indenture; (d) to adopt the Bond Resolution and the Assessment Resolution; and (e) to perform its obligations under the terms and conditions of the Bond Resolution, the Assessment Resolution, the Bond Agreements, the Series 2023 Bonds and the Indenture.

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

3. **Agreements** – The (a) Bond Resolution, (b) Assessment Resolution, (c) Bonds, (d) Indenture, and (e) Bond Agreements (assuming due authorization, execution and delivery of documents (c) – (e) listed herein by any parties thereto other than the District) have been duly and validly authorized, executed and delivered by the District, have been duly approved and adopted and/or issued by the District, are in full force and effect, constitute legal, valid and binding obligations of the District, and are enforceable against the District in accordance with their respective terms. All conditions prescribed in the Indenture as precedent to the issuance of the Series 2023 Bonds have been fulfilled.

4. **Validation** – The Series 2023 Bonds have been validated by a final judgment of the Circuit Court in and for Polk County, Florida, of which no timely appeals were filed.

5. **Governmental Approvals** – As of the date hereof, all necessary consents, approvals, waivers or other actions by or filings with any governmental authority or other entity that are required for: (a) the adoption of the Bond Resolution and the Assessment Resolution; (b) the issuance, sale, execution and delivery of the Series 2023 Bonds upon the terms set forth in the BPA, PLOM, and LOM; (c) the execution and delivery of the Indenture and Bond Agreements; and (d) the performance by the District of the transactions required hereby, have been duly obtained or made and are in full force and effect.

6. ***PLOM and LOM*** – The District has duly authorized the execution, delivery and distribution by the Underwriter of the PLOM and LOM. To our knowledge, and based upon our review of the PLOM and LOM and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the PLOM and LOM, and as of the date of their respective issuances, and with respect to the PLOM, the date of the BPA, and with respect to the LOM, the date hereof, nothing has come to our attention which would lead us to believe that the PLOM and LOM contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, provided however that the opinions stated herein extend only to the following provisions of the PLOM and LOM: "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – Prepayment of Series 2023 Special Assessments" (as to the first two paragraphs thereof), "ENFORCEMENT OF ASSESSMENT COLLECTIONS," "THE DISTRICT" (excluding the subcaption "The District Manager and Other Consultants"), "THE DEVELOPMENT – Landowner Agreements" (solely as to the description of the agreements), "AGREEMENT BY THE STATE," "LEGALITY FOR INVESTMENT," "LITIGATION – The District," "CONTINUING DISCLOSURE" (as it relates to the District only), "VALIDATION," and "AUTHORIZATION AND APPROVAL," and further provided however that the opinions stated herein do not extend to any statements that constitute descriptions of the Series 2023 Bonds or the Indenture. No information or opinion is offered as to any remaining provisions of the PLOM or LOM.

7. ***Litigation*** – As the District's Registered Agent for service of process and the fact that we have not been served with notice, there is no litigation pending or, to the best of our knowledge, threatened against the District: (a) seeking to restrain or enjoin the issuance or delivery of the Series 2023 Bonds or the application of the proceeds thereof, or the imposition, levy or collection of the Debt Assessments or the Pledged Revenues pledged for the payment of the debt service on the Series 2023 Bonds; (b) contesting or affecting the authority for the Debt Assessments, the authority for the issuance of the Series 2023 Bonds or the validity or enforceability of the Series 2023 Bonds, the Indenture, the Bond Agreements or the transactions contemplated thereunder; (c) contesting or affecting the establishment or existence of the District or any of its Supervisors, officers or employees, its assets, property or condition, financial or otherwise, or contesting or affecting any of the powers of the District, including its power to enter into the Indenture or the Bond Agreements, or its power to determine, assess, levy, collect and pledge the Debt Assessments for the payment of the debt service on the Series 2023 Bonds; or (d) specifically contesting the exclusion from federal gross income of interest on the Series 2023 Bonds.

8. ***Compliance with Laws*** – To the best of our knowledge, the District is not, in any manner material to the issuance of the Series 2023 Bonds or the Debt Assessments, in breach of or default under any applicable provision of the Act or constitutional provision, statute, or administrative regulation of the State of Florida, or any applicable judgment or decree, any loan agreement, indenture, bond, note, resolution, agreement (including the Bond Agreements and Indenture), or any other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of our knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the District under any such instrument; provided, however, that no opinion is expressed as to compliance with any state or federal tax or securities laws.

9. ***Authority to Undertake Series 2023 Project*** – The District has good right and lawful authority under the Act to undertake, finance, acquire, construct, own, and operate the Series 2023 Project, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body.

D. CERTAIN ASSUMPTIONS

In rendering the foregoing opinions, we have assumed the following: (1) that all public records, certifications, agreements and other documents examined by us that have been executed or certified by public officials acting within the scope of their official capacities are authentic, truthful and accurate; (2) that copies of such public records, certifications, agreements, and other documents furnished to us are authentic and conform to the originals; (3) that all signatures on executed public records, certifications, agreements and other documents are genuine; and (4) that all public records, certifications, agreements and other documents have been properly authorized and are binding on each of the other parties thereto. Such assumptions do not apply to District documents. We have also assumed the legality and validity of the following Executive Orders of Governor DeSantis of the State of Florida: 2020-52 issued March 9, 2020 and 2020-69 issued March 20, 2020, as amended, extended and supplemented, respectively.

E. CERTAIN QUALIFICATIONS

The foregoing opinions are subject to the following qualifications:

1. The opinions or statements expressed above are based solely on the laws of Florida in effect at the time of issuance of the Series 2023 Bonds. Accordingly, we express no opinion nor make any statement regarding the effect or application of the laws of the federal government (including but not limited to the Internal Revenue Code or any proposed changes thereto), or any other state or other jurisdiction.

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

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

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

5. We express no opinion and make no representations regarding financial information, statistical data, or assessment and benefit calculations.

6. We have not reviewed, and therefore express no opinion, regarding any land use, real property or other related items, including but not limited to whether the Landowner is able to convey good and marketable title to any particular real property or interest therein and related to the Series 2023 Project.

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

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

Very truly yours,

KILINSKI | VAN WYK PLLC

EXHIBIT E

LANDOWNER'S COUNSEL'S OPINION

[____], 2023

Scenic Terrace North Community Development District
City of Haines City, Florida

FMSbonds, Inc.
North Miami Beach, Florida

U.S. Bank Trust Company, National Association
Ft. Lauderdale, Florida

Greenberg Traurig, P.A.
Miami, Florida

GrayRobinson, P.A.
Tampa, Florida

Re: \$[_____] Scenic Terrace North Community Development District Special Assessment
 Bonds, Series 2023 (the "Series 2023 Bonds")

Ladies and Gentlemen:

I am counsel to Highland Sumner, LLC, a Florida limited liability company (the "Landowner"), which is the owner and developer of certain land located in City of Haines City, Florida, within Polk County, Florida, and being developed as a single-family residential community to be known as "Scenic Terrace," as such lands are described in the Limited Offering Memoranda (as hereinafter defined). This opinion is rendered at the request of the Landowner in connection with the issuance by the Scenic Terrace North Community Development District (the "District") of the above-referenced Bonds, as further described in the District's Preliminary Limited Offering Memorandum dated [____], 2023 and the District's final Limited Offering Memorandum, dated [____], 2023, including the appendices attached thereto (collectively, the "Limiting Offering Memoranda"). Capitalized terms not defined herein shall have the meaning set forth in the Limited Offering Memoranda.

It is my understanding that the Series 2023 Bonds are being issued for the purposes of: (i) providing funds to pay a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2023 Project, (ii) funding a deposit to the Series 2023 Reserve Account in the amount of the Series 2023 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2023 Bonds and (iv) paying the costs of issuance of the Series 2023 Bonds.

In my capacity as counsel to the Landowner, I have examined originals or copies identified to my satisfaction as being true copies of the Limiting Offering Memoranda, the Continuing Disclosure Agreement to be dated as of the Closing Date (the "Continuing Disclosure Agreement"), by and among the District, the Landowner, and Governmental Management Services – Central Florida, LLC, as dissemination agent, the Agreement Regarding the Completion of Certain Improvements by and between the District and the Landowner dated as of the Closing Date (the "Completion Agreement"), the Agreement Regarding the

Acquisition of Work Product, Improvements and Real Property by and between the District and the Landowner dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2023 Project by and between the District and the Landowner dated as of the Closing Date (the "Collateral Assignment"), the Agreement Regarding True-Up by and between the District and the Landowner dated as of the Closing Date (the "True-Up Agreement"), and the Declaration of Consent to Jurisdiction of the District, Imposition of Special Assessments and Imposition of Lien of Record dated as of the Closing Date and executed by the Landowner (the "Declaration of Consent") (collectively, the "Documents") and have made such examination of law as I have deemed necessary or appropriate in rendering this opinion. In connection with the forgoing, I also have reviewed and examined the Landowner's Operating Agreement dated as of December 11, 2019, its Articles of Organization filed on December 10, 2019, and a certificate of good standing issued by the State of Florida on _____, 2023 (collectively, the "Organizational Documents").

In rendering this opinion, I have assumed, without having made any independent investigation of the facts, the genuineness of all signatures (other than those of the Landowner) and the authenticity of all documents submitted to me as originals and the conformity to original documents of all documents submitted to me as certified, conformed or photostatic copies, and the legal capacity of all natural persons.

In basing the opinions set forth in this opinion on "my knowledge," the words "my knowledge" signify that, in the course of my representation of Landowner, no facts have come to my attention that would give me actual knowledge or actual notice that any such opinions or other matters are not accurate. Except as otherwise stated in this opinion, I have undertaken no investigation or verification of such matters.

Based on the forgoing, I am of the opinion that:

1. The Landowner is a limited liability company organized and existing under the laws of the State of Florida.
2. The Landowner has the power to conduct its business and to undertake the funding of the development of the lands in the District as described in the Limited Offering Memoranda and to enter into the Documents.
3. The Documents have been duly authorized, executed and delivered by the Landowner and are in full force and effect. Assuming the due authorization, execution and delivery of such instruments by the other parties thereto and their authority to perform such instruments, the Documents constitute legal, valid and binding obligations of the Landowner, enforceable in accordance with their respective terms.
4. Nothing has come to my attention that would lead me to believe the information contained in the Limited Offering Memoranda under the captions "THE DEVELOPMENT," "THE LANDOWNER," "LITIGATION – The Landowner," and "CONTINUING DISCLOSURE" (as it relates to the Landowner 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 dates of the Limited Offering Memoranda or as of the date hereof.
5. The execution, delivery and performance of the Documents by the Landowner do not violate (i) the operating agreement of the Landowner, (ii) to my knowledge, any agreement, instrument or Federal or Florida law, rule or regulation known to me to which the Landowner is a party or by which any of the Landowner's assets are or may be bound; or (iii) to my knowledge, any judgment, decree or order of any administrative tribunal, which judgment, decree, or order is binding on the Landowner or its assets.

6. Nothing has come to my attention that would lead me to believe that the Landowner is not in compliance in all material respects with all provisions of applicable law in all material matters relating to such entity as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) I have no knowledge that the Landowner has not received all government permits, consents and licenses required in connection with the construction and completion of the development of the Series 2023 Project and the lands in the District as described in the Limited Offering Memoranda; (b) I have no knowledge of any default of any zoning condition, land use permit or development agreement which would adversely affect the Landowner's ability to complete development of the Series 2023 Project and the lands in the District as described in the Limited Offering Memoranda and all appendices thereto; and (c) I have no knowledge and am not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the development of the lands in the District as described in the Limited Offering Memoranda will not be obtained in due course as required by the Landowner.

7. To the best of my knowledge after due inquiry, the levy of the Series 2023 Special Assessments on the applicable lands within the District will not conflict with or constitute a breach of or default under any agreement, indenture or other instrument to which the Landowner is a party or to which the Landowner or any of its property or assets are subject.

8. To the best of my knowledge after due inquiry, there is no litigation pending which would prevent or prohibit the development of the Series 2023 Project or the lands in the District in accordance with the descriptions thereof in the Limited Offering Memoranda and the Engineer's Report annexed thereto or which may result in any material adverse change in the business, properties, assets or financial condition of the Landowner.

9. To the best of my knowledge after due inquiry, the Landowner 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. To the best of my knowledge after due inquiry, the Landowner 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. To the best of my knowledge after due inquiry, the Landowner is in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets are subject, which default would have a material adverse effect on the Series 2023 Bonds or the development of the Series 2023 Project or the lands in the District.

This opinion is given as of the date hereof, and I disclaim any obligation to update this opinion letter for events occurring after the date of this opinion letter. The foregoing opinion applies only with respect to the laws of the State of Florida and the federal laws of the United States of America and I express no opinion with respect to the laws of any other jurisdiction. Nothing herein shall be construed as an opinion regarding the possible applicability of state securities or "blue sky" laws, as to which no opinion is expressed. This letter is for the benefit of and may be relied upon solely by the addressees and this opinion may not be relied upon in any manner, nor used, by any other persons or entities.

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

Very truly yours,

STRAUGHN & TURNER, P.A.

EXHIBIT F

FORM OF CERTIFICATE OF LANDOWNER

HIGHLAND SUMNER, LLC, a Florida limited liability company (the "Landowner"), DOES HEREBY CERTIFY, that:

1. This Certificate of the Landowner is furnished pursuant to Section 8(c)(10) of the Bond Purchase Contract dated [____], 2023 (the "Purchase Contract") between Scenic Terrace North Community Development District (the "District") and FMSbonds, Inc. (the "Underwriter") relating to the sale by the District of its \$[____] original aggregate principal amount of Special Assessment Bonds, Series 2023 (the "Series 2023 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract.

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

3. Representatives of the Landowner have provided information to the District to be used in connection with the offering by the District of its Series 2023 Bonds, pursuant to a Preliminary Limited Offering Memorandum dated [____], 2023 and the Limited Offering Memorandum, dated [____], 2023, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

4. The Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District, the Landowner and a dissemination agent (the "Disclosure Agreement"), [the Agreement Regarding the Completion of Certain Improvements by and between the District and the Landowner dated as of the Closing Date (the "Completion Agreement"), the Agreement Regarding the Acquisition of Work Product, Improvements and Real Property by and between the District and the Landowner dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2023 Project by and between the District and the Landowner, dated as of the Closing Date in recordable form (the "Collateral Assignment"), the Agreement Regarding True-Up by and between the District and the Landowner dated as of the Closing Date in recordable form (the "True-Up Agreement"), and the Declaration of Consent to Jurisdiction of Scenic Terrace North Community Development District and to Imposition of Special Assessments dated the Closing Date by the Landowner and to be recorded in the public records of Polk County, Florida (the "Declaration of Consent"), each constitute a valid and binding obligation of the Landowner, enforceable against the Landowner in accordance with its respective terms.

5. The Landowner has reviewed and approved the information contained in the Limited Offering Memoranda under the captions "THE 2023 PROJECT," "THE DEVELOPMENT," "THE LANDOWNER," "BONDOWNERS' RISKS" (as it relates to the Landowner, the Development and non-specific Bondholder risks), "LITIGATION – The Landowner" and "CONTINUING DISCLOSURE" (as it relates to the Landowner) and warrant and represent that such information did not as of their respective dates, and does not as of the date hereof, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, the Landowner is not aware of any other information in the Limited Offering Memoranda that contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

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

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

8. The Landowner hereby represents that it owns that the lands in the District that will be subject to the Series 2023 Special Assessments as described in the Limited Offering Memoranda, and the Landowner hereby consents to the levy of the Series 2023 Special Assessments on the lands in the Series 2023 Assessment Area owned by the Landowner. The levy of the Series 2023 Special Assessments on the lands in the Series 2023 Assessment Area will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which either of the Landowner is a party or to which their respective properties or assets are subject.

9. The Landowner 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 Landowner 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 Landowner acknowledges that the Series 2023 Bonds have the debt service requirements set forth in the Limited Offering Memorandum and that the Series 2023 Special Assessments will be levied by the District at times, and in amounts sufficient, to enable the District to pay debt service on the Series 2023 Bonds when due.

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

12. Except as otherwise disclosed in the Limited Offering Memoranda, there is no action, suit or proceedings at law or in equity by or before any court or public board or body pending or, solely to the best of our knowledge, threatened against the Landowner (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of Financing Documents, Declaration of Consent and/or Ancillary Documents to which the Landowner is a party, (b) contesting or affecting the validity or enforceability of the Financing Documents, Declaration of Consent and/or Ancillary Documents, or any and all such other agreements or documents as may be required to be executed, or the transactions contemplated thereunder, (c) contesting or affecting the establishment or existence of the Landowner or of the Landowner's business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Landowner, or (d) that would have a material and adverse effect upon the ability of the Landowner to (i) complete the development of lands within the District as described in the Limited Offering Memoranda, (ii) pay the Series 2023 Special Assessments, or (iii) perform its various obligations as described in the Limited Offering Memoranda.

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

otherwise described in the Limited Offering Memoranda, (a) the Series 2023 Assessment Area is zoned and properly designated for its intended use; (b) all government permits other than certain permits, which permits are expected to be received as needed, have been received; (c) the Landowner is not aware of any default of any zoning condition, permit or development agreement which would adversely affect the Landowner's ability to complete or cause the completion of development of the Series 2023 Assessment Area 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 of the Series 2023 Assessment Area as described in the Offering Memoranda will not be obtained as required.

14. The Landowner acknowledges that it will have no rights under Chapter 170, Florida Statutes, as amended, to prepay, without interest, the Series 2023 Special Assessments imposed on lands in the Series 2023 Assessment Area owned by the Landowner within thirty (30) days following completion of the Series 2023 Project and acceptance thereof by the District.

15. The Landowner has entered into prior continuing disclosure obligations in connection with SEC Rule 15c2-12, and the information presented in the Limited Offering Memoranda under the heading "CONTINUING DISCLOSURE" (at it relates to the Landowner only) accurately reflects the continuing disclosure history of the Landowner.

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

Dated: [____], 2023.

HIGHLAND SUMNER, LLC, a Florida limited liability company

By: Heath Construction & Management, LLC,
its Manager

By: _____
Warren K. Heath, its Manager

EXHIBIT G

CERTIFICATE OF ENGINEER

CERTIFICATE OF DEWBERRY ENGINEERS INC. (the "Engineers"), DOES HEREBY CERTIFY, that:

1. This certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Contract dated [____], 2023 (the "Purchase Contract"), by and between Scenic Terrace North Community Development District (the "District") and FMSbonds, Inc. with respect to the District's \$[____] original aggregate principal amount of Special Assessment Bonds, Series 2023 (the "Series 2023 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 [____], 2023 and the Limited Offering Memorandum, dated [____], 2023, including the appendices attached thereto, relating to the Series 2023 Bonds (collectively, the "Limited Offering Memoranda"), as applicable.

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

3. The plans and specifications for the Series 2023 Project (as described in the Limited Offering Memoranda) were approved by all regulatory bodies required to approve them. All environmental and other regulatory permits or approvals required in connection with the construction of the Series 2023 Project were obtained or are expected to be obtained in the ordinary course.

4. The Engineers prepared the report entitled "Scenic Terrace North Community Development District Engineer's Report" dated September 1, 2021 (the "Report"). The Report was prepared in accordance with generally accepted engineering principles. The Report is included as "APPENDIX A: ENGINEER'S REPORT" to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and a description of the Report and certain other information relating to the Series 2023 Project are included in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions "THE 2023 PROJECT" and "THE DEVELOPMENT." The Report and said information are true and complete in all material respects, contain no untrue statement of a material fact, and do not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

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

6. The Series 2023 Project is being constructed in sound workmanlike manner and in accordance with industry standards.

7. The price being paid by the District to the District for acquisition of the improvements included within the Series 2023 Project will not exceed the lesser of the cost of the Series 2023 Project or the fair market value of the assets acquired by the District.

8. To the best of our knowledge, after due inquiry, the Landowner is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Landowner and the development of the Series 2023 Assessment Area 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 Series 2023 Project and the development of the Series 2023 Assessment Area, as described in the Limited Offering Memoranda, have been received or are expected to be received in the ordinary course; (b) we are not aware of any default of any zoning condition, land use permit or development agreement which would adversely affect the ability to complete development of the Series 2023 Assessment Area 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 Series 2023 Project and the development of the Series 2023 Assessment Area as described in the Limited Offering Memoranda and all appendices thereto will not be obtained in due course as required by the Landowner, or any other person or entity.

9. There is adequate water and sewer service capacity to serve the Series 2023 Assessment Area within the District.

Date: [____], 2023

DEWBERRY ENGINEERS INC.

By: _____
Print Name: _____
Title: _____

EXHIBIT H

CERTIFICATE OF DISTRICT MANAGER AND METHODOLOGY CONSULTANT

[____], 2023

Scenic Terrace North Community Development District
City of Haines City, Florida

FMSbonds, Inc.
North Miami Beach, Florida

Re: \$[_____] Scenic Terrace North Community Development District Special Assessment
 Bonds, Series 2023

Ladies and Gentlemen:

The undersigned representative of Governmental Management Services – Central Florida, LLC ("GMS"), DOES HEREBY CERTIFY:

1. This certificate is furnished pursuant to Section 8(c)(18) of the Bond Purchase Contract dated [____], 2023 (the "Purchase Contract"), by and between Scenic Terrace North Community Development District (the "District") and FMSbonds, Inc. with respect to the District's \$[_____] original aggregate principal amount of Special Assessment Bonds, Series 2023 (the "Series 2023 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 2023 Bonds, as applicable.

2. GMS has acted as district manager and methodology consultant to the District in connection with the sale and issuance by the District of its Series 2023 Bonds and has participated in the preparation of the Preliminary Limited Offering Memorandum dated [____], 2023 and the Limited Offering Memorandum, dated [____], 2023, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

3. In connection with the issuance of the Series 2023 Bonds, we have been retained by the District to prepare the Master Assessment Methodology for Scenic Terrace North Community Development District dated September 2, 2021, as supplemented by the Supplemental Assessment Methodology for Scenic Terrace North Community Development District dated [____], 2023 (collectively, the "Assessment Methodology"), which Assessment Methodology has been included as an appendix to the Limited Offering Memoranda. We hereby consent to the use of the Assessment Methodology in the Limited Offering Memoranda and consent to the references to us therein.

4. As District Manager, nothing has come to our attention that would lead us to believe that the Limited Offering Memoranda, as they relate to the District, the Series 2023 Project, or any information provided by us, and the Assessment Methodology, as of their respective dates and as of this date, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

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

DISTRICT," "FINANCIAL STATEMENTS," "LITIGATION" (insofar as such description relates to the District), "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE," "CONTINGENT FEES," and in "APPENDIX D: ASSESSMENT METHODOLOGY" did not as of the respective dates of the Limited Offering Memoranda and does not as of the date hereof contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

6. To the best of our knowledge, there has been no change which would materially adversely affect the assumptions made or the conclusions reached in the Assessment Methodology, and the considerations and assumptions used in compiling the Assessment Methodology are reasonable. The Assessment Methodology and the assessment methodology set forth therein were prepared in accordance with all applicable provisions of Florida law.

7. As District Manager for the District, we are not aware of any litigation pending or, to the best of our knowledge, threatened against the District restraining or enjoining the issuance, sale, execution or delivery of the Series 2023 Bonds, or in any way contesting or affecting the validity of the Series 2023 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or security provided for the payment of the Series 2023 Bonds, or the existence or powers of the District.

8. The Series 2023 Special Assessments, as initially levied and as may be reallocated from time to time as permitted by resolutions adopted by the District, are sufficient to enable the District to pay the debt service on the Series 2023 Bonds through the final maturity thereof.

9. GMS hereby acknowledges its agreement to serve as the Dissemination Agent for the District for the Series 2023 Bonds and undertake the obligations of the Dissemination Agent as set forth in the Continuing Disclosure Agreement dated [____], 2023 (the "Disclosure Agreement") by and among the District, Highland Sumner, LLC and GMS, as Dissemination Agent, and acknowledged by GMS, as District Manager, and U.S. Bank Trust Company, National Association, as trustee. GMS hereby represents that it is aware of the continuing disclosure requirements set forth in the Disclosure Agreement and Rule 15c2-12 promulgated under the Securities Act of 1933, as amended, that it has policies and procedures in place to ensure its compliance with its obligations under the Disclosure Agreement, and that it will comply with its obligations under the Disclosure Agreement.

Dated: [____], 2023.

**GOVERNMENTAL MANAGEMENT
SERVICES – CENTRAL FLORIDA, LLC**, a
Florida limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT C

FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED [____], 2023

**NEW ISSUES - 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 2023 Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes; and, further, interest on the Series 2023 Bonds will not be an item of tax preference for purposes of the alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Internal Revenue Code of 1986, as amended (the "Code") on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2023 Bonds is not excluded from the determination of adjusted financial statement income. See "TAX MATTERS" herein for a description of certain other federal tax consequences of ownership of the Series 2023 Bonds. Bond Counsel is further of the opinion that the Series 2023 Bonds and the interest 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.

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
(CITY OF HAINES CITY, FLORIDA)**

**\$12,500,000*
SPECIAL ASSESSMENT BONDS, SERIES 2023**

Dated: Date of Delivery

Due: As described herein

The Scenic Terrace North Community Development District Special Assessment Bonds, Series 2023 (Series 2023 Project) (the "Series 2023 Bonds") are being issued by the Scenic Terrace North Community Development District (the "District" or the "Issuer") in fully registered form, without coupons, in authorized denominations of \$5,000 and any integral multiple thereof. The Series 2023 Bonds will bear interest at the fixed rates set forth in the inside cover page hereof, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable semi-annually on each May 1 and November 1, commencing November 1, 2023. The Series 2023 Bonds, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2023 Bonds will be made in book-entry-only form and purchasers of beneficial interests in the Series 2023 Bonds will not receive physical bond certificates. For so long as the book-entry only system is maintained, the principal of and interest on the Series 2023 Bonds will be paid from the sources provided by the Indenture (as defined herein) by U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), to Cede & Co., as nominee of DTC, as the registered owner thereof. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein. Any purchaser, as a beneficial owner of an Series 2023 Bond, must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of the principal of, premium, if any, and interest on such Series 2023 Bond. See "DESCRIPTION OF THE SERIES 2023 BONDS – Book-Entry Only System" herein.

The Series 2023 Bonds are being issued for the purposes of: (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2023 Project (as defined herein), (ii) funding a deposit to the Series 2023 Reserve Account in the amount of the Series 2023 Reserve Requirement (each as defined herein), (iii) paying a portion of the interest coming due on the Series 2023 Bonds and (iv) paying the costs of issuance of the Series 2023 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The District is a local unit of special-purpose government of the State of Florida (the "State"), created in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 21-1741 enacted by the City Commission of the City of Haines City, Florida (the "City") on August 19, 2021, as amended by Ordinance No. 23-2042 enacted by the City Commission on June 1, 2023 (collectively, the "Ordinance"). The Series 2023 Bonds are being issued pursuant to the Act, Resolution No. 2021-26 and Resolution No. 2023-[] adopted by the Board of Supervisors (the "Board") of the District on September 2, 2021 and July [19], 2023 (collectively, the "Resolution"), and a Master Trust Indenture dated as of [August] 1, 2023 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture, dated as of [August] 1, 2023 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" hereto.

The Series 2023 Bonds are payable from and secured solely by the Series 2023 Pledged Revenues. The Series 2023 Pledged Revenues for the Series 2023 Bonds consist of (a) all revenues received by the District from the Series 2023 Special Assessments levied and collected on the assessable lands within the Series 2023 Assessment Area (as such terms are defined herein), benefitted by the Series 2023 Project, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2023 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture, created and established with respect to or for the benefit of the Series 2023 Bonds; provided, however, that the Series 2023 Pledged Revenues shall not include (A) any moneys transferred to the Series 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2023 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 of (A), (B) and (C) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS" herein.

The Series 2023 Bonds are subject to optional redemption, mandatory sinking fund redemption and extraordinary mandatory redemption at the times, in the amounts, and at the redemption prices more fully described herein under the caption "DESCRIPTION OF THE SERIES 2023 BONDS – Redemption Provisions" herein.

THE SERIES 2023 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE SERIES 2023 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE, AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE CITY, POLK 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 SERIES 2023 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 2023 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2023 BONDS. THE SERIES 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE COUNTY, THE CITY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2023 Bonds involve a degree of risk (see "BONDOWNERS' RISKS" herein) and are not suitable for all investors (see "SUITABILITY FOR INVESTMENT" herein). Pursuant to Florida law, the Underwriter (as defined herein) 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 2023 Bonds. The Series 2023 Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the Series 2023 Bonds.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2023 Bonds. Investors must read this entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE

\$ _____	– _____ %	Term Bond due May 1, 20____	, Yield _____ %	, Price _____	CUSIP # _____	**
\$ _____	– _____ %	Term Bond due May 1, 20____	, Yield _____ %	, Price _____	CUSIP # _____	**
\$ _____	– _____ %	Term Bond due May 1, 20____	, Yield _____ %	, Price _____	CUSIP # _____	**
\$ _____	– _____ %	Term Bond due May 1, 20____	, Yield _____ %	, Price _____	CUSIP # _____	**

The Series 2023 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to the receipt of the opinion of Greenberg Traurig, P.A., Miami, Florida, Bond Counsel, as to the validity of the Series 2023 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida, for the District by its counsel, Kilinski | Van Wyk PLLC, Tallahassee, Florida, and for the Landowner (as defined herein) by its counsel, Straughn & Turner, P.A., Winter Haven, Florida. It is expected that the Series 2023 Bonds will be delivered in book-entry form through the facilities of DTC on or about _____, 2023.

FMSbonds, Inc.

Dated: _____, 2023

* Preliminary, subject to change.

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

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS

Warren "Rennie" Heath II, Chair*
Lauren Schwenk, Vice Chair*
Daniel Arnette, Assistant Secretary*
Chuck Cavaretta, Assistant Secretary*
Patricia Hudson, Assistant Secretary*

* Affiliated with the Landowner or its affiliates

DISTRICT MANAGER AND METHODOLOGY CONSULTANT

Governmental Management Services – Central Florida, LLC
Orlando, Florida

DISTRICT ENGINEER

Dewberry Engineers Inc.
Orlando, Florida

DISTRICT COUNSEL

Kilinski | Van Wyk PLLC
Tallahassee, Florida

BOND COUNSEL

Greenberg Traurig, P.A.
Miami, 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 2023 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2023 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 LANDOWNER (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 LANDOWNER OR IN THE STATUS OF THE DEVELOPMENT OR THE SERIES 2023 PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 2023 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 2023 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE DISTRICT, THE CITY, THE COUNTY, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2023 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 THE SERIES 2023 SPECIAL ASSESSMENTS, AND VARIOUS OTHER FACTORS WHICH MAY BE BEYOND THE DISTRICT'S AND THE LANDOWNER CONTROL. BECAUSE THE DISTRICT AND THE LANDOWNER 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 LANDOWNER DO NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF THEIR EXPECTATIONS CHANGE 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 ONLY 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 SUCH WEBSITE.

THIS PRELIMINARY LIMITED OFFERING MEMORANDUM IS IN A FORM DEEMED FINAL BY THE DISTRICT FOR PURPOSES OF RULE 15C2-12 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15C2-12(B)(1).

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APPENDIX E	PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

LIMITED OFFERING MEMORANDUM

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT (CITY OF HAINES CITY, FLORIDA)

\$12,500,000* SPECIAL ASSESSMENT BONDS, SERIES 2023

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page, inside cover and appendices hereto, is to provide certain information in connection with the issuance and sale by Scenic Terrace North Community Development District (the "District" or the "Issuer") of its \$12,500,000* aggregate principal amount of Special Assessment Bonds, Series 2023 (the "Series 2023 Bonds").

PROSPECTIVE INVESTORS SHOULD BE AWARE OF CERTAIN RISK FACTORS, ANY OF WHICH, IF MATERIALIZED TO A SUFFICIENT DEGREE, COULD DELAY OR PREVENT PAYMENT OF PRINCIPAL OF AND/OR INTEREST ON THE SERIES 2023 BONDS. THE SERIES 2023 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2023 BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF CHAPTER 517, FLORIDA STATUTES, AND THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES PROMULGATED THEREUNDER. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2023 BONDS. See "SUITABILITY FOR INVESTMENT" and "BONDOWNERS' RISKS" herein.

The District is a local unit of special-purpose government of the State of Florida (the "State"), created in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 21-1741 duly enacted by the City Commission of the City of Haines City, Florida (the "City") on August 19, 2021, as amended by Ordinance No. 23-2042 enacted by the City Commission on June 1, 2023 (collectively, 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 purposes of, among others, financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, or 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 District encompasses approximately 103.731 gross acres of land (the "District Lands"), located within the incorporated municipal boundaries of the City, in the northeastern portion of Polk County, Florida (the "County"). The District Lands are located at Scenic Highway (State Road 17) and Hughes Road, approximately one mile east of U.S. Highway 27. For more complete information about the District, its Board of Supervisors and the District Manager, see "THE DISTRICT" herein.

* Preliminary, subject to change.

The District Lands are being developed as a portion of the of the 1,173-unit master-planned community which will be marketed under the name "Scenic Terrace" (the "Master Development"). The portion of the Master Development located within the boundaries of the District (the "Development") is planned to contain 330 single-family homes, recreation and amenity areas, parks and associated infrastructure. See "THE DEVELOPMENT" herein for more information.

The Series 2023 Bonds are being issued to finance a portion of the public infrastructure improvements associated with the development of the District Lands (as further defined herein, the "Series 2023 Project"). See "THE SERIES 2023 PROJECT" herein and "APPENDIX A: ENGINEER'S REPORT" hereto for more information regarding the Series 2023 Project. The Series 2023 Bonds will be secured by the Series 2023 Special Assessments, which will initially be levied on all 103.731 gross acres within the District (also referred to herein as the "Series 2023 Assessment Area"). As lots are platted, the Series 2023 Special Assessments will be assigned to the 330 lots planned for the Development on a first-platted, first-assigned basis as set forth in the Assessment Methodology attached hereto. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto for more information regarding the Series 2023 Special Assessments.

Highland Sumner, LLC, a Florida limited liability company (the "Landowner"), owns the land within the District. The Landowner will install onsite parcel infrastructure improvements associated with the Development and will sell developed lots to third-party homebuilders. See "THE LANDOWNER" herein for more information. The Landowner has entered into builder contracts for the sale of all 330 lots planned within the Development, as follows: (i) Century Communities (as defined herein) for the sale of 165 developed lots in a single bulk take upon development completion, (ii) Homes by West Bay (as defined herein) for the sale of 96 developed lots in a single bulk take upon development completion and (iii) Casa Fresca (as defined herein) for the sale of 69 developed lots in a single bulk take upon development completion. See "THE DEVELOPMENT – Builder Contracts" herein for more information.

The Series 2023 Bonds are being issued pursuant to the Act, Resolution No. 2021-26 and Resolution No. 2023-[] adopted by the Board of Supervisors (the "Board") of the District on September 2, 2021 and July [19], 2023 (collectively, the "Resolution"), and a Master Trust Indenture dated as of [August] 1, 2023 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture, dated as [August] 1, 2023 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" hereto.

The Series 2023 Bonds are being issued for the purposes of: (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2023 Project, (ii) funding a deposit to the Series 2023 Reserve Account in the amount of the Series 2023 Reserve Requirement (each as defined herein), (iii) paying a portion of the interest coming due on the Series 2023 Bonds and (iv) paying the costs of issuance of the Series 2023 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2023 Bonds are payable from and secured solely by the Series 2023 Pledged Revenues. The Series 2023 Pledged Revenues for the Series 2023 Bonds consist of (a) all revenues received by the District from the Series 2023 Special Assessments (as defined herein) levied and collected on the assessable lands within the Series 2023 Assessment Area, benefitted by the Series 2023 Project, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Series

2023 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture, created and established with respect to or for the benefit of the Series 2023 Bonds; provided, however, that the Series 2023 Pledged Revenues shall not include (A) any moneys transferred to the Series 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2023 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 of (A), (B) and (C) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS" herein.

Set forth herein are brief descriptions of the District, the Development, the Series 2023 Project, the Landowner and the Builders, together with summaries of terms of Series 2023 Bonds, the Indenture and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and the Act, and all references to the Series 2023 Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. Proposed forms of the Master Indenture and the First Supplemental Indenture appear as APPENDIX B attached hereto.

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

DESCRIPTION OF THE SERIES 2023 BONDS

General Description

The Series 2023 Bonds will be dated the date, will bear interest at the rates per annum (computed on the basis of a 360-day year consisting of twelve 30-day months) and, subject to the redemption provisions set forth below, will mature on the dates and in the amounts set forth on the inside cover pages of this Limited Offering Memorandum. Interest on the Series 2023 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2023 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to November 1, 2023, 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. U.S. Bank Trust Company, National Association is the initial Trustee, Paying Agent and Registrar for the Series 2023 Bonds.

The Series 2023 Bonds will be issued in fully registered form, without coupons, in authorized denominations of \$5,000 and any integral multiple thereof provided, except as otherwise provided in the Indenture. The Series 2023 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 transfer in any secondary market for the Series 2023 Bonds. See "SUITABILITY FOR INVESTMENT" herein.

Upon initial issuance, the Series 2023 Bonds shall be issued as one fully registered bond for each maturity of Series 2023 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 2023 Bonds are held in book-entry-only form, Cede & Co. shall be considered the

The Series 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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 2023 Bonds maturing on May 1, 20__ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 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

Upon any redemption of Series 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 2023 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 2023 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 2023 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.

Extraordinary Mandatory Redemption

The Series 2023 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 Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2023 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2023 Prepayment Principal deposited into the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account following the payment in whole or in part of Series 2023 Special Assessments on any assessable property within the District in accordance with the provisions of the First Supplemental Indenture, together with any excess moneys transferred by the Trustee from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount as a result of such Series 2023 Prepayment and pursuant the First Supplemental Indenture. If such redemption shall be in part, the District shall select such principal amount of Series 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level;

(ii) from moneys, if any, on deposit in the Funds, Accounts and subaccounts held by the Trustee within the First Supplemental Indenture (other than the Series 2023 Rebate Fund and the Series 2023 Acquisition and Construction Accounts) sufficient to pay and redeem all Outstanding Series 2023 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture;

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2023 Acquisition and Construction Account in accordance with the provisions of the First Supplemental Trust Indenture, not otherwise reserved to complete the Series 2023 Project and transferred to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account, together with moneys deposited therein in accordance with the provisions of the First Supplemental Trust Indenture, as a result of the reduction of the Series 2023 Reserve Requirement. If such redemption shall be in part, the District shall select such principal amount of Series 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

Notice of Redemption

When required to redeem or purchase Series 2023 Bonds under any provision of the Indenture or directed to do so by the District, the Trustee shall cause notice of the redemption, either in whole or in part, to be provided by Electronic Means or mailed at least thirty (30) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of Series 2023 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 2023 Bonds for which notice was duly mailed in accordance with the Indenture. If, at the time of mailing of notice of an optional redemption, the District shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all of the Series 2023 Bonds called for redemption, such notice shall expressly state that the redemption is conditional and is subject to the deposit of the redemption moneys with the Trustee or Paying Agent, as the case may be, not later than the opening of business on the redemption date or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2023 Bonds. The Series 2023 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 2023 Bond certificate will be issued for each maturity of the Series 2023 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 2023 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2023 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2023 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 2023 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2023 Bonds, except in the event that use of the book-entry system for the Series 2023 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2023 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2023 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2023 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2023 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 2023 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2023 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2023 Bond documents. For example, Beneficial Owners of Series 2023 Bonds may wish to ascertain that the nominee holding the Series 2023 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 2023 Bonds within a series or maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2023 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 Series 2023 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2023 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2023 Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Series 2023 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2023 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Series 2023 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2023 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2023 Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Series 2023 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 2023 Bond certificates are required to be printed and delivered.

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS

General

THE SERIES 2023 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE SERIES 2023 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE, AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE CITY, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2023 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 2023 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2023 BONDS. THE SERIES 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE CITY, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2023 Bonds are payable from and secured solely by the Series 2023 Pledged Revenues. The Series 2023 Pledged Revenues for the Series 2023 Bonds consist of (a) all revenues received by the District from the Series 2023 Special Assessments (as defined herein) levied and collected on the assessable lands within the Series 2023 Assessment Area, benefitted by the Series 2023 Project, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2023 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture, created and established with respect to or for the benefit of the Series 2023 Bonds; provided, however, that the Series 2023 Pledged Revenues shall not include (A) any moneys transferred to the Series 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2023 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 of (A), (B) and (C) of this proviso).

The "Series 2023 Special Assessments" consist of the non-ad valorem special assessments imposed and levied by the District against the assessable lands within the District specially benefitted by the Series 2023 Project, or any portions thereof, pursuant to Section 190.022 of the Act, Chapters 170 and 197, Florida Statutes, and the Assessment Resolutions (as defined in the Indenture) and assessment proceedings conducted by the District (together with the Assessment Resolutions, the "Assessment Proceedings"). Non-ad valorem assessments are not based on millage and are not taxes, but constitute a lien against the land as to which the Series 2023 Special Assessments are imposed, including homestead property as permitted in Section 4, Article X of the Florida State Constitution. The Series 2023 Special Assessments will constitute a lien against the land as to which the Series 2023 Special Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. The Series 2023 Special Assessments will initially be levied on the approximately 103.731 gross acres of land within the Series 2023 Assessment

Area, which consists of all of the District Lands. The Series 2023 Assessment Area is planned for 330 residential units.

The Series 2023 Special Assessments are levied in an amount corresponding to the debt service on the Series 2023 Bonds on the basis of benefit received by the assessable lands within the District as a result of the Series 2023 Project. The Assessment Methodology (as hereinafter defined), which describes the methodology for allocating the Series 2023 Special Assessments to the assessable lands within the District is included as APPENDIX D attached hereto.

In the Master Indenture, the District will covenant that, if any Series 2023 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 2023 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 2023 Special Assessment when it might have done so, the District shall either (i) take all necessary steps to cause a new Series 2023 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 2023 Special Assessment from any legally available moneys, which shall be deposited into the Series 2023 Revenue Account. In the case such second Series 2023 Special Assessment shall be annulled, the District shall obtain and make other Series 2023 Special Assessments until a valid Series 2023 Special Assessment shall be made.

Prepayment of Series 2023 Special Assessments

The Assessment Proceedings provide that an owner of property subject to the Series 2023 Special Assessments may prepay the entire remaining balance of such Series 2023 Special Assessments at any time, or a portion of the remaining balance of such Series 2023 Special Assessment one time, if there is also paid, in addition to the prepaid principal balance of the Series 2023 Special Assessment, an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding interest payment date for the Series 2023 Bonds or, if prepaid during the forty-five (45) day period preceding such interest payment date, to the interest payment date following such next succeeding interest payment date. Prepayment of the Series 2023 Special Assessments does not entitle the property owner to any discounts for early payment.

Pursuant to the Act and the Assessment Proceedings, an owner of property subject to the levy of Series 2023 Special Assessments may pay the entire balance of the Series 2023 Special Assessments remaining due, without interest, within thirty (30) days after the Series 2023 Project has been completed, and the Board has adopted a resolution accepting the Series 2023 Project pursuant to Chapter 170.09, Florida Statutes. The Landowner, as the sole owner of the assessable property within the District, will waive this right on behalf of itself and its successors and assigns in connection with the issuance of the Series 2023 Bonds. See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein.

The Series 2023 Bonds are subject to extraordinary mandatory redemption as indicated under "DESCRIPTION OF THE SERIES 2023 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" from optional and required prepayments of Series 2023 Special Assessments by property owners.

Additional Bonds

Under the Indenture, the District will covenant not to issue any other Bonds or other debt obligations secured by the Series 2023 Special Assessments. In addition, the District will covenant not to issue any other Bonds or debt obligations for capital projects secured by Special Assessments on the

assessable lands within the District that are subject to the Series 2023 Special Assessments, until the Series 2023 Special Assessments are Substantially Absorbed. "Substantially Absorbed" means the date at least ninety percent (90%) of the principal portion of the Series 2023 Special Assessments have been assigned to residential units within the Series 2023 Assessment Area that have received certificates of occupancy. The District shall present the Trustee with a certification that the Series 2023 Special Assessments are Substantially Absorbed and the Trustee may conclusively rely upon such certification and shall have no duty to verify if the Series 2023 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to assume that the Series 2023 Special Assessments have not been Substantially Absorbed. Such covenant shall not prohibit the District from issuing refunding Bonds or any Bonds or other debt obligations secured by Special Assessments levied on District Lands outside of the Series 2023 Assessment Area, or to finance any other capital project that is necessary to remediate any natural disaster, catastrophic damage or failure with respect to the Series 2023 Project.

The District and/or other public entities may impose taxes or other special assessments on the same properties encumbered by the Series 2023 Special Assessments without the consent of the Owners of the Series 2023 Bonds. The District expects to impose certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the Series 2023 Special Assessments on the same lands upon which the Series 2023 Special Assessments are imposed, to fund the maintenance and operation of the District. See "THE DEVELOPMENT – Taxes, Fees and Assessments" and "BONDOWNERS' RISKS" herein for more information.

Covenant Against Sale or Encumbrance

In the Master Indenture, the District will covenant that (a) except for those improvements comprising the Projects that are to be conveyed by the District to the City, the County, the State Department of Transportation or another governmental entity, as to which no assessments of the District will be imposed and (b) except as otherwise permitted in the Master Indenture, it will not sell, lease or otherwise dispose of or encumber any Projects or any part thereof. See "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" herein.

Acquisition and Construction Account

The Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2023 Acquisition and Construction Account." Net proceeds of the Series 2023 Bonds shall initially be deposited into the Series 2023 Acquisition and Construction Account in the amounts set forth in the First Supplemental Indenture, together with any moneys subsequently transferred or deposited thereto, including moneys transferred from the Series 2023 Reserve Account after satisfaction of either the Reserve Release Conditions #1 or Reserve Release Conditions #2 (each as defined below) as certified in writing by the District Manager and upon which the Trustee may conclusively rely, and such moneys shall be applied as set forth in the Indenture, the Acquisition Agreement and the Engineer's Report. Funds on deposit in the Series 2023 Acquisition and Construction Account shall only be requested by the District to be applied to the Costs of the Series 2023 Project, subject to the First Supplemental Indenture. Upon satisfaction of the Reserve Release Conditions #1 and Reserve Release Conditions #2, the amount on deposit in the Series 2023 Reserve Account in excess of the Series 2023 Reserve Requirement, as applicable and as calculated by the District shall then be transferred by the Trustee to the Series 2023 Acquisition and Construction Account, as directed in writing to the Trustee by the District Manager, upon consultation with the Consulting Engineer, and applied as provided in the First Supplemental Indenture.

Following the Completion Date for the Series 2023 Project, all moneys remaining in the Series 2023 Acquisition and Construction Account that have not been requisitioned within thirty (30) days after satisfaction of the Reserve Release Conditions #2, shall be transferred to the Series 2023 General

Redemption Subaccount, as directed in writing by the District Manager, on behalf of the District to the Trustee to be applied as provided in the First Supplemental Indenture. Notwithstanding the foregoing, the Series 2023 Acquisition and Construction Account shall not be closed until the Reserve Release Conditions #2 shall have occurred and the excess funds from the Series 2023 Reserve Account shall have been transferred to the Series 2023 Acquisition and Construction Account, as directed in writing to the Trustee by the District Manager, and applied in accordance with the First Supplemental Indenture. The Trustee shall not be responsible for determining the amounts in the Series 2023 Acquisition and Construction Account and subaccounts allocable to the Series 2023 Project or any transfers made to such Accounts in accordance with direction from the District Manager.

The Trustee shall make no such transfers from the Series 2023 Acquisition and Construction Account to the Series 2023 General Redemption Subaccount if an Event of Default exists with respect to the Series 2023 Bonds of which the Trustee has actual knowledge as described in Section 11.06 of the Master Indenture. Except as provided in the First Supplemental Indenture, only upon presentment to the Trustee of a properly signed requisition in substantially the form attached as an exhibit thereto, shall the Trustee withdraw moneys from the Series 2023 Acquisition and Construction Account or subaccounts therein. After no funds remain in the Series 2023 Acquisition and Construction Account, such Account shall be closed.

Reserve Account

The Indenture establishes a Series 2023 Reserve Account within the Debt Service Reserve Fund solely for the benefit of the Series 2023 Bonds. Net proceeds of the Series 2023 Bonds shall be deposited into the Series 2023 Reserve Account in the amount of the Series 2023 Reserve Requirement, and such moneys, together with any other moneys deposited into the Series 2023 Reserve Account shall be applied for the purposes provided in the Indenture.

"Series 2023 Reserve Requirement" or "Reserve Requirement" shall be (i) initially, an amount equal to the maximum annual debt service on the Series 2023 Bonds as calculated from time to time; (ii) upon the occurrence of the Reserve Release Conditions #1, fifty percent (50%) of the maximum annual debt service on the Series 2023 Bonds as calculated from time to time; and (iii) upon the occurrence of the Reserve Release Conditions #2, ten percent (10%) of the maximum annual debt service on the Series 2023 Bonds as calculated from time to time. Upon satisfaction of the Reserve Release Conditions #1 or Reserve Release Conditions #2, as applicable, such excess amount shall be released from the Series 2023 Reserve Account and transferred to the Series 2023 Acquisition and Construction Account in accordance with the provisions of the First Supplemental Indenture. For the purpose of calculating the Series 2023 Reserve Requirement, maximum annual debt service, fifty percent (50%) of the maximum annual debt service, or ten percent (10%) of the maximum annual debt service, as the case may be, shall be recalculated in connection with the extraordinary mandatory redemption described in the First Supplemental Indenture (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the Series 2023 Reserve Account and, other than as provided in the immediately preceding sentence, transferred to the Series 2023 General Redemption Subaccount or the Series 2023 Prepayment Subaccount as applicable, in accordance with the provisions of the First Supplemental Indenture. Amounts on deposit in the Series 2023 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2023 Bonds be used to pay principal of and interest on the Series 2023 Bonds at that time. Initially, the Series 2023 Reserve Requirement shall be equal to \$_____.

"Reserve Release Conditions #1" shall mean collectively (i) all lots subject to the Series 2023 Special Assessments have been developed, platted and conveyed to homebuilders, as certified by the District Manager in writing and upon which the Trustee may conclusively rely, and (ii) there shall be no

Events of Default under the Series 2023 Indenture, all as certified by the District Manager in writing and upon which the Trustee may conclusively rely.

"Reserve Release Conditions #2" shall mean collectively (i) satisfaction of Reserve Release Conditions #1, (ii) all homes subject to the Series 2023 Special Assessments have been built and have received a certificate of occupancy, (iii) all of the outstanding principal portion of the Series 2023 Special Assessments has been assigned to such homes and (iv) there shall be no Events of Default under the Series 2023 Indenture, all as certified by the District Manager in writing and upon which the Trustee may conclusively rely.

Notwithstanding any provisions in the Master Indenture to the contrary, the District will covenant in the Indenture not to substitute the cash and Investment Securities on deposit in the Series 2023 Reserve Account with a Debt Service Reserve Insurance Policy or a Debt Service Reserve Letter of Credit. Except as provided in the next paragraph, all investment earnings on moneys in the Series 2023 Reserve Account shall remain on deposit therein.

On each March 15 and September 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2023 Reserve Account and transfer any excess therein above the Series 2023 Reserve Requirement for the Series 2023 Bonds caused by investment earnings to the Series 2023 Revenue Account in accordance with the Indenture.

Subject to the provisions of the First Supplemental Indenture, on any date the District receives notice from the District Manager that a landowner wishes to prepay its Series 2023 Special Assessments relating to the benefited property of such landowner, or as a result of a mandatory true-up payment, the District shall, or shall cause the District Manager on behalf of the District to calculate, the principal amount of such Prepayment, taking into account a credit against the amount of the Series 2023 Prepayment Principal due by the amount of money in the Series 2023 Reserve Account that will be in excess of the Series 2023 Reserve Requirement for the Series 2023 Bonds, taking into account the proposed Prepayment. Such excess shall be transferred to the Series 2023 Prepayment Subaccount of the Series 2023 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 such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the respective landowner from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2023 Bonds in accordance with the Indenture. The Trustee is authorized to make such transfers and has no duty to verify such calculations.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2023 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holders of the Series 2023 Bonds, to the Series 2023 General Redemption Subaccount, if as a result of the application of the provisions of the Master Indenture with respect to Events of Default, the proceeds received from lands sold subject to the Series 2023 Special Assessments and applied to redeem a portion of the Series 2023 Bonds is less than the principal amount of Series 2023 Bonds indebtedness attributable to such lands.

Notwithstanding the foregoing, upon satisfaction of the Reserve Release Conditions #2, the Trustee shall deposit such excess as directed by the District Manager in writing on deposit in the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account and pay such amount as designated in a requisition in the form attached as an exhibit to the First Supplemental Indenture to the District submitted by the Series 2023 Landowner 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 Landowner can establish, to the

satisfaction of the Consulting Engineer, Costs of the Series 2023 Project that were not paid from moneys initially deposited in the Series 2023 Acquisition and Construction Account. In the event that there are no unreimbursed costs to pay to the Landowner, such excess moneys transferred from the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account shall be deposited into the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account upon direction to the Trustee by the District. If no completed requisition as provided in this section is submitted to the Trustee within thirty (30) days of moneys having been transferred from the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account as a result of the satisfaction of the Reserve Release Conditions #2, such excess moneys in the Series 2023 Acquisition and Construction Account shall then be transferred by the Trustee to the Series 2023 General Redemption Subaccount and applied to the redemption of Series 2023 Bonds as provided in the First Supplemental Indenture.

In addition, and together with the moneys transferred from the Series 2023 Reserve Account pursuant to this paragraph, if the amount on deposit in the Series 2023 General Redemption Subaccount is not sufficient to redeem a principal amount of the Series 2023 Bonds in an Authorized Denomination, the Trustee is authorized to withdraw amounts from the Series 2023 Revenue Account to round up to the amount in the Series 2023 General Redemption Subaccount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2023 Revenue Account shall be made to pay interest on and/or principal of the Series 2023 Bonds for the redemption pursuant to the First Supplemental Indenture if as a result the deposits required under the First Supplemental Indenture cannot be made in full.

It shall be an event of default under the Indenture if at any time the amount in the Series 2023 Reserve Account is less than the Reserve Requirement therefor as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement for the Series 2023 Bonds and such amount has not been restored within ninety (90) days of such withdrawal.

Deposit and Application of the Pledged Revenues

Pursuant to the Indenture, the Trustee shall establish a separate account with the Revenue Fund designated as the "Series 2023 Revenue Account." Series 2023 Special Assessments (except for Prepayments of Series 2023 Special Assessments which shall be identified as such by the District to the Trustee and deposited in the Series 2023 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2023 Revenue Account and applied as set forth in the Indenture. The Trustee shall transfer from amounts on deposit in the Series 2023 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 Interest Payment Date, commencing November 1, 2023, to the Series 2023 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2023 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Series 2023 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, commencing May 1, 20[], to the Series 2023 Sinking Fund Account, an amount equal to the principal amount of Series 2023 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2023 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2023 Bonds remain Outstanding, to the Series 2023 Reserve Account, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Reserve Requirement for the Series 2023 Bonds;

FOURTH, notwithstanding the foregoing, at any time the Series 2023 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2023 Interest Account, the amount necessary to pay interest on the Series 2023 Bonds subject to redemption on such date; and

FIFTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Series 2023 Costs of Issuance Account upon the written request of the District to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2023 Bonds and next, any balance in the Series 2023 Revenue Account shall remain on deposit in such Series 2023 Revenue Account, unless needed to be transferred to the Series 2023 Prepayment Subaccount for the purposes of rounding the principal amount of a Series 2023 Bond subject to extraordinary mandatory redemption pursuant to the First Supplemental Indenture to an Authorized Denomination, or unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2023 Rebate Fund, in which case, the District shall direct the Trustee to make such deposit thereto.

In addition to a redemption of Series 2023 Bonds from Prepayments on deposit in the Series 2023 Prepayment Subaccount, the Trustee is further authorized, upon written direction from the District, to transfer from the Series 2023 Revenue Account to the Series 2023 General Redemption Subaccount sufficient funds to cause the redemption of the next closest Authorized Denomination of Series 2023 Bonds, as provided in the First Supplemental Indenture.

Investments

The Trustee shall, as directed by the District in writing, invest moneys held in the Series Accounts in the Debt Service Fund and any Series Account within the Bond Redemption Fund only in Investment Securities (as defined in the Master Indenture). The Trustee shall, as directed by the District in writing, invest moneys held in the Series 2023 Reserve Account of the Debt Service Reserve Fund in Investment Securities. All deposits in time accounts shall be subject to withdrawal without penalty and all investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for purposes set forth in the Master Indenture. All securities securing investments under the Indenture shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee, as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000. The interest and income received upon such investments and any interest paid by the Trustee or any other depository of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund or Account for which such investments are made; provided, however, that if the amount in any Fund or Account equals or exceeds the amount required to be on deposit therein, subject to the Indenture, any interest and other income so received shall be deposited in the applicable Series Account of the Revenue Fund. Upon written 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 respective 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, the amount of such deficit shall be transferred to such Fund or Account from the related Series Account of the Revenue Fund. See "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" attached hereto.

Master Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner

For purposes of the following, (a) the Series 2023 Bonds secured by and payable from Special Assessments levied against property owned by any Insolvent Taxpayer (defined below) are collectively referred to herein as the "Affected Bonds" and (b) the Special Assessments levied against any Insolvent Taxpayer's property and pledged under a Supplemental Indenture as security for the Affected Bonds are collectively referred to herein as the "Affected Special Assessments." The Master Indenture contains the following provisions which, pursuant to the Indenture, shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to the Affected Special Assessments (herein, an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). For as long as any Affected Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments, the District shall be obligated to act in accordance with any direction from the Trustee with regard to all matters directly or indirectly affecting at least three percent (3%) of the Outstanding aggregate principal amount of the Affected Bonds or for as long as any Affected Bonds remain Outstanding, in any proceeding involving the District, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments or the Trustee. The District has agreed in the Master Indenture that it shall not be a defense to a breach of the foregoing covenant that it has acted upon advice of counsel in not complying with this covenant.

In the Master Indenture, the District will acknowledge and agree that, although the Affected Bonds were issued by the District, the Owners of the Affected Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer: (a) the District has agreed in the Master Indenture that it shall follow the direction of the Trustee in making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture; (b) the District has agreed in the Master Indenture that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee; (c) the Trustee shall have the right, but is not obligated to, (i) to the extent permitted by law, vote in any such Proceeding any and all claims of the District, or (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the District, including without limitation, motions seeking relief from the automatic stay, dismissal of the Proceeding, valuation of the property belonging to the Insolvent Taxpayer, termination of exclusivity, and objections to disclosure statements, plans of liquidation or reorganization, and motions for use of cash collateral, seeking approval of sales or post-petition financing. If the Trustee chooses to exercise any such rights, the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute any claims, to propose and prosecute a plan, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the Bankruptcy Code and (d) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of the lands owned by any Insolvent Taxpayer submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District claim and rights with respect to the Affected Special Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District has agreed in the Master Indenture that

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

Events of Default and Remedies

The Master Indenture provides that each of the following shall be an "Event of Default" under the Indenture, with respect to the Series 2023 Bonds:

- (a) if payment of any installment of interest on any Series 2023 Bond is not made when it becomes due and payable; or
- (b) if payment of the principal or Redemption Price of any Series 2023 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, as determined by a Majority Holder of the Series 2023 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 2023 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 Holder of the Outstanding Series 2023 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 Debt Service Reserve Fund or any account therein is less than the Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement on the Series 2023 Bonds and such amount has not been restored within thirty (30) days of such withdrawal; or
- (g) if, at any time after eighteen months following issuance of the Series 2023 Bonds, more than twenty percent (20%) of the "maintenance special assessments" levied by the District on District lands upon which the Series 2023 Special Assessments are levied to secure the Series 2023 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 2023 Bonds shall be subject to acceleration. Upon occurrence and continuance of an Event of Default with respect to the Series 2023 Bonds, no optional redemption or extraordinary mandatory redemption of Series 2023 Bonds pursuant to the Indenture shall occur unless all of the Series 2023 Bonds will be redeemed or if 100% of the Holders of the Series 2023 Bonds agree to such redemption.

If any Event of Default with respect to the Series 2023 Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Majority Holder of the Outstanding Series 2023 Bonds and receipt of indemnity to its satisfaction shall, in its capacity as Trustee:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Series 2023 Bonds, including, without limitation, the right to require the District to carry out any agreements with, or for the benefit of, the Bondholders of the Series 2023 Bonds and to perform its or their duties under the Act;

(b) bring suit upon the Series 2023 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 2023 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 2023 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 2023 Bonds.

If any proceeding taken by the Trustee on account of any Event of Default with respect to the Series 2023 Bonds is discontinued or is determined adversely to the Trustee, then the District, the Trustee, the Paying Agent and the Bondholders of the Series 2023 Bonds shall be restored to their former positions and rights under the Indenture as though no such proceeding had been taken.

Subject to the provisions of the Indenture, the Majority Holder of the Outstanding Series 2023 Bonds then subject to remedial proceedings under the Master 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 2023 Bonds is the collection of Series 2023 Special Assessments imposed on certain assessable lands in the District specially benefited by the Series 2023 Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY."

The imposition, levy, and collection of Series 2023 Special Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Polk County Tax Collector ("Tax Collector") or the Polk County Property Appraiser ("Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2023 Special Assessments during any year. Such delays in the collection of Series 2023 Special Assessments, or complete inability to collect the Series 2023 Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series

2023 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2023 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 2023 Bonds.

For the Series 2023 Special Assessments to be valid, the Series 2023 Special Assessments must meet two requirements: (1) the benefit from the Series 2023 Project to the lands subject to the Series 2023 Special Assessments must exceed or equal the amount of the Series 2023 Special Assessments, and (2) the Series 2023 Special Assessments must be fairly and reasonably allocated across all such benefitted properties. The Certificate of the Methodology Consultant will certify that these requirements have been met with respect to the Series 2023 Special Assessments.

Pursuant to the Act and the Assessment Proceedings, the District may collect the Series 2023 Special Assessments through a variety of methods. Initially, and for unplatted lots or lands, the District will directly issue annual bills to landowners requiring payment of the Series 2023 Special Assessments and will enforce that bill through foreclosure proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" and "APPENDIX D: ASSESSMENT METHODOLOGY." As lands are developed and platted, the Series 2023 Special Assessments will be added to the County tax roll and collected pursuant to the Uniform Method unless the District determines that it is in its best interests to collect directly, subject to the terms of the Indenture. The following is a description of certain statutory provisions relating to each of these collection methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

Direct Billing & Foreclosure Procedure

As noted above, and pursuant to Chapters 170 and 190 of the Florida Statutes, the District may directly levy, collect and enforce the Series 2023 Special Assessments. In this context, Section 170.10 of the Florida Statutes provides that upon the failure of any property owner to timely pay all or any part of the annual installment of principal and/or interest of a special assessment due, including the Series 2023 Special Assessments, the whole assessment, with the interest and penalties thereon, shall immediately become due and payable and subject to foreclosure. Generally stated, the governing body of the entity levying the special assessment, in this case the District, may foreclose by commencing a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or, alternatively, by commencing an action under Chapter 173, Florida Statutes, which relates to foreclosure of municipal tax and special assessment liens. Such proceedings are in rem, meaning that the action would be brought against the land, and not against the landowner. In light of the one year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2023 Special Assessments and the ability to foreclose the lien of such Series 2023 Special Assessments upon the failure to pay such Series 2023 Special Assessments may not be readily available or may be limited because enforcement is dependent upon judicial action which is often subject to discretion and delay. Additionally, there is no guarantee that there will be demand for any foreclosed lands sufficient to repay the Series 2023 Special Assessments. See "BONDOWNERS' RISKS."

Uniform Method Procedure

Subject to certain conditions, and for developed lands (as described above), the District may alternatively elect to collect the Series 2023 Special Assessments using the Uniform Method. The Uniform

Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2023 Special Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2023 Special Assessments will be collected together with the City, County, school, special district, and other ad valorem taxes and non-ad valorem assessments (together, "Taxes and Assessments"), all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of Taxes and Assessments provide that such Taxes and Assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector, and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes and assessments – including the Series 2023 Special Assessments – are to be billed, and landowners in the District are required to pay, all Taxes and Assessments without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2023 Special Assessments.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by Florida law such as Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. Therefore, in the event the Series 2023 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2023 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 2023 Bonds.

Under the Uniform Method, if the Series 2023 Special Assessments are paid during November when due or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. All unpaid Taxes and Assessments become delinquent on April 1 of the year following assessment.

The Tax Collector is required to collect the Taxes and Assessments on the tax bill prior to April 1 and, after that date, to institute statutory procedures upon delinquency to collect such Taxes and Assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process. Neither the District nor the Underwriter can give any assurance to the holders of the Series 2023 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 2023 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2023 Special Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable units within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2023 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2023 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 2023 Special Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest, costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing, and any applicable interest,

costs and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

If there are no bidders, the tax certificate is issued to the County. The County is to hold, but not pay for, the tax certificate with respect to the property, bearing interest at the maximum legal rate of interest, which is currently 18%. The Tax Collector does not collect any money if tax certificates are issued, or struck off, to the County. The County may sell such certificates to the public at any time after issuance, but before a tax deed application is made, at the face amount thereof plus interest at the rate of not more than 18% per annum, costs and charges. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Series 2023 Special Assessments), interest, costs and charges on the real property described in the certificate.

Unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees, 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, and at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, and charges due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of 5%, unless the rate borne by the certificates is zero percent. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the tax certificate such proceeds less service charges, and the certificate is canceled. Redemption of tax certificates held by the County is effected by purchase of such certificates from the County, as described above.

For any holder other than the County, a tax certificate expires seven years after the date of issuance, if a tax deed has not been applied for, and no other administrative or legal proceeding, including a bankruptcy, has existed of record, the tax certificate is null and void. After an initial period ending two years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all other outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due (as well as any costs of resale, if applicable). If the County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two years after April 1 of the year of issuance of the certificate or as soon thereafter as is reasonable. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

In any such public sale conducted by the Clerk of the Circuit Court, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, including costs incurred for the service of notice required by statute, redemption of other tax certificates on the land, and all other costs to the applicant for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. The holder is also responsible for payment of any amounts included in the bid not already paid, including but not limited to, documentary stamp tax, recording fees, and, if property is homestead property, the moneys to cover the one-half value of the homestead. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, together with all subsequent unpaid taxes plus the costs and expenses of the application for deed, with interest on the total of such sums, are

forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholders and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear. If the property is purchased for an amount in excess of the statutory bid of the certificate holder, but such excess is not sufficient to pay all governmental liens of record, the excess shall be paid to each governmental unit pro rata.

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

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

There can be no guarantee that the Uniform Method will result in the payment of Series 2023 Special Assessments. For example, the demand for tax certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2023 Special Assessments, which are the primary source of payment of the Series 2023 Bonds. Additionally, legal proceedings under Federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates. See "BONDHOLDERS' RISKS."

BONDOWNERS' RISKS

There are certain risks inherent in an investment in bonds issued by a public authority or governmental body in the State and secured by special assessments. Certain of these risks are described in other sections of this Limited Offering Memorandum. Certain additional risks are associated with the Series 2023 Bonds offered hereby and are set forth below. Prospective investors in the Series 2023 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 2023 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 2023 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 2023 Bonds.

Concentration of Land Ownership

As of the date hereof, the Landowner owns all of the assessable lands within the District, which are the lands that will be subject to the Series 2023 Special Assessments securing the Series 2023 Bonds.

Payment of the Series 2023 Special Assessments is primarily dependent upon their timely payment by the Landowner and the other future landowners in the District. Non-payment of the Series 2023 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 2023 Bonds. See "THE LANDOWNER" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS" herein.

Bankruptcy and Related Risks

In the event of the institution of bankruptcy or similar proceedings with respect to the Landowner or any other owner of benefited property, delays could occur in the payment of debt service on the Series 2023 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Landowner and any other landowner to pay the Series 2023 Special Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2023 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2023 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2023 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 2023 Bonds, including, without limitation, enforcement of the obligation to pay Series 2023 Special Assessments and the ability of the District to foreclose the lien of the Series 2023 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 2023 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 2023 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 Master Indenture provides for the delegation of certain rights from the District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an [insolvent "Landowner"] (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – Master Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner" herein. The District cannot express any view whether such delegation would be enforceable.

Series 2023 Special Assessments Are Non-Recourse

The principal security for the payment of the principal and interest on the Series 2023 Bonds is the timely collection of the Series 2023 Special Assessments. The Series 2023 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 Landowner or subsequent landowners will be able to pay the Series 2023 Special Assessments or that they will pay such Series 2023 Special Assessments even though financially able to do so. Neither the Landowner nor any other subsequent landowners have any personal obligation to pay the Series 2023 Special Assessments. Neither the Landowner nor any subsequent

landowners are guarantors of payment of any Series 2023 Special Assessments, and the recourse for the failure of the Landowner or any subsequent landowner to pay the Series 2023 Special Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2023 Special Assessments, as described herein. Therefore the likelihood of collection of the Series 2023 Special Assessments may ultimately depend on the market value of the land subject to the Series 2023 Special Assessments. While the ability of the Landowner or subsequent landowners to pay the Series 2023 Special Assessments is a relevant factor, the willingness of the Landowner or subsequent landowners to pay the Series 2023 Special Assessments, which may also be affected by the value of the land subject to the Series 2023 Special Assessments, is also an important factor in the collection of Series 2023 Special Assessments. The failure of the Landowner or subsequent landowners to pay the Series 2023 Special Assessments could render the District unable to collect delinquent Series 2023 Special Assessments 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 2023 Bonds.

Regulatory and Environmental Risks

The development of the District Lands is subject to comprehensive federal, state and local regulations and future changes to such regulations. Approval is required from various public agencies in connection with, among other things, the design, nature and extent of planned improvements, both public and private, and construction of the infrastructure in accordance with applicable zoning, land use and environmental regulations. Although all such approvals required to date have been received and any further approvals are anticipated to be received as needed, failure to obtain any such approvals in a timely manner could delay or adversely affect the completion of the development of the District Lands. See "THE DEVELOPMENT – Development Approvals" herein for more information.

The value of the land within the District, the success of the Development, the development of the District Lands and the likelihood of timely payment of principal and interest on the Series 2023 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 2023 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. Such information is being provided solely for informational purposes, and nothing herein or in such assessments grants any legal rights or remedies in favor of the Series 2023 Bondholders in the event any recognized environmental conditions are later found to be present on District Lands. 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 [lands in] the District Lands.

The value of the lands subject to the Series 2023 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 2023 Bonds. The Series 2023 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 Lands 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 Landowner. Moreover, the Landowner 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 2023 Special Assessments could be affected by the existence of other taxes and assessments imposed upon such property by the District, the City, the County or any other local special purpose or general purpose governmental entities. City, County, school, special district taxes and special assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on debt, including the Series 2023 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 2023 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" herein 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 2023 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 2023 Special Assessment, even though the landowner is not contesting the amount of the Series 2023 Special Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem assessments 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 2023 Bonds

The Series 2023 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2023 Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2023 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2023 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2023 Bonds, depending on the progress of development of the [Development and the lands within] District Lands[, as applicable,] existing real estate and financial market conditions and other factors.

Inadequacy of Reserve Account

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2023 Special Assessments, may not adversely affect the timely payment of debt service on the Series 2023 Bonds because of the Series 2023 Reserve Account. The ability of the Series 2023 Reserve Account to fund deficiencies caused by delinquencies in the Series 2023 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2023 Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys in the Series 2023 Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2023 Special Assessments, the Series 2023 Reserve Account would be rapidly depleted and the ability of the District to pay debt service on the Series 2023 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Series 2023 Reserve Account and such other Funds, Accounts and subaccounts created under the Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Series 2023 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 2023 Special Assessments in order to provide for the replenishment of the Series 2023 Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – Reserve Account" herein for more information about the Series 2023 Reserve Account.

Legal Delays

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2023 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 2023 Bonds to allow funds on deposit under the Indenture to be used to pay the costs of the foreclosure action. Under the Code (as defined herein), there are limitations on the amounts of proceeds from the Series 2023 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 required 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 State 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 Landowner will certify as to its expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act. Such certification by the Landowner 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 2023 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 2023 Bonds are advised that, if the IRS does audit the Series 2023 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 2023 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 2023 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 2023 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 2023 Bonds would adversely affect the availability of any secondary market for the Series 2023 Bonds. Should interest on the Series 2023 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2023 Bonds be required to pay income taxes on the interest received on such Series 2023 Bonds and related penalties, but because the interest rate on such Series 2023 Bonds will not be adequate to compensate Owners of the Series 2023 Bonds for the income taxes due on such interest, the value of the Series 2023 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2023 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2023 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2023 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2023 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2023 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

The Series 2023 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 securities issued by political subdivisions. It is possible that federal or state regulatory authorities could in the future determine that the District is not a political subdivision for purposes of federal and state securities laws, including without limitation as the result of a determination by the IRS, judicial or otherwise, of the District's status for purposes of the Code. In such event, the District and purchasers of Series 2023 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 2023 Bonds would need to ensure that subsequent transfers of the Series 2023 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 of states and their political subdivisions, such as the Series 2023 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 2023 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 2023 Bonds. Prospective purchasers of the Series 2023 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation. See also "TAX MATTERS" herein.

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 renewed 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 2023 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 Development

The cost to finish the Series 2023 Project will exceed the net proceeds from the Series 2023 Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the Series 2023 Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Series 2023 Project. Further, the Indenture sets forth certain limitations on the issuance of additional bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – **Additional Bonds**" for more information.

Although the Landowner will agree to fund or cause to be funded the completion of the Series 2023 Project regardless of the insufficiency of proceeds from the Series 2023 Bonds and will enter into a completion agreement with the District as evidence thereof, there can be no assurance that the Landowner will have sufficient resources to do so. Such obligation of the Landowner is an unsecured obligation. See "THE LANDOWNER" herein for more information.

[Further, there is a possibility that, even if the District Lands are developed, the Builders (as defined herein) may not close on all or any of the lots therein, and such failure to close could negatively impact the construction of homes in the District. The Builder Contracts may also be terminated by the Builders upon the occurrence or failure to occur of certain conditions set forth therein. See "THE DEVELOPMENT – Builder Contracts" herein for more information about the Builders and the Builder Contracts.]

LANGUAGE FROM MASTER PLOM PROVISIONS:

There are no assurances that the [Project] and any other remaining development work associated with the [Assessment Area / District] will be completed. [Further, there is a possibility that, even if [the Assessment Area / District] is developed, the Builder[s] may not close on [all or any [more]] of the lots therein, and such failure to close could negatively impact the construction and sale of homes in [the Assessment Area / District]. The Builder Contract[s] may also be terminated by the Builder[s] upon the occurrence or failure to occur of certain conditions set forth therein. See "THE DEVELOPMENT – Builder Contract[s]" herein for more information about the Builder[s] and the Builder Contract[s].] [Further, even if development of [the Assessment Area / District] is completed, there are no assurances that homes will be

constructed and sold within [the Assessment Area / District]. See "THE DEVELOPER" herein for more information.]

LANGUAGE FROM MASTER PLOM PROVISIONS:

Pandemics and Other Public Health Emergencies

The COVID-19 pandemic severely impacted global financial markets, unemployment levels and commerce generally. It is possible that, in the future, the spread of epidemic or pandemic diseases and/or government health and public safety restrictions imposed in response thereto could adversely impact the District, the Landowner, the timely and successful completion of the Development, [the purchase of lots therein by the Builder[s]] and the construction and sale to purchasers of residential units therein. Such impacts could include delays in obtaining development approvals, construction delays, supply chain delays, or increased costs. See also "Economic Conditions and Changes in Development Plans" and "Insufficient Resources or Other Factors Causing Failure to Complete Development" 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 2023 Bonds.

Prepayment and Redemption Risk

In addition to being subject to optional and mandatory sinking fund redemptions, the Series 2023 Bonds are subject to extraordinary mandatory redemption, including, without limitation, as a result of prepayments of the Series 2023 Special Assessments by the Landowner or subsequent owners of the property within the District. Any such redemptions of the Series 2023 Bonds would be at the principal amount of such Series 2023 Bonds being redeemed plus accrued interest to the date of redemption. In such event, owners of the Series 2023 Bonds may not realize their anticipated rate of return on the Series 2023 Bonds and owners of any Premium Bonds (as defined herein) may receive less than the price they paid for the Series 2023 Bonds. See "DESCRIPTION OF THE SERIES 2023 BONDS – Redemption Provisions" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – Prepayment of Series 2023 Special Assessments" herein for more information.

Payment of Series 2023 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 2023 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

The table that follows summarizes the estimated sources and uses of proceeds of the Series 2023 Bonds:

	<u>Total Series 2023 Bonds</u>
Sources of Funds:	
Principal Amount	\$ _____
[Less Original Issue Discount]	_____
Total Sources	<u>\$ _____</u>
Use of Funds:	
Deposit to Series 2023 Acquisition and Construction Account	\$ _____
Deposit to Series 2023 Reserve Account	_____
Deposit to Series 2023 Interest Account ⁽¹⁾	_____
Costs of Issuance ⁽²⁾	_____
Total Uses	<u>\$ _____</u>

(1) Includes Capitalized Interest through [_____]1, 20__.

(2) Costs of issuance include, without limitation, underwriter's discount, legal fees and other costs associated with the issuance of the Series 2023 Bonds.

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DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2023 Bonds:

Period Ending November 1	Series 2023 Bonds		Total Debt Service
	Principal	Interest	
Totals			

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THE DISTRICT

General

The District is an independent local unit of special-purpose government created in accordance with the Act. The District was established under Ordinance No. 21-1741, which was enacted by the City on August 19, 2021, and amended by Ordinance No. 23-2042 enacted by the City on June 1, 2023. The District encompasses approximately 103.731 gross acres of land located within the incorporated municipal boundaries of the City. The District is located at Scenic Highway (State Road 17) and Hughes Road, approximately one mile east of U.S. Highway 27. The District Lands are being developed as a portion of the master planned residential community known as "Scenic Terrace" (the "Development"). See "THE DEVELOPMENT" herein for more information.

Governance

The Act provides that a five-member Board of Supervisors (the "Board") serves as the governing body of the District. Members of the Board (the "Supervisors") must be residents of the State and citizens of the United States. Initially, the Supervisors were appointed in the Ordinance. Within 90 days after formation of the District, an election was held pursuant to which new Supervisors were elected on an at-large basis by the owners of the property within the District. Ownership of land within the District entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number). A Supervisor serves until expiration of his or her term and until his or her successor is chosen and qualified. If, during a term of office, a vacancy occurs, the remaining Supervisors may fill the vacancy by an appointment of an interim Supervisor for the remainder of the unexpired term.

At the initial election held within 90 days after formation of the District, the landowners in the District elected two Supervisors to four-year terms and three Supervisors to two-year terms. Thereafter, the elections take place every two years, with the first such election being held on the first Tuesday in November, and subsequent elections being held on a date in November established by the Board. Upon the later of six years after the initial appointment of Supervisors and the year when the District next attains at least 250 qualified electors, Supervisors whose terms are expiring will begin to be elected 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 State law governing public officials for a Supervisor to be a stockholder, officer or employee of an owner of the land within the District.

The current members of the Board and the date of expiration of the term of each member are set forth below:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Warren "Rennie" Heath II*	Chair	November 2023
Lauren Schwenk*	Vice-Chair	November 2025
Daniel Arnette*	Assistant Secretary	November 2023
Chuck Cavaretta*	Assistant Secretary	November 2025
Patricia Hudson*	Assistant Secretary	November 2023

* Elected by the landowners; employee of or affiliated with the Landowner or its affiliates.

A majority of the Supervisors constitutes a quorum for the purposes of conducting the business of the District and exercising its powers and for all other purposes. Action taken by the District shall be upon a vote of the majority of the Supervisors present unless general law or a rule of the District requires a greater number. All meetings of the Board are open to the public under the State's "sunshine" or open meetings law.

Legal Powers and Authority

The District is an independent unit of local government created pursuant to, and established in accordance with, the Act. The Act was enacted in 1980 to provide a uniform method for the establishment of independent districts to manage and finance basic community development services, including capital infrastructure required for community developments throughout the State of Florida. The Act provides legal authority for community development districts (such as the District) to finance the acquisition, construction, operation and maintenance of the major infrastructure for community development pursuant to its general law charter.

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

Also, pursuant to the Ordinance, the District has been granted special powers pursuant to Sections 190.012(2)(a) and (d) of the Act. Such special powers include, but are not limited to, the right to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain additional systems and facilities for (i) parks and facilities for indoor and outdoor recreational, cultural and

educational uses; and (ii) security, including, but not limited to, guardhouses, fences and gates, electronic intrusion-detection systems, and patrol cars, when authorized by proper governmental agencies.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances or to grant building permits; these functions are performed by the City and the County, as applicable, acting through their respective Commissions and departments of government.

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 bondholders to pursue any remedy for enforcement of any lien or pledge of the District in connection with its bonds, including the Series 2023 Bonds.

The District Manager and Other Consultants

The chief administrative official of the District is the District Manager. The Act provides that the District Manager shall have charge and supervision of the works of the District and shall be 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. Governmental Management Services – Central Florida, LLC, serves as District Manager. The District Manager's corporate office is located at 219 E. Livingston Street, Orlando, Florida 32801.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Kilinski | Van Wyk PLLC, Tallahassee, Florida, as District Counsel; Greenberg Traurig, P.A., Miami, Florida, as Bond Counsel; and Governmental Management Services – Central Florida, LLC, Orlando, Florida, serves as Methodology Consultant for the Series 2023 Bonds.

No Outstanding Bond Indebtedness

The District has not previously issued any bonds or other similar debt obligations.

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THE SERIES 2023 PROJECT

The "Scenic Terrace North Community Development District Engineer's Report" dated August 8, 2022 (the "Engineer's Report"), prepared by Dewberry Engineers Inc. (the "District Engineer"), sets forth certain public infrastructure improvements associated with the development of the District Lands to contain 330 single-family residential lots, along with amenity and recreation areas (the "Series 2023 Project").

In the Engineer's Report, the District Engineer estimates the total cost of the Series 2023 Project to be \$17,196,974, as more particularly described below.

Infrastructure	Total Estimated Cost
Offsite Improvements	\$ 250,000
Stormwater Management	1,809,179
Mass Grading and Master Stormwater Drainage	1,625,131
Roadway – Curb, Paving, and Drainage	2,357,149
Utilities (Water, Sewer & Reuse)	3,927,687
Electrical	1,494,375
Landscape & Entry Feature	1,130,925
Parks and Amenities	1,000,000
Professional Fees	1,359,445
Contingency (15%)	2,243,084
TOTAL	\$ 17,196,974

The net proceeds of the Series 2023 Bonds will finance construction and/or acquisition of a portion of the Series 2023 Project in the approximate amount of \$10.39 million.* The Landowner will enter into a completion agreement at closing on the Series 2023 Bonds whereby it will agree to complete the Series 2023 Project to the extent bond proceeds are insufficient therefor. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

Land development associated with the Development is expected to commence in August 2023 and be completed by May 2024. As of June 2023, the Landowner has spent approximately \$1.0 in soft costs and land clearing. See "THE DEVELOPMENT – Development Plan and Status" herein for more information.

The District Engineer has indicated that all engineering permits necessary to construct the Series 2023 Project as set forth in the Engineer's Report have been obtained or are expected to be obtained in the ordinary course of development. In addition to the Engineer's Report, please refer to "THE

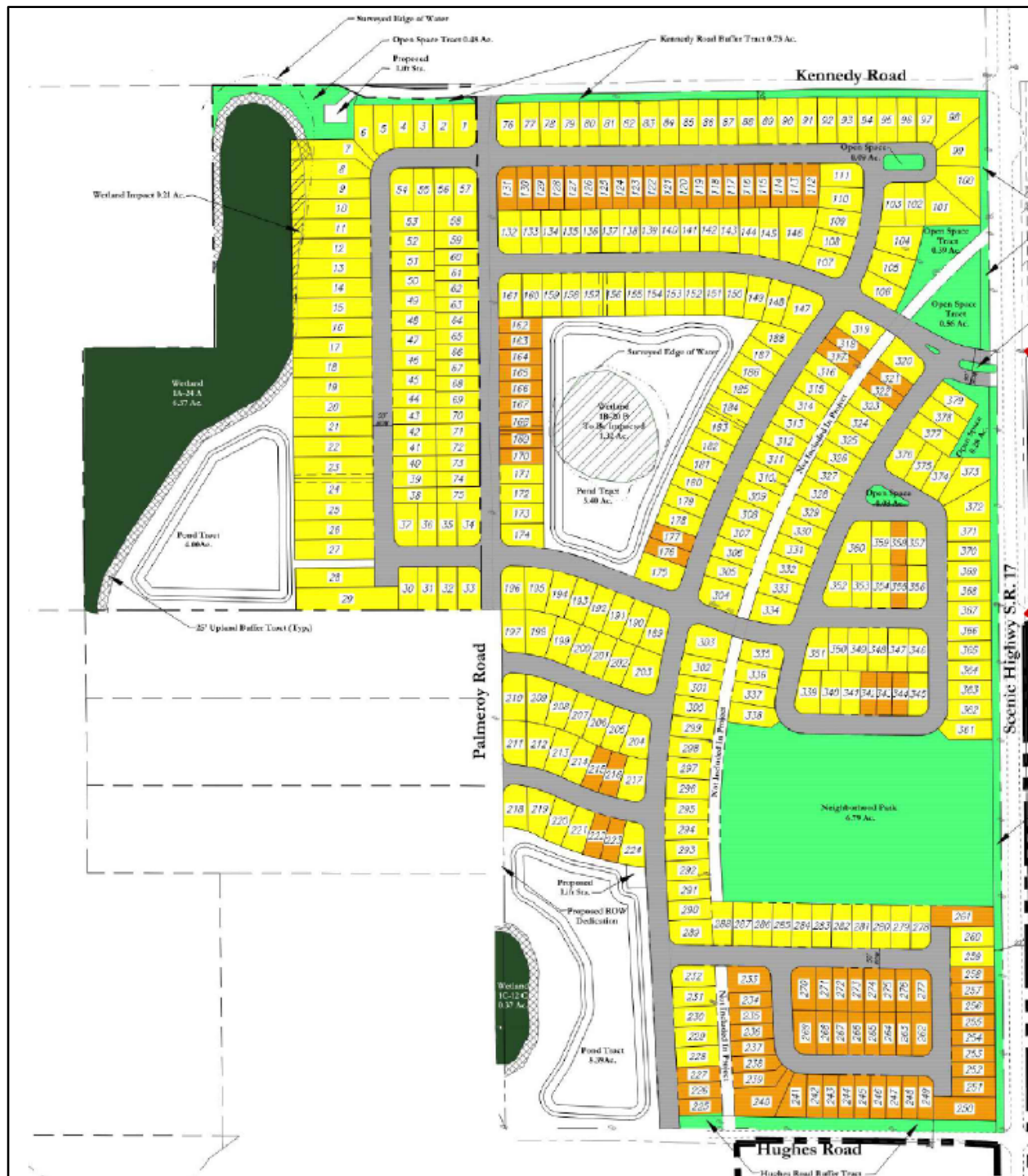
* Preliminary, subject to change.

DEVELOPMENT – Development Approvals" herein 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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Set forth below is a sketch showing the development plan for the District Lands.



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ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

The Master Assessment Methodology for Scenic Terrace North Community Development District, dated September 2, 2021, as supplemented by the Supplemental Assessment Methodology for Series 2023 Assessment Area for Scenic Terrace North Community Development District, dated as of [_____, 2023] (collectively, the "Assessment Methodology"), which allocates the Series 2023 Special Assessments to the lands within the District, has been prepared by Governmental Management Services – Central Florida, LLC, Orlando, Florida (the "Methodology Consultant"). See "EXPERTS" herein for more information. A copy of the Assessment Methodology is included herein as APPENDIX D. Once the final terms of the Series 2023 Bonds are determined, the Assessment Methodology will be further supplemented to reflect such final terms. Once levied and imposed, the Series 2023 Special Assessments are a first lien on the assessed lands within the District until paid or barred by operation of law, co-equal with other taxes and assessments levied by the District and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Series 2023 Bonds are payable from and secured by a pledge of the Series 2023 Pledged Revenues, which consist primarily of revenues received by the District from the Series 2023 Special Assessments. The District Lands contain approximately 103.731 gross acres planned for 330 single-family homes. The District will initially impose the Series 2023 Special Assessments across all of the District Lands on an equal per acre basis. As parcels are platted within the District, the debt will be transferred from gross acres to platted lots in accordance with the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" for more information.

Upon platting of the District Lands, the estimated Series 2023 Special Assessment levels and estimated par per unit are expected to be as follows:

Product	# of Units Planned	Net Annual Series 2023 Special Assessment*/**	Series 2023 Bonds Total Par Per Unit*/**
Single Family 40'	41	\$2,752	\$37,879
Single Family 50'	289	\$2,752	\$37,879

* Preliminary, subject to change. Annual assessments collected via the Uniform Method will be subject to a gross up to account for estimated County collection costs/payment discounts, which may fluctuate.

** It is anticipated that, upon the closing of lots with the Builders, the Landowner will prepay a portion of the Series 2023 Special Assessments to achieve target annual net assessment levels of \$1,750 per unit. The total expected prepayment is approximately \$13,788 per lot, or \$4,550,000 in the aggregate (preliminary, subject to change). Additionally, the Landowner will make an initial infrastructure contribution of approximately \$2,736,742 (preliminary, subject to change) to reduce the par debt allocated to the 50' lots and achieve a level debt service allocation across property types.

The District expects to levy assessments to cover its operation and maintenance costs, which are expected to be approximately \$850 per single-family unit annually, but such amount is subject to change. The District Lands have been and will continue to be subject to taxes and assessments imposed by taxing authorities other than the District. These taxes would be payable in addition to the Series 2023 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the City, the County and the School Board of Polk County each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It

is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information.

[Remainder of page intentionally left blank.]

The information appearing below under the captions "THE DEVELOPMENT" and "THE LANDOWNER" has been furnished by the Landowner 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 Landowner makes any representation or warranty as to the accuracy or completeness of such information supplied by them. The following information is provided by the Landowner as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the Development. The Landowner is not guaranteeing payment of the Series 2023 Bonds or the Series 2023 Special Assessments.

THE DEVELOPMENT

General Overview

The District encompasses approximately 103.731 gross acres located in the City of Haines City, in the northeastern portion of Polk County (the "District Lands"). The District Lands contain a portion of the 1,074-unit master-planned community that will be marketed under the name "Scenic Terrace" (the "Master Development"). The portion of the Master Development located within the boundaries of the District (the "Development") is planned to contain 330 single-family homes. Adjacent to the District is Scenic Terrace South Community Development District ("Scenic Terrace South CDD"), which consists of 206.56 gross acres located within the Master Development in the Town of Lake Hamilton, and which is planned to contain 744 single-family homes at buildout. The Scenic Terrace South CDD recently issued a series of bonds to finance a portion of the public infrastructure improvements associated with the development of such 744 units. Land development within Scenic Terrace South CDD is substantially complete. All lots planned within Scenic Terrace South are under contract with homebuilders, and lot closings have begun, with [632] lots closed [or expected to close] by [July 31,] 2023.

The map below sets forth the general location of the District Lands and the Master Development.

[Insert map]

The Master Development is located at Scenic Highway (State Road 17) and Hughes Road, approximately one mile east of U.S. Highway 27. The Master Development is centrally located between Tampa and Orlando. Due to its proximity to both cities, the Master Development serves as a "bedroom community" to those markets, offering price points substantially below that of similarly sized homes in those markets. Walt Disney World Resort and LEGOLAND Florida are located within 30 miles from the Master Development.

The Master Development is intended to continue the success of other nearby communities in the northeastern portion of the County, including Citrus Pointe, Citrus Isle, Grace Ranch, Hammock Reserve, Forest Lake, Highland Meadows, Lucerne Park, Villa Mar, Orchid Grove, Orchid Terrace and North Ridge Estates. Together, these communities have achieved annual net sales of approximately 390 homes in 2018, 749 homes in 2019, 1,209 homes in 2020, 1,131 homes in 2021, and [] homes in 2022, with [] homes sold through [], 2023.

The Series 2023 Bonds are being issued to finance a portion of the Series 2023 Project, which consists of public infrastructure improvements associated with the 330 units planned for the Development. The Series 2023 Bonds will be secured by the Series 2023 Special Assessments, which will initially be levied on all of the 103.731 acres within the District. As lots are platted, the Series 2023 Special Assessments will be assigned to the 330 lots planned for the Development on a first-platted, first-assigned

basis as set forth in the Assessment Methodology attached hereto. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein for more information.

Highland Sumner, LLC, a Florida limited liability company (the "Landowner"), owns the land within the District. The Landowner will install onsite parcel infrastructure improvements associated with the Development and will sell developed lots to third-party homebuilders. See "THE LANDOWNER" herein for more information. The Landowner has entered into builder contracts for the sale of all 330 lots planned within the Development, as follows: (i) Century Communities (as defined herein) for the sale of 165 developed lots in a single bulk take upon development completion (ii) Homes by West Bay (as defined herein) for the sale of 96 developed lots in a single bulk take upon development completion and (iii) Casa Fresca (as defined herein) for the sale of 69 developed lots in a single bulk take upon development completion. Closings under the Builder Contracts are expected to occur in the [third] quarter of 2024. See "– Builder Contracts" herein for more information.

Homes in the Development are expected to range in size from 1,318 square feet to 2,730 square feet with starting home prices ranging from approximately \$294,990 to approximately \$349,990. See "– Residential Product Offerings" herein.

Land Acquisition and Development Finance Plan

The Landowner acquired title to the lands comprising the Development in September 2022 for an initial purchase price of approximately \$2,879,300. The Landowner's land acquisition agreement also provides for the payment by the Landowner of additional consideration to the land seller upon the sale of lots to homebuilders, which additional consideration the Landowner estimates will equal approximately \$11.2 million. See "–Builder Contracts" herein for more information regarding the Builder Contracts.

The Landowner estimates the total cost to develop the 330 lots planned for the Development is expected to be approximately \$17.2 million. See "THE SERIES 2023 PROJECT" herein. As of June 27, 2023, the Landowner has incurred approximately \$1.0 million in engineering, permitting and clearing costs. Net proceeds of the Series 2023 Bonds in the approximate amount of \$10.39 million*. The Landowner will enter into a completion agreement at closing on the Series 2023 Bonds whereby it will agree to complete any portions of the Series 2023 Project not funded with proceeds of the Series 2023 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

Development Plan and Status

Land development associated with the Development is expected to commence in August 2023 and be completed by May 2024, at which point such lots will be delivered to the Builders in accordance with the Builder Contracts and marketing and vertical construction will commence.

The Landowner anticipates that the Builders will commence closings with homebuyers in the [third] quarter of 2024. Based on sales at nearby communities, the Landowner expects that homes will be closed with residential end users at the rate of approximately [] homes per year until buildout, which is expected to occur in 2026. These anticipated absorption rates are based upon estimates and assumptions made by the Landowner that are inherently uncertain, though considered reasonable by the Landowner, and are subject to significant business, economic, and competitive uncertainties and contingencies, all of which

* Preliminary, subject to change.

are difficult to predict and many of which are beyond the control of the Landowner. As a result, there can be no assurance such absorption rates will occur or be realized in the timeframes anticipated.

Builder Contracts

The Landowner has entered into contracts with Century Communities, Homes by West Bay and Casa Fresca (together, the "Builders") for all 330 lots planned within the Development. The total projected consideration from the Builder Contracts, including additional compensation paid upon Builder closings with end users, is expected to be approximately \$24.95 million, as further described below.

The Builder Contracts are summarized in the chart below. For more detailed information regarding each Builder Contract, see the discussion below.

Builder	# of Lots	Deposit	Price	Closing
Century Communities	165	\$1,650,000	Aggregate base price of \$4,950,000 (\$30,000 / lot), plus additional consideration est. at \$45,600 / lot upon sale to third parties	Single bulk closing upon development completion.
Homes by West Bay	96	\$20,000	Aggregate base price of \$3,360,000 (\$35,000 / lot), plus additional consideration est. at \$____ / lot upon sale to third parties	Single bulk closing upon development completion.
Casa Fresca	69	\$20,000	Aggregate base price of \$2,415,000 (\$35,000 / lot), plus additional consideration est. at \$____ / lot upon sale to third parties	Single bulk closing upon development completion.

Century Communities

The Landowner has entered into a Contract for Purchase and Sale and Escrow Instructions dated May 31, 2022, as amended (the "Century Communities Contract"), with Century Communities of Florida, LLC, a Colorado limited liability company ("Century Communities"). The Century Communities Contract provides for the bulk sale of one hundred sixty-five (165) developed residential lots, consisting of one hundred two (102) 42' lots and sixty-three (63) 52' lots planned for the District. The Century Communities Contract provides for a base purchase price of \$30,000 per lot, for an aggregate base purchase price of \$4,950,000, subject to additional consideration as set forth in the Century Communities Contract. The Landowner expects the total consideration to be approximately \$45,600 per lot, for total consideration of approximately \$12,474,000.

Pursuant to the Century Communities Contract, the Closing shall occur on or before the date that is fifteen (15) days following the date that all conditions to closing as set forth in the Century Communities Contract have been satisfied. The Landowner anticipates that the Closing under the Century Communities Contract will occur in the [third] quarter of 2024.

Pursuant to the Century Contract, Century Communities has made a total deposit of \$1,650,000, which deposit is nonrefundable to Century Communities and which [is expected to be] released to the Landowner upon satisfaction of certain conditions, including recordation of a mortgage in favor of Century Communities and commencement of development. There is a risk that Century Communities may not close on any lots pursuant to the Century Communities Contract or may fail to construct homes on such lots. See

"BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

Century Communities is a Colorado limited liability company that operates as part of the Century Communities and Century Complete family of brands, owned by Century Communities, Inc. ("CCI"). CCI is a Delaware corporation with its principal office in Colorado. CCI's stock trades on the NYSE under the symbol CCS. CCI is subject to the informational requirements of the Exchange Act, and in accordance therewith is obligated to file reports, proxy statements, and other information, including financial statements, with the Securities and Exchange Commission (the "SEC"). The SEC file number for CCI is 001-36491. 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 CCI pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

Homes by West Bay

The Landowner has entered into a Contract for Purchase of Lots dated May 23, 2023 (the "HBWB Contract"), with HBWB Development Services, LLC, a Florida limited liability company ("Homes by West Bay"). The HBWB Contract provides for the bulk sale of ninety-six (96) developed residential lots, consisting of forty-one (41) 42' lots and fifty-five (55) 52' lots planned for the District. The HBWB Contract provides for a base purchase price of \$35,000 per lot, for an aggregate base purchase price of \$3,360,000, subject to additional consideration as set forth in the HBWB Contract. The Landowner expects the total consideration to be approximately \$[] per lot, for total consideration of approximately \$[].

Pursuant to the HBWB Contract, the Closing shall occur on the later of: (i) fifteen (15) days after completion of the closing conditions or (ii) August 15, 2024. The Landowner anticipates that Closing under the HBWB Contract will occur in the third quarter of 2024.

Pursuant to the HBWB Contract, Homes by West Bay has made an initial deposit of \$20,000 and will make an additional deposit of \$940,000 upon expiration of its inspection period (which is expected to terminate on July 22, 2023), which deposit [when made] may be released to the Landowner upon satisfaction of certain conditions, including recordation of a mortgage in favor of HBWB and commencement of development. There is a risk that HBWB may not close on any lots pursuant to the HBWB Contract or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

Homes by West Bay is an affiliate of Homes by West Bay, LLC, a Florida limited liability company ("HBWB"), a privately owned homebuilder founded in 2009. HBWB is based in Tampa, and was founded by Wilhelm Nunn, who serves at its President. According to its website, Homes by West Bay is Tampa's largest, locally owned and operated new homebuilder and has delivered over 3,700 homes. HBWB was ranked #65 on the Builder 100 list of the nation's largest builders in 2022.

Casa Fresca

The Landowner has entered into a Contract for Purchase of Lots dated May 23, 2023 (the "Casa Fresca Contract"), with CF GTIS II Scenic Terrace, LLC, a Delaware limited liability company ("Casa Fresca"). The Casa Fresca Contract provides for the bulk sale of sixty-nine (69) developed residential lots, consisting of twenty-five (25) 42' lots and forty-four (44) 52' lots planned for the District. The Casa Fresca Contract provides for a base purchase price of \$35,000 per lot, for an aggregate base purchase price of

\$2,415,000, subject to additional consideration as set forth in the Casa Fresca Contract. The Landowner expects the total consideration to be approximately \$[] per lot, for total consideration of approximately \$[].

Pursuant to the Casa Fresca Contract, the Closing shall occur on the later of: (i) fifteen (15) days after completion of the closing conditions or (ii) August 15, 2024. The Landowner anticipates that Closing under the Casa Fresca Contract will occur in the third quarter of 2024.

Pursuant to the Casa Fresca Contract, Casa Fresca has made an initial deposit of \$20,000 and will make an additional deposit of \$670,000 upon expiration of its inspection period (which is expected to terminate on July 22, 2023), which deposit [when made] may be released to the Landowner upon satisfaction of certain conditions, including recordation of a mortgage in favor of Casa Fresca and commencement of development. There is a risk that Casa Fresca may not close on any lots pursuant to the Casa Fresca Contract or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

Casa Fresca is an affiliate of HBWB. See "–Homes by West Bay" above for more information.

None of the Builders nor any of the other entities listed above are guaranteeing payment of the Series 2023 Bonds or the Series 2023 Special Assessments. None of the entities listed herein, other than the Landowner, has entered into any agreements in connection with the issuance of the Series 2023 Bonds.

Residential Product Offerings

The following table reflects the Landowner's current expectations for the homes to be constructed in the Development, all of which are subject to change:

Product	Est. Home Sizes (sf)	Bedrooms / Bathrooms	Expected Starting Home Prices
Single-Family 42'	1,615–2,471	3-5 / 2-3	\$314,990
Single-Family 52'	1,420–3,892	3-5 / 2-3	[\$309],990

Development Approvals

The District Lands have been zoned by the City as Residential Planned Unit Development (RPUD) to allow development of up to a maximum of 330 single-family lots. The Landowner has received [conditional construction plan approval] from the City for the Development, as well as an environmental resource permit from the Southwest Florida Water Management District. The District Engineer has certified that all permits and approvals for the Development by jurisdictional agencies to allow for the development contemplated herein have been received or are expected to be received in the ordinary course. See "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein and "APPENDIX A: ENGINEER'S REPORT" hereto.

Environmental

A Phase I Environmental Site Assessment was performed on the District Lands in July 2022 (the "ESA"). The ESA noted that the subject lands had historically been used as a citrus grove, which use is a recognized environmental condition ("REC"). The ESA noted that previous soil testing had indicated elevated levels of arsenic contamination onsite; however, further testing by the Landowner determined that the areas of elevated arsenic will not overlap with the location of any proposed lots. The ESA also noted

that a portion of the District Lands that had previously been used as a shooting range showed elevated levels of lead contamination onsite and recommended that the contaminated soil be delineated and properly removed, [which removal was subsequently performed]. Lastly, the ESA noted the presence of ethylene dibromide ("EDB") in the groundwater and recommend that public water supply be used for drinking water. Potable water for the District will be provided by the City, and the homeowners' association documents will prohibit the installation of on-site wells. See "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein for more information.

Utilities

The City of Haines City Public Utilities will provide water and sewer service to the Development. In addition, the City will provide reclaimed water to be used for irrigation within the Development. Duke Energy will provide electrical service to the Development. See "APPENDIX A: ENGINEER'S REPORT" attached hereto for more information regarding the ownership and maintenance of utilities within the Development.

Taxes, Fees and Assessments

The Series 2023 Bonds are payable from and secured by a pledge of the Series 2023 Pledged Revenues, which consist primarily of revenues received by the District from the Series 2023 Special Assessments levied on the District Lands. The District Lands consist of approximately 103.731 gross acres planned for 330 single-family homes. The District will initially impose the Series 2023 Special Assessments across all of the lands within the District on an equal per acre basis. As parcels are platted within the District Lands, the debt will be transferred from gross acres to platted lots in accordance with the Assessment Methodology. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto for more information.

Upon platting of the District Lands, the estimated Series 2023 Special Assessment levels and estimated par per unit are expected to be as follows:

Product	# of Units Planned	Net Annual Series 2023 Special Assessment*/**	Series 2023 Bonds Total Par Per Unit*/**
Single Family 40'	41	\$2,752	\$37,879
Single Family 50'	289	\$2,752	\$37,879

* Preliminary, subject to change. Annual assessments collected via the Uniform Method will be subject to a gross up to account for estimated County collection costs/payment discounts, which may fluctuate.

** It is anticipated that, upon the closing of lots with the Builders, the Landowner will prepay a portion of the Series 2023 Special Assessments to achieve target annual net assessment levels of \$1,750 per unit. The total expected prepayment is approximately \$13,788 per lot, or \$4,550,000 in the aggregate (preliminary, subject to change). Additionally, the Landowner will make an initial infrastructure contribution of approximately \$2,736,742 (preliminary, subject to change) to reduce the par debt allocated to the 50' lots and achieve a level debt service allocation across property types.

The District anticipates levying assessments to cover its operation and maintenance costs, which are expected to be approximately \$850 per single-family unit annually, but such amount is subject to change. In addition, residents will be required to pay homeowners' association fees which are currently estimated to be \$200 per residential lot annually, which amounts are subject to change. The land within the District has been and will continue to be subject to taxes and assessments imposed by taxing authorities.

other than the District. The total millage rate applicable to lands within the Development in 2022 was approximately 20.0265 mills. These taxes would be payable in addition to the Series 2023 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the City, the County and the School Board of Polk County each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in 2022.

Amenities

The Development will contain [an approximately 4.16-acre recreation area containing an enclosed dog park, playground and parking area] (collectively, the "Amenities"). Construction of the Amenities is expected to commence in the second quarter of 2024 and be completed by the first quarter of 2025, at a cost of approximately \$[95,000 – ER shows \$1 million], which is included in the Series 2023 Project. The Amenities will be owned and operated by the District upon completion.

The District will also have an amenity sharing agreement with Scenic Terrace South CDD, which will give District residents access to amenities within Scenic Terrace South CDD, which is expected to consist of a 5.76-acre cabana and pool area, a 3.76-acre playground area and a 3.3-acre dog park. Construction of the Scenic Terrace South amenities is expected to commence in the third quarter of 2023 and be complete in the first quarter of 2024.

Education

The public schools zoned for school age residents of the Development are Sandhill Elementary School, Denison Middle School and Auburndale High School each of which is located approximately 4.6 miles, 8.8 miles, and 15 miles away from the Development, and all of which C in 2022 (the most recent year for which grades are available). The Polk 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 Development is expected to compete with projects in the northeast Polk County market generally, which include Citrus Isle, Citrus Landing, Citrus Pointe, Citrus Reserve, Forest Lake, Orchid Grove, Orchid Terrace and North Ridge Estates. The Development is also expected to compete with communities in the northern City of Winter Haven area, including Watercrest, Lake Lucerne, Berkley Ridge, Lakeside Landings, Country Walk, Cascara, and Lake Mattie. The foregoing does not purport to summarize all of the existing or planned communities in the area of the Development.

Landowner's Agreements

The Landowner will enter into a completion agreement that will obligate the Landowner to complete any portions of the Series 2023 Project not funded with proceeds of the Series 2023 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

In addition, the Landowner will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment"), pursuant to which the Landowner will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Landowner, development rights relating to the Series 2023 Project and the development

of the Development. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2023 Special Assessments as a result of the Landowner's or subsequent Landowners' failure to pay such assessments, there is a risk that the District will not have all permits and entitlements necessary to complete the Series 2023 Project or the development of the Development.

Finally, the Landowner will also enter into a True-Up Agreement in connection with its obligation to pay true-up payments in the event that debt levels remaining on unplatted lands in the Development increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism."

Such obligations of the Landowner are unsecured obligations. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" and "THE LANDOWNER" herein for more information regarding the Landowner.

THE LANDOWNER

The Landowner

All of the lands in the Development are owned by Highland Sumner, LLC, a Florida limited liability company (the "Landowner"). The Landowner was formed on February 20, 2018 and is owned and managed by Heath Construction and Management, LLC ("Heath Construction"). For more information regarding Heath Construction and its principal, Warren K. "Rennie" Heath II, see "Development Manager" herein.

Development Manager

The Landowner has entered into a management agreement with Heath Construction and Management, LLC, a Florida limited liability company ("Heath Construction"), to oversee development of the Development. Heath Construction was formed on November 2, 2006, and is engaged in the business of providing commercial and residential land acquisition and development planning, budgeting, due diligence services, construction management and government liaison services. Warren K. Heath is the managing member of Heath Construction, which he started after spending five years as the Director of Development for Highland Sumner and Cassidy Homes. Mr. Heath has overseen the development for over 65 properties consisting of over 5,000 acres across Central Florida.

The chart below contains a list of the communities developed by the Development Manager and its affiliates:

Project Name	CDD Name	Year Started	# of Lots
Ayersworth Glen	Highlands	2014	158
Highland Meadows 2A & 2B	Highland Meadows II	2014	310
Ballantrae	Ballantrae	2014	197
Chatham Walk	Wynnmere West	2014	137
Ballantrae	Ballantrae	2015	200
Chatham Walk	Wynnmere West	2015	186
Ayersworth Glen 2B	Highlands	2016	227
Highland Meadows 3 & 4A	Highland Meadows II	2016	333
Hawks Landing	Wynnmere East	2016	316
Highland Meadows 5 & 6	Highland Meadows II	2017	409
North Ridge Estates	North Blvd	2017	216

Project Name	CDD Name	Year Started	# of Lots
Highland Meadows 4B&C	Highland Meadows II	2017	199
Citrus Isle	Holly Hill Road East	2017	204
Orchid Grove	Davenport Road South	2018	369
Citye Park	Citye Park	2018	563
Citrus Pointe	Holly Hill Road East	2018	100
North Ridge Reserve	North Blvd	2019	173
Orchid Terrace 1 & 2	Highland Meadows West	2019	266
Lucerne Park	Lucerne Park	2019	346
VillaMar 1 & 2	Villamar	2019	334
Riverstone 1	Citye Park	2019	277
Riverstone 2	Citye Park	2019	186
Highland Meadows 7	Highland Meadows II	2019	210
Southern Crossing	N/A	2019	93
Grace Ranch	N/A	2019	100
Highland Place	N/A	2019	42
Pleasant Hill	N/A	2019	52
Orchid Terrace 3 & 4	Highland Meadows West	2020	176
Citrus Landing	Holly Hill Road East	2020	182
Citrus Reserve	Holly Hill Road East	2020	191
Hammock Reserve 1	Hammock Reserve	2020	231
Forest Lake	Forest Lake	2020	388
Eden Hills 1	Eden Hills	2020	142
VillaMar 2	VillaMar	2020	281
Bella Vita	North Powerline Road	2020	567
Magnolia Park	Scenic Highway	2020	361
Hammock Reserve 2	Hammock Reserve	2021	206
Brentwood / Cascades	Westside Haines City	2021	897
Eden Hills 2	Eden Hills	2022	470
Hammock Reserve 3	Hammock Reserve	2022	382
Hammock Reserve 4	Hammock Reserve	2022	209
Scenic Terrace South	Scenic Terrace South	2022	744
Lawson Dunes	Lawson Dunes	2022	386
VillaMar Phase 5	VillaMar	2022	200
Forest Lake Phase 3	Forest Lake	2022	185
Lake Deer	Lake Deer	2022	577
Total			12,987

[INSERT SPONSOR]

Neither the Landowner nor any of the other entities listed above are guaranteeing payment of the Series 2023 Bonds or the Series 2023 Special Assessments. None of the entities listed herein, other than the Landowner, has entered into any agreements in connection with the issuance of the Series 2023 Bonds.

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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 2023 Bonds in order that the interest on the Series 2023 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 2023 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2023 Bonds. The District has covenanted in the **Bond Resolution [SANFORD: Indenture]** 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 2023 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 2023 Bonds is excludable from gross income of the holders thereof for federal income tax purposes; and, further, interest on the Series 2023 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2023 Bonds is not excluded from the determination of adjusted financial statement income. Bond Counsel is further of the opinion that the Series 2023 Bonds and the interest 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 2023 Bonds. Prospective purchasers of the Series 2023 Bonds should consult their own tax advisors as to the status of interest on the Series 2023 Bonds under the tax laws of any state other than the State.

The above opinion on federal tax matters with respect to the Series 2023 Bonds will be based on and will assume the accuracy of certain representations and certifications of the District **[and the Landowner]**, 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 2023 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 2023 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 2023 Bonds, or the ownership or disposition of the Series 2023 Bonds. Prospective purchasers of Series 2023 Bonds should be aware that the ownership of Series 2023 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 2023 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 2023 Bonds, (iii) the inclusion of the interest on the Series 2023 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 2023 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, (v) the inclusion of interest on the Series 2023 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits, (vi) net gain realized upon the sale or other disposition of property such as the Series 2023 Bonds generally must be taken into account when

computing the Medicare tax with respect to net investment income or undistributed net investment income, as applicable, imposed on certain high income individuals and specified trusts and estates and (vii) receipt of certain investment income, including interest on the Series 2023 Bonds, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code. 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 2023 Bonds. Prospective purchasers of the Series 2023 Bonds should consult their own tax advisors as to the impact of these and any 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 2023 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 2023 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 2023 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 2023 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 2023 Bonds, or adversely affect the market price or marketability of the Series 2023 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 2023 Bonds. Prospective purchasers of the Series 2023 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation.

On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (H.R. 5376) into law. For tax years beginning after 2022, this legislation will impose a minimum tax of 15 percent on the adjusted financial statement income of applicable corporations as defined in Section 59(k) of the Code (which is primarily designed to impose a minimum tax on certain large corporations). For this purpose, adjusted financial statement income is not reduced for interest earned on tax-exempt obligations. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential consequences of owning the Series 2023 Bonds.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the Series 2023 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 2023 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 2023 Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2023 Bonds and proceeds from the sale of Series 2023 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2023 Bonds. This withholding generally applies if the owner of Series 2023 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 2023 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 2023 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 Series 2023 Project funded by the Series 2023 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 2023 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 2023 Bonds. Investment in the Series 2023 Bonds poses certain economic risks. No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2023 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 2023 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2023 Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors and enacted before or after such delivery.

FINANCIAL STATEMENTS

This District will covenant in a Continuing Disclosure Agreement, 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 ending September 30, 2023. The District does not have audited financial statements because the District has only recently been established. As of the date hereof, the District does not have any significant assets or liabilities and the District has not previously issued any debt obligations. The Series 2023 Bonds are not general obligation bonds of the District and are payable solely from the Series 2023 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."

LITIGATION

The District

There is no litigation of any nature now pending or, to the knowledge of the District threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2023 Bonds, or in any way contesting or affecting (i) the validity of the Series 2023 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 2023 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings.

The Landowner

The Landowner has represented in connection with the Series 2023 Bond issuance that there is no litigation of any nature now pending or, to the knowledge of the Landowner, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Landowner to complete the development of the District Lands as described herein, materially and adversely affect the ability of the Landowner to pay the Series 2023 Special Assessments imposed against the District Lands or materially and adversely affect the ability of the Landowner to perform its obligations described in this Limited Offering Memorandum.

NO RATING

No application for a rating of the Series 2023 Bonds has been made to any rating agency, nor is there any reason to believe that the District would have been successful in obtaining an investment grade rating for the Series 2023 Bonds had application been made.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the District make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served only as a conduit issuer such as industrial development or private activity bonds issued on behalf of private business). The District is not and has never been in default on any bonds or other debt obligations since December 31, 1975.

CONTINUING DISCLOSURE

The District and the Landowner will enter into the Continuing Disclosure Agreement (the "Disclosure Agreement") in the proposed form of APPENDIX E, for the benefit of the Series 2023 Bondholders (including owners of beneficial interests in such Series 2023 Bonds), to provide certain financial information and operating data relating to the District and the Development by certain dates prescribed in the Disclosure Agreement (the "Reports") with the MSRB through the MSRB's EMMA system. 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 Landowner 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 2023 Bondholders (including owners of beneficial interests in such Series 2023 Bonds) to bring an action for specific performance.

The District has not previously issued any bonds and has not previously entered into any continuing disclosure obligations pursuant to Rule 15c2-12, promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). The District anticipates satisfying all future disclosure obligations required pursuant to its Disclosure Agreement and the Rule. The District will appoint Governmental Management Services – Central Florida, LLC, as the dissemination agent in the Disclosure Agreement.

The Landowner has previously entered into continuing disclosure undertakings pursuant to the Rule, with respect to certain bonds issued by other community development districts. A review of filings made pursuant to such prior undertakings indicates that certain filings required to be made by the Landowner were not filed or were not timely filed and that notice of such missed and late filings was not provided. In addition certain prior filings did not contain all required information in the required format. The Landowner anticipates satisfying all future disclosure obligations required pursuant to its continuing disclosure undertakings, including the Disclosure Agreement, and the Rule.

UNDERWRITING

FMSbonds, Inc. (the "Underwriter"), has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2023 Bonds from the District at a purchase price of \$_____ (par amount of the Series 2023 Bonds, [plus/less an original issue premium/discount of \$_____ and] less an Underwriter's discount of \$_____). The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all of the Series 2023 Bonds if any Series 2023 Bonds are purchased.

The Series 2023 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.

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 2023 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 2023 Bonds.

EXPERTS

Dewberry Engineers Inc., as District Engineer, has prepared the Engineer's Report included herein as APPENDIX A, which report should be read in its entirety. Governmental Management Services – Central Florida, LLC, as the Methodology Consultant, has prepared the Assessment Methodology included herein as APPENDIX D, which report should be read in its entirety. As a condition to closing on the Series 2023 Bonds, both the District Engineer and the Methodology Consultant will consent to the inclusion of their reports in this Limited Offering Memorandum.

VALIDATION

Bonds issued pursuant to the terms of the Master Indenture have been validated by a judgment of the Circuit Court of the Tenth Judicial Circuit Court of Florida in and for Polk County, Florida, rendered on January 28, 2022. The period of time in which an appeal of the judgment may be filed has expired with no appeals having being taken.

LEGAL MATTERS

Certain legal matters related to the authorization, sale and delivery of the Series 2023 Bonds are subject to the approval of Greenberg Traurig, P.A., Miami, Florida, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, GrayRobinson, P.A. Tampa, Florida. Certain legal matters will be passed upon for the District by its counsel, Kilinski | Van Wyk PLLC, Tallahassee, Florida. Certain legal matters will be passed upon for the Landowner by its counsel, Straughn & Turner, P.A., Winter Haven, Florida.

The form of opinion of Bond Counsel attached hereto as APPENDIX C is based on existing law, which is subject to change, and 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 2023 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 2023 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 2023 Bonds.

[Remainder of page intentionally left blank.]

AUTHORIZATION AND APPROVAL

The execution and delivery of this Limited Offering Memorandum has been duly authorized by the Board of Supervisors of Scenic Terrace North Community Development District.

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT

By: _____
Chairperson, Board of Supervisors

APPENDIX A

ENGINEER'S REPORT

APPENDIX B

PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX D

ASSESSMENT METHODOLOGY

APPENDIX E

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

EXHIBIT D

FORM OF RULE 15c2-12 CERTIFICATE

Scenic Terrace North Community Development District
\$ _____* Special Assessment Bonds,
Series 2023

The undersigned hereby certifies and represents to FMSbonds, Inc. ("Underwriter") that [he/she] is the Chairperson of the Board of Supervisors of Scenic Terrace North Community Development District (the "District") is authorized to execute and deliver this Certificate, and further certifies on behalf of the District to the Underwriter as follows:

1. This Certificate is delivered to enable the Underwriter to comply with Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the above captioned bonds (the "Series 2023 Bonds").

2. In connection with the offering and sale of the Series 2023 Bonds, there has been prepared a Preliminary Limited Offering Memorandum, dated the date hereof, setting forth information concerning the Series 2023 Bonds and the District (the "Preliminary Limited Offering Memorandum").

3. As used herein, "Permitted Omissions" shall mean the offering price, interest rate, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, the identity of the Underwriter and other terms of the Series 2023 Bonds depending on such matters.

4. The undersigned hereby deems the Preliminary Limited Offering Memorandum "final" as of its date, within the meaning of the Rule, except for the Permitted Omissions, and the information therein is accurate and complete except for the Permitted Omissions.

5. If, at any time prior to the execution of a Bond Purchase Contract, any event occurs as a result of which the Preliminary Limited Offering Memorandum might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the District will promptly notify the Underwriter thereof.

IN WITNESS WHEREOF, the undersigned has hereunto set [his/her] hand this ____ day of _____, 2022.

**SCENIC TERRACE NORTH COMMUNITY
DEVELOPMENT DISTRICT**

Chairperson

* Preliminary, subject to change.

EXHIBIT E

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of [____], 2023 is executed and delivered by the Scenic Terrace North Community Development District (the "Issuer" or the "District"), Highland Sumner, LLC, a Florida limited liability company (the "Landowner"), and Governmental Management Services – Central Florida, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Special Assessment Bonds, Series 2023 (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of [____] 1, 2023 (the "Master Indenture") and a First Supplemental Trust Indenture dated as of [____] 1, 2023 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each entered into by and between the Issuer and U.S. Bank Trust Company, 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 Ft. Lauderdale, Florida, as trustee (the "Trustee"). The Issuer, the Landowner 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 Landowner 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 the Assessments.

"Assessments" shall mean the non-ad valorem Series 2023 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.

"Bond Year" means the annual period beginning on the second day of November of each year and ending on the first day of November of the following year.

"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. Governmental Management Services – Central Florida, LLC has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean Governmental Management Services – Central Florida, 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 [____], 2023, 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 Landowner for so long as such Landowner 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, 2024].

"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, 2023. 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 Statements 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 be in the form set in Schedule A attached hereto and shall contain the following Annual Financial Information with respect to the Issuer:

(i) All fund balances in all Funds, Accounts and subaccounts for the Bonds and the total amount of Bonds Outstanding, in each case as of December 31st following the end of the most recent prior Fiscal Year.

(ii) The method by which Assessments are being levied (whether on-roll or off-roll) and the amounts being levied by each method in the Assessment Area for the current Fiscal Year, and a copy of the assessment roll (on roll and off roll) for the Assessments certified for collection in the Assessment Area for the current Fiscal Year.

(iii) The method by which Assessments were levied (whether on-roll or off-roll) and the amounts levied by each method in the Assessment Area for the most recent prior Fiscal Year.

(iv) The amount of Assessments collected in the Assessment Area from the property owners during the most recent prior Fiscal Year.

(v) 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.

(vi) If available, the amount of tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.

(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 later than March 31st after the close of the Issuer's Fiscal Year pursuant to Section 3(a) hereof). Any or all of the items listed above may be incorporated by reference from other documents, including limited offering memorandums and official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the SEC. If the document incorporated by reference is a final limited offering memorandum or official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

(b) The Issuer and each Obligated Person agree to supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The Issuer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Issuer, Obligated Persons and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the Issuer, an Obligated Person or others as thereafter disseminated by the Dissemination Agent.

(c) Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

5. Quarterly Reports.

(a) Each Obligated Person (other than the Issuer), or the Landowner on behalf of any other Obligated Person that fails to execute an Assignment (as hereinafter defined), shall provide an electronic copy of the Quarterly Report to the Dissemination Agent no later than five (5) 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 in the form set in Schedule B attached hereto and contain an update of the following information to the extent available:

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

(ii) With respect to lots owned in the Assessment Area by the Obligated Person: the total number of lots owned, the number of lots under contract but not closed with a homebuilder and the name of such homebuilder, the number of lots closed with a homebuilder, the number of lots not under contract with a homebuilder.

(iii) The number and type of lots developed in the Assessment Area.

(iv) The number and type of lots platted in the Assessment Area.

(v) With respect to undeveloped and unplatted lands owned in the Assessment Area by the Obligated Person, a description of the status for lot development within such lands.

(vi) The cumulative number and type of homes closed with homebuyers (delivered to end users) in the Assessment Area.

(vii) The number and type of homes under contract and not closed with homebuyers in the Assessment Area in such quarter.

(viii) With respect to the Assessment Area, material changes to (1) builder contracts, (2) the number or type of lots planned to be developed, (3) permits/approvals, and (4) existing mortgage debt of the Obligated Person or the incurrence of new mortgage debt by the Obligated Person.

(ix) Any sale, assignment or transfer of ownership by the Obligated Person of lands in the Assessment Area to a third party which will in turn become an Obligated Person hereunder.

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in the 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 Landowner 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 2023 Reserve Account reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;*
- (v) Substitution of credit or liquidity providers, or their failure to perform;*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;*
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer or any Obligated Person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer or any Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental

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

authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person);

(xiii) Consummation of a merger, consolidation, or acquisition involving the Issuer or any Obligated Person or the sale of all or substantially all of the assets of the Issuer or any Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

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

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

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

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

(xviii) Any amendment to the accounting principles to be followed in preparing financial statements as required pursuant to Section 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 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 Governmental Management Services – Central Florida, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Governmental Management Services – Central Florida, LLC. Governmental Management Services – Central Florida, LLC, may terminate its role as Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the District and each Obligated Person. The District may terminate the agreement hereunder with the Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the Dissemination Agent 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 each Obligated Person, if any.

10. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

11. **Default.** In the event of a failure of the Issuer, the Disclosure Representative, any Obligated Person or the Dissemination Agent to comply with any provision of this Disclosure

Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Beneficial Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and receipt of indemnity satisfactory to the Trustee, shall), or any beneficial owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer, the Disclosure Representative, any Obligated Person or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement by any Obligated Person shall not be deemed a default by the Issuer hereunder and no default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer, the Disclosure Representative, any Obligated Person, or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

12. **Duties of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement between the District, the Landowner 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 Landowner and the Disclosure Representative acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, Obligated Person(s), the Disclosure Representative and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, any Obligated Person or the Disclosure Representative as thereafter disseminated by the Dissemination Agent. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format.

13. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Landowner, 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 Polk 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 Polk 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 Landowner or any assignee or successor thereto that becomes an Obligated Person pursuant to the terms of this Disclosure Agreement, only successors or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**SCENIC TERRACE NORTH COMMUNITY
DEVELOPMENT DISTRICT, AS ISSUER**

[SEAL]

By: _____
_____, Chairperson
Board of Supervisors

ATTEST:

By: _____
_____, Secretary

**HIGHLAND SUMNER, LLC, AS
LANDOWNER**

By: _____
_____, Manager

**GOVERNMENTAL MANAGEMENT
SERVICES – CENTRAL FLORIDA, LLC, and
its successors and assigns, AS DISSEMINATION
AGENT**

By: _____
Name: _____
Title: _____

CONSENTED TO AND AGREED TO BY:

DISTRICT MANAGER

**GOVERNMENTAL MANAGEMENT
SERVICES – CENTRAL FLORIDA,
LLC, AS DISTRICT MANAGER**

By: _____
Name: _____
Title: _____

Acknowledged and agreed to for purposes of
Sections 11, 13 and 17 only:

**U.S. BANK TRUST COMPANY, 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: Scenic Terrace North Community Development District

Name of Bond Issue: \$[] original aggregate principal amount of Special
Assessment Bonds, Series 2023

Obligated Person(s): Scenic Terrace North Community Development District;
_____.

Original Date of Issuance: [], 2023

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 [], 2023, by and between the Issuer, the Landowner 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

SCHEDULE A

FORM OF DISTRICT'S ANNUAL REPORT (Due 3/31)

1. Fund Balances

Combined Trust Estate Assets	<u>Quarter Ended – 12/31</u>
Acquisition and Construction Fund	
Revenue Fund	
Reserve Fund	
Prepayment Fund	
Other	
Total Bonds Outstanding	
TOTAL	

2. Assessment Certification and Collection Information

1. For the Current District Fiscal Year – Manner in which Assessments are collected (On Roll vs. Off Roll)

	<u>\$ Certified</u>
On Roll	\$ _____
Off Roll	\$ _____
TOTAL	\$ _____

2. Attach to Report the following:
- A. On Roll – Copy of certified assessment roll for the District's current Fiscal Year
- B. Off Roll – List of folios and ownership for all off roll Assessments, together with par and annual Assessment assigned to each folio

3. For the immediately ended Bond Year, provide the levy and collection information

<u>Total Levy</u>	<u>\$ Levied</u>	<u>\$ Collected</u>	<u>% Collected</u>	<u>% Delinquent</u>
On Roll	\$ _____	\$ _____	____%	____%
Off Roll	\$ _____	\$ _____	____%	____%
TOTAL				

4. 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 amount of the Assessments due in any year, a list of delinquent property owners

5. If available, the amount of tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year

6. The amount of principal and interest to be paid on the Bonds in the current Fiscal Year

SCHEDULE B

FORM OF OBLIGATED PERSON'S QUARTERLY REPORT

Bond Information

Scenic Terrace North Community Development District

Date of Quarterly Report _____

Bond Series 2023

Area/Project 2023 Project

NOTE: IF MORE THAN ONE ASSESSMENT AREA, INFORMATION NEEDS TO BE COMPLETED FOR EACH AREA

1. Unit Mix For Land Subject To Assessments

<u>Type</u>	<u>Number of Lots/Units</u>	<u>Ownership Information</u>		
		<u>Developer Owned</u>	<u>Builder Owned</u>	<u>Homeowner Owned</u>

Total

2. For Lots owned by Obligated Person (if applicable)

<u>Type</u>	<u># of Lots Owned by Obligated Person</u>	<u># of Lots Under Contract With Builders (NOT CLOSED)</u>	<u># of Lots NOT Under Contract</u>	<u>Name of Builder</u>	<u>Expected Takedown Date(s)</u>
-------------	--	--	-------------------------------------	------------------------	----------------------------------

Total

3. Status of Land Subject to Assessments

A. Lots developed (cumulative, not quarterly activity), by phase or sub-phase:

Total Assessment Area

B. Lots platted (cumulative, not quarterly activity), by phase or sub-phase:

Total Assessment Area

C. For lots not developed, and platted, provide brief description on status of lot development for land area securing the Bonds:

1. When do you anticipate lots will be developed (for each phase or sub phase)?
2. When do you anticipate lots will be platted (for each phase or sub phase)?
3. Provide total amount of money spent on land development to date (include money funded with bonds and with other sources)

D. Homes Closed with End-Users:

Total CUMULATIVE

E. Homes Sold To End Users (AND NOT CLOSED):

Total QUARTER ONLY

4. Development Changes and Status Updates

1. Material changes to Builder Contracts (i.e., change of terms or cancellation of contract, change of takedown dates)?
2. Any bulk sales of land within the District to other developers or builders?
3. Any material changes to the number or type of lots planned to be developed in the Assessment Area?
4. Any materially adverse changes or determinations to permits/approvals for the Assessment Area which necessitate changes to the development plans?
5. Incurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area (amount, rate, and term)?
6. Sale, assignment or transfer of ownership of real property in the Assessment Area to a third party, which will in turn be an Obligated Person?

*This report contains statements, which to the extent they are not recitations of historical fact, constitute "forward-looking statements." In this respect, the words "anticipate", "estimate", "expect", and "belief", and similar expressions are intended to identify forward-looking statements. Such statements may be subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements.

SECTION VII

SECTION A

SECTION 1

RESOLUTION 2023-05

THE ANNUAL APPROPRIATION RESOLUTION OF THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGETS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2023, submitted to the Board of Supervisors (“**Board**”) of the Scenic Terrace North Community Development District (“**District**”) proposed budgets (“**Proposed Budget**”) for the fiscal year beginning October 1, 2023 and ending September 30, 2024 (“**Fiscal Year 2023/2024**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

WHEREAS, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

WHEREAS, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

WHEREAS, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1st of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. BUDGET

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.
- b. The Proposed Budget, attached hereto as **Exhibit “A,”** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* (“**Adopted Budget**”), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District’s Local Records Office and identified as “The Budget for the Scenic

ATTEST:

**SCENIC TERRACE NORTH COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By:_____

Its:_____

Exhibit A: Fiscal Year 2023/2024 Budget

Scenic Terrace North
Community Development District

Proposed Budget
FY 2024



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1 General Fund

2-4 General Fund Narrative

Scenic Terrace North
Community Development District
Proposed Budget
General Fund

Description	Adopted Budget FY2023	Actuals Thru 5/31/22	Projected Next 4 Months	Total Thru 9/30/23	Proposed Budget FY2024
<u>Revenues</u>					
Developer Contributions	\$ 258,666	\$ 50,000	\$ 34,145	\$ 84,145	\$ 233,954
Boundary Amendment Contribution	\$ -	\$ 6,493	\$ 5,561	\$ 12,054	\$ -
Total Revenues	\$ 258,666	\$ 56,493	\$ 39,706	\$ 96,199	\$ 233,954
<u>Expenditures</u>					
<u>General & Administrative</u>					
Supervisor Fees	\$ 12,000	\$ 2,800	\$ 4,000	\$ 6,800	\$ 12,000
Engineering	\$ 15,000	\$ 1,625	\$ 5,000	\$ 6,625	\$ 15,000
Attorney	\$ 25,000	\$ 5,252	\$ 8,333	\$ 13,586	\$ 25,000
Annual Audit	\$ 4,000	\$ -	\$ 3,200	\$ 3,200	\$ 4,000
Assessment Administration	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Arbitrage	\$ 450	\$ -	\$ -	\$ -	\$ 450
Dissemination	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Trustee Fees	\$ 4,041	\$ -	\$ -	\$ -	\$ 4,041
Management Fees	\$ 36,750	\$ 24,500	\$ 12,250	\$ 36,750	\$ 36,750
Information Technology	\$ 1,800	\$ 1,200	\$ 600	\$ 1,800	\$ 1,800
Website Maintenance	\$ 1,200	\$ 800	\$ 400	\$ 1,200	\$ 1,200
Postage & Delivery	\$ 1,000	\$ 103	\$ 333	\$ 437	\$ 1,000
Insurance	\$ 5,625	\$ 5,375	\$ -	\$ 5,375	\$ 5,913
Printing & Binding	\$ 1,000	\$ -	\$ 333	\$ 333	\$ 1,000
Legal Advertising	\$ 10,000	\$ 4,792	\$ 1,183	\$ 5,975	\$ 10,000
Other Current Charges	\$ 5,000	\$ -	\$ 1,667	\$ 1,667	\$ 5,000
Boundary Amendment Expenses	\$ -	\$ 6,108	\$ 5,946	\$ 12,054	\$ -
Office Supplies	\$ 625	\$ 14	\$ 208	\$ 223	\$ 625
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ -	\$ 175	\$ 175
Total General & Administrative:	\$ 133,666	\$ 52,744	\$ 43,455	\$ 96,199	\$ 133,954
<u>Operations & Maintenance</u>					
Playground Lease	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000
Field Contingency	\$ 100,000	\$ -	\$ -	\$ -	\$ 75,000
Total Operations & Maintenance:	\$ 125,000	\$ -	\$ -	\$ -	\$ 100,000
Total Expenditures	\$ 258,666	\$ 52,744	\$ 43,455	\$ 96,199	\$ 233,954
Excess Revenues/(Expenditures)	\$ -	\$ 3,748	\$ (3,748)	\$ -	\$ -

Scenic Terrace North

Community Development District

General Fund Budget

Revenues:

Developer Contributions

The District will enter into a funding agreement with the Developer to fund the General Fund expenditures for the Fiscal Year.

Expenditures:

General & Administrative:

Supervisor Fees

Chapter 190, Florida Statutes, allows for each Board member to receive \$200 per meeting, not to exceed \$4,800 per year paid to each Supervisor for the time devoted to District business and meetings.

Engineering

The District's engineer Dewberry provides general engineering services to the District, e.g. attendance and preparation for monthly board meetings, review invoices and various projects as directed by the Board of Supervisors and the District Manager.

Attorney

The District's legal counsel Kilinski Van Wyk, PLLC provides general legal services to the District, e.g. attendance and preparation for meetings, preparation and review of agreements, resolutions, etc. as directed by the Board of Supervisors and the District Manager. The District has contract with KE Law Group, PLLC.

Annual Audit

The District is required by Florida Statutes to arrange for an independent audit of its financial records on an annual basis.

Assessment Administration

The District will contract to levy and administer the collection of non-ad valorem assessment on all assessable property within the District.

Arbitrage

The District will contract with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on an anticipated bond issuance.

Dissemination

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b)(5) which relates to additional reporting requirements for unrated bond issues. This cost is based upon an anticipated bond issuance.

Scenic Terrace North

Community Development District

General Fund Budget

Trustee Fees

The District will incur trustee related costs with the issuance of its' issued bonds.

Management Fees

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services-Central Florida, LLC. The services include but are not limited to, recording and transcription of board meetings, administrative services, budget preparation, all financial reports, annual audits, etc.

Information Technology

Represents various cost of information technology for the District such as video conferencing, cloud storage and servers, positive pay implementation and programming for fraud protection, accounting software, tablets for meetings, Adobe, Microsoft Office, etc. Governmental Management Services – Central Florida, LLC provides these services.

Website Maintenance

Represents the costs associated with monitoring and maintaining the District's website created in accordance with Chapter 189, Florida Statutes. These services include site performance assessments, security and firewall maintenance, updates, document uploads, hosting and domain renewals, website backups, etc. Governmental Management Services – Central Florida, LLC provides these services.

Postage & Delivery

The District incurs charges for mailing of Board meeting agenda packages, overnight deliveries, correspondence, etc.

Insurance

The District's general liability and public official's liability insurance coverages.

Printing & Binding

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes, etc.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

Other Current Charges

Bank charges and any other miscellaneous expenses incurred during the year.

Scenic Terrace North

Community Development District

General Fund Budget

Office Supplies

Any supplies that may need to be purchased during the fiscal year, e.g., paper, minute books, file folders, labels, paper clips, etc. Governmental Management Services – Central Florida, LLC provides these services.

Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Florida Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

Operation and Maintenance:

Playground lease

The District will enter into a leasing agreement with company for playgrounds installed in the community.

Field Contingency

Represents any additional field expense that may not have been provided for in the budget.

SECTION 2

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
FISCAL YEAR 2023/2024 FUNDING AGREEMENT

This agreement ("**Agreement**") is made and entered into this 19th day of July 2023, by and between:

Scenic Terrace North Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and located in Polk County, Florida ("**District**"), and

Highland Sumner, LLC, a Florida limited liability company and the developer in the District ("**Developer**") with an address of 346 East Central Avenue, Winter Haven, Florida 33880.

RECITALS

WHEREAS, the District was established by an ordinance adopted by the City Commission of the City of Haines City, Florida, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

WHEREAS, the District, pursuant to Chapter 190, *Florida Statutes*, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District's activities and services; and

WHEREAS, Developer presently owns and/or is developing the majority of all real property described in **Exhibit A**, attached hereto and incorporated herein ("**Property**"), within the District, which Property will benefit from the timely construction and acquisition of the District's facilities, activities and services and from the continued operations of the District; and

WHEREAS, the District is adopting its general fund budget for the fiscal year beginning October 1, 2023 and ending September 30, 2024 ("**Fiscal Year 2023/2024 Budget**"); and

WHEREAS, this Fiscal Year 2023/2024 Budget, which both parties recognize may be amended from time to time in the sole discretion of the District, is attached hereto and incorporated herein by reference as **Exhibit B**; and

WHEREAS, the District has the option of levying non-ad valorem assessments on all land, including the Property, that will benefit from the activities, operations and services set forth in the Fiscal Year 2023/2024 Budget, or utilizing such other revenue sources as may be available to it; and

WHEREAS, in lieu of levying assessments on the Property, the Developer is willing to provide such funds as are necessary to allow the District to proceed with its operations as described in **Exhibit B**; and

WHEREAS, the Developer agrees that the activities, operations and services provide a special and peculiar benefit equal to or in excess of the costs reflected on **Exhibit B** to the Property; and

WHEREAS, the Developer has agreed to enter into this Agreement in lieu of having the District levy and collect any non-ad valorem assessments as authorized by law against the Property located within the District for the activities, operations and services set forth in **Exhibit B**; and

WHEREAS, Developer and District desire to secure such budget funding through the imposition of a continuing lien against the Property described in **Exhibit A** and otherwise as provided herein.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **FUNDING.** The Developer agrees to make available to the District the monies necessary for the operation of the District as called for in the budget attached hereto as **Exhibit B**, as may be amended from time to time in the District's sole discretion, within fifteen (15) days of written request by the District. Amendments to the Fiscal Year 2023/2024 Budget as shown on **Exhibit B** adopted by the District at a duly noticed meeting shall have the effect of amending this Agreement without further action of the parties. Funds provided hereunder shall be placed in the District's general checking account. These payments are made by the Developer in lieu of taxes, fees, or assessments which might otherwise be levied or imposed by the District.

2. **CONTINUING LIEN.** District shall have the right to file a continuing lien upon the Property described in **Exhibit A** for all payments due and owing under the terms of this Agreement and for interest thereon, and for reasonable attorneys' fees, paralegals' fees, expenses and court costs incurred by the District incident to the collection of funds under this Agreement or for enforcement this lien, and all sums advanced and paid by the District for taxes and payment on account of superior interests, liens and encumbrances in order to preserve and protect the District's lien. The lien shall be effective as of the date and time of the recording of a "Notice of Lien for Fiscal Year 2023/2024 Budget" in the public records of Polk County, Florida ("**County**"), stating among other things, the description of the real property and the amount due as of the recording of the Notice, and the existence of this Agreement. The District Manager, in its sole discretion, is hereby authorized by the District to file the Notice of Lien for Fiscal Year 2023/2024 Budget on behalf of the District, without the need of further Board action authorizing or directing such filing. At the District Manager's direction, the District may also bring an action at law against the record title holder to the Property to pay the amount due under this Agreement, or may foreclose the lien against the Property in any manner authorized by law. The District may partially release any filed lien for portions of the Property subject to a plat if and when the Developer has demonstrated, in the District's sole discretion, such release will not materially impair the ability of the District to enforce the collection of funds hereunder. In the event the Developer sells any of the Property described in **Exhibit A** after the execution of this Agreement, the Developer's rights and obligations under this Agreement shall remain the same, provided however that the District shall only have the right to file a lien upon the remaining Property owned by the Developer.

3. **ALTERNATIVE COLLECTION METHODS.**

a. In the alternative or in addition to the collection method set forth in Paragraph 2 above, the District may enforce the collection of funds due under this Agreement by action against the Developer in the appropriate judicial forum in and for the County. The enforcement of the collection of funds in this manner shall be in the sole discretion of the District Manager on behalf of the District. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

b. The District hereby finds that the activities, operations and services set forth in **Exhibit B** provide a special and peculiar benefit to the Property, which benefit is initially allocated on an equal developable acreage basis. The Developer agrees that the activities, operations and services set forth in **Exhibit B** provide a special and peculiar benefit to the Property equal to or in excess of the costs set forth in **Exhibit B**, on an equal developable acreage basis. Therefore, in the alternative or in addition to the other methods of collection set forth in this Agreement, the District, in its sole discretion, may choose to certify amounts due hereunder as a non-ad valorem assessment on all or any part of the Property for collection, either through the Uniform Method of Collection set forth in Chapter 197, *Florida Statutes*, or under any method of direct bill and collection authorized by Florida law. Such assessment, if imposed, may be certified on the next available tax roll of the County property appraiser.

4. **AGREEMENT; AMENDMENTS.** This instrument shall constitute the final and complete expression of the agreement between the parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

5. **AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

6. **ASSIGNMENT.** This Agreement may be assigned, in whole or in part, by either party only upon the written consent of the other, which consent shall not be unreasonably withheld.

7. **DEFAULT.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance and specifically including the ability of the District to enforce any and all payment obligations under this Agreement in the manner described herein in Paragraphs 2 and 3 above.

8. **THIRD PARTY RIGHTS; TRANSFER OF PROPERTY.** This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns. In the event the Developer sells or otherwise disposes of its business or of all or substantially all of its assets relating to improvements, work product, or lands within the District, the Developer shall continue to be bound by the terms of this Agreement and additionally shall expressly require that the purchaser agree to be bound by the terms of this Agreement. The Developer shall give 90 days prior written notice to the District under this Agreement of any such sale or disposition.

9. **FLORIDA LAW GOVERNS.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

10. **ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of

any provision of this Agreement, the parties are each deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

11. **EFFECTIVE DATE.** The Agreement shall be effective after execution by both parties hereto. The enforcement provisions of this Agreement shall survive its termination, until all payments due under this Agreement are paid in full.

IN WITNESS WHEREOF, the parties execute this Agreement the day and year first written above.

Attest:

**SCENIC TERRACE NORTH COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

By: _____
Its: _____

HIGHLAND SUMNER, LLC
a Florida limited liability company

By: **HEATH CONSTRUCTION AND
MANAGEMENT, LLC**
Its: **MANAGER**

Witness

By: _____
Its: _____

EXHIBIT A: Property Description
EXHIBIT B: Fiscal Year 2023/2024 Budget

EXHIBIT A: Property Description

A PORTION OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 89°43'08" WEST ALONG THE NORTH LINE OF THE NORTHWEST 1/4 FOR A DISTANCE OF 43.74 FEET; THENCE DEPARTING SAID NORTH LINE RUN SOUTH 00°13'50" EAST FOR A DISTANCE OF 22.16 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00°33'34" EAST ALONG THE WEST RIGHT OF WAY LINE OF STATE ROAD 17, ALSO KNOWN AS SCENIC HIGHWAY, AS RECORDED IN OFFICIAL RECORDS BOOK 646, PAGE 443, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, FOR A DISTANCE OF 644.11 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°59'05" EAST ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 705.84 FEET TO THE NORTH EAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN SOUTH 00°36'22" EAST ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 667.03 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTH WEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN NORTH 89°55'13" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 689.39 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029— RD (8), THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 1318.91 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF HUGHES ROAD, AS RECORDED IN MAP BOOK 9, PAGE 12 THROUGH 30, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID NORTH RIGHT OF WAY LINE: NORTH 89°27'06" WEST, 126.48 FEET; NORTH 88°35'52" WEST, 100.01 FEET; NORTH 88°52'43" WEST, 100.00 FEET; NORTH 89°27'06" WEST, 100.00 FEET; NORTH 89°23'39" WEST, 100.00 FEET; NORTH 89°37'24" WEST, 100.00 FEET; NORTH 00°39'47" EAST, 3.50 FEET; SOUTH 89°58'32" WEST, 200.01 FEET; SOUTH 89°31'02" WEST, 100.02 FEET; NORTH 89°20'13" WEST, 100.00 FEET; NORTH 89°54'36" WEST, 200.01 FEET; SOUTH 00°39'47" WEST, 5.00 FEET; THENCE RUN NORTH 89°20'13" WEST FOR A DISTANCE OF 29.89 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF PALMER ROY ROAD, AS RECORDED IN MAP BOOK 8, PAGE 99 THROUGH 100, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID EAST RIGHT OF WAY LINE: NORTH 23°51'25" WEST, 44.92 FEET; NORTH 05°21'16" WEST, 49.28 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°29'16" WEST FOR A DISTANCE OF 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; NORTH 01°38'01" WEST, 200.04 FEET; NORTH 00°39'29" EAST, 100.02 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; THENCE RUN NORTH 00°29'16" WEST, 20.16 FEET TO A POINT ON THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°57'35" WEST ALONG SAID SOUTH LINE AND THE SOUTH

LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 1029.22 FEET TO THE SOUTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°32'44" WEST ALONG THE WEST LINE OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 661.46 FEET TO THE NORTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°50'22" EAST ALONG THE NORTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 333.31 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°33'19" WEST ALONG THE WEST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 662.16 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°43'08" EAST ALONG THE NORTH LINE OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 666.38 FEET TO THE NORTHEAST CORNER OF THE SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 00°34'31" EAST ALONG THE EAST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 31.81 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF FLOYD ROAD, AS RECORDED IN MAP BOOK 8, PAGE 106, AFORESAID PUBLIC RECORDS; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: NORTH 86°38'31" EAST, 37.56 FEET; NORTH 86°38'21" EAST, 16.64 FEET; NORTH 87°32'49" EAST, 100.02 FEET; NORTH 89°15'56" EAST, 300.01 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 89°50'19" EAST, 100.02 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 88°07'11" EAST, 100.00 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; NORTH 89°50'19" EAST, 100.02 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; SOUTH 89°01'00" EAST, 100.08 FEET; THENCE RUN SOUTH 89°01'55" EAST A DISTANCE OF 34.67 FEET TO THE POINT OF BEGINNING.

CONTAINING 113.29 ACRES, MORE OR LESS.

LESS OUT:

THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, LYING EAST OF SCENIC HIGHWAY (STATE ROAD 17) ACCORDING TO THE STATE OF FLORIDA STATE ROAD DEPARTMENT RIGHT OF WAY MAP, PROJ. 5209-RD. (8), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, RUN THENCE ALONG THE WEST BOUNDARY OF SAID NORTHEAST 1/4, S.00°36'53"E., A DISTANCE OF 1332.66 FEET TO THE SOUTH BOUNDARY OF AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, S.89°55'02"E., A DISTANCE OF 36.65 FEET TO THE EASTERLY RIGHT OF WAY OF SAID SCENIC HIGHWAY (STATE ROAD 17) FOR A POINT OF BEGINNING;

THENCE ALONG SAID EASTERLY RIGHT OF WAY, N.00°36'33"W., A DISTANCE OF 666.37 FEET TO THE NORTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID NORTH BOUNDARY, S.89°58'33"E., A DISTANCE OF 624.63 FEET TO THE EASTERLY BOUNDARY THEREOF; THENCE ALONG SAID EASTERLY BOUNDARY, S.00°36'20"E., A DISTANCE OF 667.01 FEET TO AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, N.89°55'02"W., A DISTANCE OF 624.59 FEET TO THE POINT OF BEGINNING.

ALTOGETHER CONTAINING 103.731 ACRES, MORE OR LESS.

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FY 2024



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The District's legal counsel Kilinski Van Wyk, PLLC provides general legal services to the District, e.g. attendance and preparation for meetings, preparation and review of agreements, resolutions, etc. as directed by the Board of Supervisors and the District Manager. The District has contract with KE Law Group, PLLC.

Annual Audit

The District is required by Florida Statutes to arrange for an independent audit of its financial records on an annual basis.

Assessment Administration

The District will contract to levy and administer the collection of non-ad valorem assessment on all assessable property within the District.

Arbitrage

The District will contract with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on an anticipated bond issuance.

Dissemination

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b)(5) which relates to additional reporting requirements for unrated bond issues. This cost is based upon an anticipated bond issuance.

Scenic Terrace North

Community Development District

General Fund Budget

Trustee Fees

The District will incur trustee related costs with the issuance of its' issued bonds.

Management Fees

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services-Central Florida, LLC. The services include but are not limited to, recording and transcription of board meetings, administrative services, budget preparation, all financial reports, annual audits, etc.

Information Technology

Represents various cost of information technology for the District such as video conferencing, cloud storage and servers, positive pay implementation and programming for fraud protection, accounting software, tablets for meetings, Adobe, Microsoft Office, etc. Governmental Management Services – Central Florida, LLC provides these services.

Website Maintenance

Represents the costs associated with monitoring and maintaining the District's website created in accordance with Chapter 189, Florida Statutes. These services include site performance assessments, security and firewall maintenance, updates, document uploads, hosting and domain renewals, website backups, etc. Governmental Management Services – Central Florida, LLC provides these services.

Postage & Delivery

The District incurs charges for mailing of Board meeting agenda packages, overnight deliveries, correspondence, etc.

Insurance

The District's general liability and public official's liability insurance coverages.

Printing & Binding

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes, etc.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

Other Current Charges

Bank charges and any other miscellaneous expenses incurred during the year.

Scenic Terrace North

Community Development District

General Fund Budget

Office Supplies

Any supplies that may need to be purchased during the fiscal year, e.g., paper, minute books, file folders, labels, paper clips, etc. Governmental Management Services – Central Florida, LLC provides these services.

Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Florida Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

Operation and Maintenance:

Playground lease

The District will enter into a leasing agreement with company for playgrounds installed in the community.

Field Contingency

Represents any additional field expense that may not have been provided for in the budget.

SECTION VIII

**CONSTRUCTION FUNDING AGREEMENT BETWEEN
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT AND
HIGHLAND SUMNER, LLC
[MASTER PROJECT CONSTRUCTION]**

THIS AGREEMENT (“Agreement”) is made and entered into this 19th day of July 2023, by and between:

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and located in Polk County, Florida, with a mailing address of 219 East Livingston Street, Orlando, Florida 32801 (the “District”), and

HIGHLAND SUMNER, LLC, a Florida limited liability company, an owner of certain lands within the District, with a mailing address of 346 East Central Avenue, Winter Haven, Florida 33880, and its successors and assigns (“Developer”)

RECITALS

WHEREAS, the District was established for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

WHEREAS, the Developer is the owner and/or developer of certain undeveloped lands located within the boundaries of the District (hereinafter, the “Development”), upon which infrastructure improvements have been or will be made; and

WHEREAS, the District, pursuant to the Chapter 190, *Florida Statutes*, is authorized to levy such taxes, special assessments, fees, and other charges as may be necessary in furtherance of the District's activities and services; and

WHEREAS, the District is anticipated to be without sufficient funds available to provide for the construction of its anticipated master improvements and facilities within the Development, which are described in **Exhibit A** including construction and any design, engineering, legal, or other construction, professional, or administrative costs (collectively, the “Improvements”); and

WHEREAS, in order to induce the District to proceed at this time with the construction of the necessary or desired improvements, the Developer desires to provide the funds necessary to enable the District to proceed with such improvements if and when the District exhausts the funds on deposit in the construction account; and

WHEREAS, the District anticipates accessing the public bond market in the future to obtain financing for the construction of the Improvements as described in **Exhibit A**, and the parties agree that, in the event that bonds are issued, the funds provided under this Agreement will be reimbursable from those bonds.

NOW, THEREFORE, in consideration of the recitals, agreements, and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

1. RECITALS. The recitals stated above are true and correct and by this reference are incorporated herein and form a material part of this Agreement.

2. FUNDING. Developer agrees to make available to the District such monies as are necessary to enable the District to proceed with the design, engineering, and construction of the Improvements. Developer will make such funds available on a monthly basis, within fifteen (15) days of a written request by the District. The funds shall be placed in the District's construction account with such depository as determined by the District.

3. REPAYMENT. The parties agree that the funds provided by Developer pursuant to this Agreement will be properly reimbursable from proceeds of the District's issuance of tax-exempt bonds. Within forty-five (45) days of receipt from time to time of sufficient funds by the District for the financing of some or all of the Improvements, the District shall reimburse Developer until full reimbursement is made or until all funds generated by the anticipated financing are exhausted, exclusive of interest, for the funds advanced under Section 2 above; provided, however, that in the event bond counsel engaged in connection with the District's issuance of bonds providing such financing determines that any such monies advanced or expenses incurred are not properly reimbursable for any reason, including, but not limited to federal tax restrictions imposed on tax-exempt financing, the District shall not be obligated to reimburse such monies advanced or expenses incurred. If the District does not or cannot issue bonds to provide the funds for the Improvements within five (5) years of the date of this Agreement, and, thus does not reimburse the Developer for the funds advanced, then the parties agree that such funds shall be deemed paid in lieu of taxes, fees, or assessments which might be levied or imposed by the District.

4. DEFAULT. A default by either party to 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 actual damages, injunctive relief and/or specific performance, but shall exclude, in any event, consequential, incidental, special or punitive damages.

5. ENFORCEMENT OF AGREEMENT. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the substantially prevailing party shall be entitled to recover all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

6. AGREEMENT. This Agreement shall constitute the final and complete expression of the agreement between the parties relating to the specific subject matter of this Agreement.

7. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

8. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all of the requirements of law, and each party has full power and authority to comply with the terms and provisions of this Agreement.

9. NOTICES. All notices, requests, consents and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, as follows:

A. If to District: Scenic Terrace North Community Development District
219 E. Livingston Street
Orlando, Florida 32801
Attn: District Manager

With a copy to: Kilinski | Van Wyk, PLLC
P.O. Box 6386
Tallahassee, Florida 32314
Attn: District Counsel

B. If to Developer: Highland Sumner, LLC
346 East Central Avenue
Winter Haven, Florida 33880
Attn: Warren K. (Rennie) Heath II

Except as otherwise provided herein, any Notice shall be deemed received only upon actual delivery at the address set forth herein. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the parties may deliver Notice on behalf of the party he/she represents. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days' written notice to the parties and addressees set forth herein.

10. THIRD-PARTY BENEFICIARIES. This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

11. ASSIGNMENT. Neither party may assign this Agreement or any monies to become due hereunder without the prior written approval of the other party.

12. CONTROLLING LAW. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

13. EFFECTIVE DATE. The Agreement shall be effective after execution by all parties hereto and shall remain in effect unless terminated by any of the parties hereto.

14. PUBLIC RECORDS. Developer understands and agrees that all documents of any kind provided to the District or to District staff in connection with the work contemplated under this Agreement are public records and are treated as such in accordance with Florida law and the District's Record Retention Schedule.

15. COUNTERPARTS. This Agreement may be executed in one or more counterparts which, when taken together, shall constitute one and the same instrument.

[Signatures on next page]

IN WITNESS WHEREOF, the parties execute this Agreement to be effective the day and year first written above.

ATTEST:

**SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

WITNESS:
in the presence of:

HIGHLAND SUMNER, LLC, a Florida
limited liability company

By: HEATH CONSTRUCTION AND
MANAGEMENT, LLC
Its: Manager

Print Name: _____

By: Warren K. (Rennie) Heath II
Its: Manager

Exhibit A: *Scenic Terrace North Community Development District Engineer's Report*, dated
July 18, 2023

REFERENCE NO. 50144568

SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT

Engineer's Report

JULY 18, 2023



ORIGINAL

SUBMITTED BY
Dewberry Engineers Inc.
800 N. Magnolia Avenue
Suite 1000
Orlando, Florida 32803
321.354.9656

SUBMITTED TO
Scenic Terrace North CDD
Attention: Jill Burns, District Manager
219 E. Livingston Street
Orlando, Florida 32801
407.841.5524

Engineer's Report

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1. Introduction

The Scenic Terrace North Community Development District (the "District" or "CDD") is located on the west side of SR 17 – Scenic Highway within the city limits of Haines City ("City"), Polk County, Florida. The CDD was established under the City Ordinance No.21-1741, which was approved by the City Commission on August 19, 2021. Under this ordinance, the District contained approximately 113.29 acres and was expected to consist of 330 residential lots of various sizes for single-family lots with recreation/amenity areas, parks, and associated infrastructure for the development. The City approved Ordinance No. 23-2042 on June 1, 2023, to amend the District's boundary, which reduced the acreage from 113.29 acres to 103.731 acres. The acreage being removed was originally designated to be a school development; therefore, the overall lot count of the District is unchanged and remains at 330 lots.

The District will own and operate the public roadways, utilizes systems, and stormwater management facilities, as well as the landscape, irrigation, signage, and recreational facilities within the development.

The Master Developer ("Developer") Highland Sumner, LLC is based in Winter Haven, Florida. The development is approved as a residential Planned Development (PD). A land use summary is presented in Table 1.

Public improvements and facilities financed, acquired, and/or constructed by the District will be designed and constructed to conform to regulatory criteria from the city, county, Southwest Florida Water Management District (SWFWMD), and other applicable agencies with regulatory jurisdiction over the development, an overall estimate of the probable cost of the public improvements are provided in Exhibit 7 of this report.

The Capital Improvement Plan (CIP) or this Engineer's Report reflects the present intentions of the District and the landowners. It should be noted that the location of the proposed facilities and improvements may be adjusted during the final design, permitting, and implementation phases. It should also be noted that these modifications are not expected to diminish the benefits to the property within the District. The District reserves the right to make reasonable adjustments to the development plan to meet applicable regulatory requirements of agencies with jurisdiction over the development while maintaining a comparable level of benefits to the lands served by the improvements. Changes and modifications are expected as changes in regulatory criteria are implemented.

Table 2.1 Land Uses

LAND USES	
LAND USE	AREA
Master Stormwater System	16.73 acres
Residential Land (Single-Family and Townhomes Lots)	45.671 acres
Roadways Infrastructure & Public Facilities	12.93 acres
Open Space/Conservation Areas/Parks	28.40 acres
TOTAL	103.731 acres

Table 2.2 Lot Types

Lot Types	
LAND USE	AREA
42-ft Lots	41
52-ft Lots	289
TOTAL	330

Implementation of any proposed facilities or improvements outlined in this report requires written approval from the District's Board of Supervisors. Estimated costs outlined in this report are based on the best available information, which includes, but is not limited to, previous experience with similar projects. Actual costs could be different than estimates because final engineering and specific field conditions may affect construction costs.

All roadway improvements including sidewalks in the right-of-way and storm drainage collection systems (from the curb inlets to their connection to the stormwater ponds) within the development will be maintained by the District. Water distribution and wastewater collection systems (gravity lines, force mains, and lift stations) will be dedicated to the City for ownership and maintenance upon completion.

2. Purpose and Scope

The purpose of this report is to provide engineering support for the funding of the proposed improvements within the District. This report will identify the proposed public infrastructure to be constructed or acquired by the District along with an Opinion of Probable Construction Costs. The District will finance, construct, acquire, operate, and maintain all or specific portions of the proposed public infrastructure.

The predominant portion of this report provides descriptions of the proposed public infrastructure improvements, determination of estimated probable construction costs, and the corresponding benefits associated with the implementation of the described improvements. Detailed site construction plans and specifications have not yet been completed and permitted for the improvements described herein. The engineer has considered and in specific instances has relied upon, the information and documentation prepared or supplied by others to prepare this Engineer's Report.

3. General Site Description

The development will consist of a total of 330 residential units and associated infrastructure. The development is a planned residential community consisting of 113.29 acres located west side of SR 17 – Scenic Highway from the northern boundary adjacent to Floyd Road and extending south to Hughes Road. The District is located within the incorporated area of Haines City in Polk County. The land uses and zoning for the development are LDR – RPUD, Residential Low, and Planned Unit Development. The development will be constructed in two phases.

4. Capital Improvements

The CIP consists of public infrastructure in the development. The primary portions of the CIP will provide for stormwater pond construction, roadways built to an urban roadway typical section, water, and sewer facilities including a lift station, and off-site improvements (including turn lanes and extension of water and sewer mains to serve the development). Assets will be purchased by the District at the lesser of fair market price or actual cost.

There will also be stormwater structures and conveyance culverts within the CIP, which will outfall into the various on-site stormwater ponds. These structures and pond areas comprise the overall stormwater facilities of the CIP. Installation of the water distribution and wastewater collection system will also occur at this time as well as the lift station serving the project. Below-ground installation of telecommunications and cable television will occur but will not be funded by the District. The incremental cost of undergrounding of power within the public rights-of-way or easements will be funded by the District.

As a part of the recreational component of the CIP, there are conservation areas that can serve as passive parks within the development that are available to the public for utilization of the facilities. The recreational areas will have connectivity via sidewalks to the other portions of the District. The recreational areas will be open to the public and be accessible by public roadways and sidewalks.

5. Capital Improvement Plan Components

The CIP for the District includes the following:

5.1 Stormwater Management Facilities

Stormwater management facilities consisting of storm conveyance systems and retention/detention ponds are contained within the District boundaries. Stormwater will be discharged via roadway curb and gutter and storm inlets. Storm culverts convey the runoff into the proposed retention ponds for water quality treatment and attenuation. The proposed stormwater systems will utilize dry retention and wet retention for biological pollutant assimilation to achieve water quality treatment. The design criteria for the District's stormwater treatment systems are regulated by the city, the county, and SWFWMD. There are various conservation areas throughout the District and will be preserved in the existing condition and these will accept stormwater discharges from our ponds as shown in Exhibit 6.

Federal Emergency Management Agency Flood Insurance Rate Map (FEMA FIRM) Panel No. 12105C0380G, dated December 22, 2016, demonstrates that the property is located within Flood Zones AE and X. Based on this information and the site topography, it appears that 100-year compensation will be done in areas where we will impact existing depressions throughout the development and the 100-year flood volumes will be compensated as it is required the county and FEMA.

During the construction of stormwater management facilities, utilities, and roadway improvements the contractor will be required to adhere to a Stormwater Pollution Prevention Plan (SWPPP) as required by the Florida Department of Environmental Protection (FDEP) as delegated by the Environmental Protection Agency (EPA). The SWPPP will be prepared to depict the proposed recommended locations of required erosion control measures and staked turbidity barriers specifically along the downgradient side of any proposed construction activity. The site contractor will be required to provide the necessary reporting as required by the National Pollutant Discharge Elimination System (NPDES) General Permit with erosion control, its maintenance, and any rainfall events that occur during construction activity.

5.2 Public Roadways

The proposed public roadway sections include a 24-foot roadway consisting of asphalt and with Miami curbs or Type F curb and gutter on both sides along with a 40-foot right-of-way. The proposed roadway section will consist of stabilized subgrade, a lime rock, crushed concrete, or cement-treated base, and asphalt type roadway wearing surface. The proposed curb is to be 2-feet wide and placed along the edge of the proposed roadway section for purposes of protecting the integrity of the pavement and to provide stormwater runoff conveyance to the proposed stormwater inlets.

The proposed roadways will also require signing and pavement markings within the public rights-of-way, as well as street signs depicting street name identifications and addressing, which will be utilized by the residents and public. As stated above, the District's funding of roadway construction will occur for all public roadways.

5.3 Water and Wastewater Facilities

A potable drinking water system inclusive of a water main, gate valves, fire hydrants, and appurtenances will be installed for the District. The water service provider will be the City of Haines City Public Utilities. The water system will be designed to provide an equally distributed system that provides redundancy to the system. These facilities will be installed within the proposed public rights-of-way and will provide potable drinking water (domestic) and fire protection services to serve the entire District.

A domestic wastewater collection system inclusive of gravity sanitary sewer mains and sewer laterals will be installed. The gravity sanitary sewer mains will be a minimum of eight (8)-inch diameter PVC pipe systems. The gravity sanitary sewer lines will be placed inside of the proposed public rights-of-way, under the proposed paved roadways. Sewer laterals will branch off from these sewer lines to serve the development. Lift stations are anticipated for this CIP. Flow from the lift station shall be connected to a

proposed force main that will pump to an existing force main that will connect to the city wastewater treatment facility.

The City's public utilities will provide the reclaimed water to be used for all irrigation within the CDD. The reclaimed water will be funded by the District and installed onsite within the roadways to provide for irrigation within the public right-of-way or any areas needing irrigation. Any water, sewer, or reclaim water pipes or facilities placed on private property will not be publicly funded.

5.4 Off-Site Improvements

The District will provide funding for the anticipated turn lanes at the development entrances. The site construction activities associated with the CIP are anticipated to be completed in the next two (2) to three (3) years. Upon completion of each phase, the improvements required inspections will be completed and final certifications of completions will be obtained from SWFWMD, Polk County Health Department (water distribution system), FDEP (wastewater collection), City of Haines City Public Utilities, and Polk County.

5.5 Amenities and Parks

The District will provide funding for an amenity center to include the following: parking areas, pavilion with restroom facilities, pool, all-purpose playfields, and walking trails between the phases and villages to provide connectivity to the various amenity centers within the CDD. In addition, there will be passive parks throughout the development, which will include benches and walking trails. All such amenities and parks will be accessible and open to residents and the public.

5.6 Electric Utilities and Lighting

The electric distribution system thru the District is currently planned to be underground. The District presently intends to fund the incremental cost of undergrounding of the electric conduits, transformer/cabinet pads, and electric manholes required by Duke Energy (Duke). As the electric facilities and equipment will be owned and maintained by Duke after the dedication, no tax-exempt bonds will be used for such facilities and equipment. The CDD will not fund the cost to purchase and install the street lighting along the internal roadways within the CDD with any tax-exempt bonds because these lights will be operated and maintained by Duke after the dedication, with the District funding maintenance services.

5.7 Entry Feature

Landscaping, irrigation, entry features, and buffer walls at the entrances and along the outside boundary of the development will be provided by the District. The irrigation system will use an irrigation well. The well and irrigation water mains to the various phases of the development will be constructed and acquired by the CDD with District funds and operated and maintained by the CDD. Landscaping for the roadways will consist of sod, perennial flowers, shrubs, ground cover, and trees for the internal roadways within the CDD. Perimeter fencing will be provided at the site entrances and perimeters. No entrance gates are included as part of such fencing. These items will be funded, owned, and maintained by the CDD.

5.8 Miscellaneous

The stormwater improvements, landscaping and irrigation, recreational improvements, and certain permits and professional fees as described in this report are being financed by the District to benefit the developable real property within the District. The construction and maintenance of the proposed public improvements will benefit the development for the intended use as a single-family/residential planned development.

5.9 Permitting

Construction permits for all phases are required and include the SWFWMD Environmental Resource Permit, Polk County Health Department, FDEP, and Haines City construction plan approval.

Following is a summary of required permits obtained or pending approval for the construction of the public infrastructure improvements for the District:

Permitting	
PERMITS	APPROVAL/EXPECTED DATE
Zoning Approval	Residential Planned Unit Development (RPUD) – 02/03/2022
Preliminary Plat	06/02/2022
SWFWMD ERP	10/18/2022
Construction Permits	08/23/2022
City of Haines City Public Utilities Water/Sewer	08/23/2022
FDEP Sanitary Sewer General Permit	09/02/2022
FDEP Water Distribution General Permit	10/11/2022
FDEP Notice of Intent	10/10/2022

6. Recommendation

As previously explained within this report, the public infrastructure, as described, is necessary for the development and functional operation as required by the City. The site planning, engineering design, and construction plans for the infrastructure are in accordance with the applicable requirements of the City of Haines City, Polk County, and SWFWMD. It should be noted that the infrastructure will provide its intended use and function so long as the construction and installation are in substantial conformance with the design construction plans and regulatory permits.

Items utilized in the Opinion of Probable Costs for this report are based upon the proposed plan infrastructure as shown on construction drawings incorporating specifications in the most current SWFWMD, Polk County, and the TWA regulations.

7. Report Modification

During the development and implementation of the designed public infrastructure improvements, it may be necessary to make modifications and/or deviations to the plans. However, if such deviations and/or revisions do not change the overall primary objective of the plan for such improvements, then the cost differences would not materially affect the proposed construction cost estimates.

8. Summary and Conclusion

The improvements as outlined are necessary for the functional development of the project. The project is being designed in accordance with current government regulatory requirements. The project will serve its intended function provided the construction is in substantial compliance with the design. Items of construction for the project are based upon current development plans.

9. Engineer's Certification

It is our professional opinion that the public infrastructure costs for the CIP provided in this report are reasonable to complete the construction of the public infrastructure improvements. Furthermore, the public infrastructure improvements will provide a special benefit to the assessable property within the District that is at least equal to the costs for said improvements. The general public, property owners, and property outside the District will benefit from the provisions of the District's CIP; however, these are incidental to the District's CIP, which is designed solely to provide special benefits peculiar to property within the District.

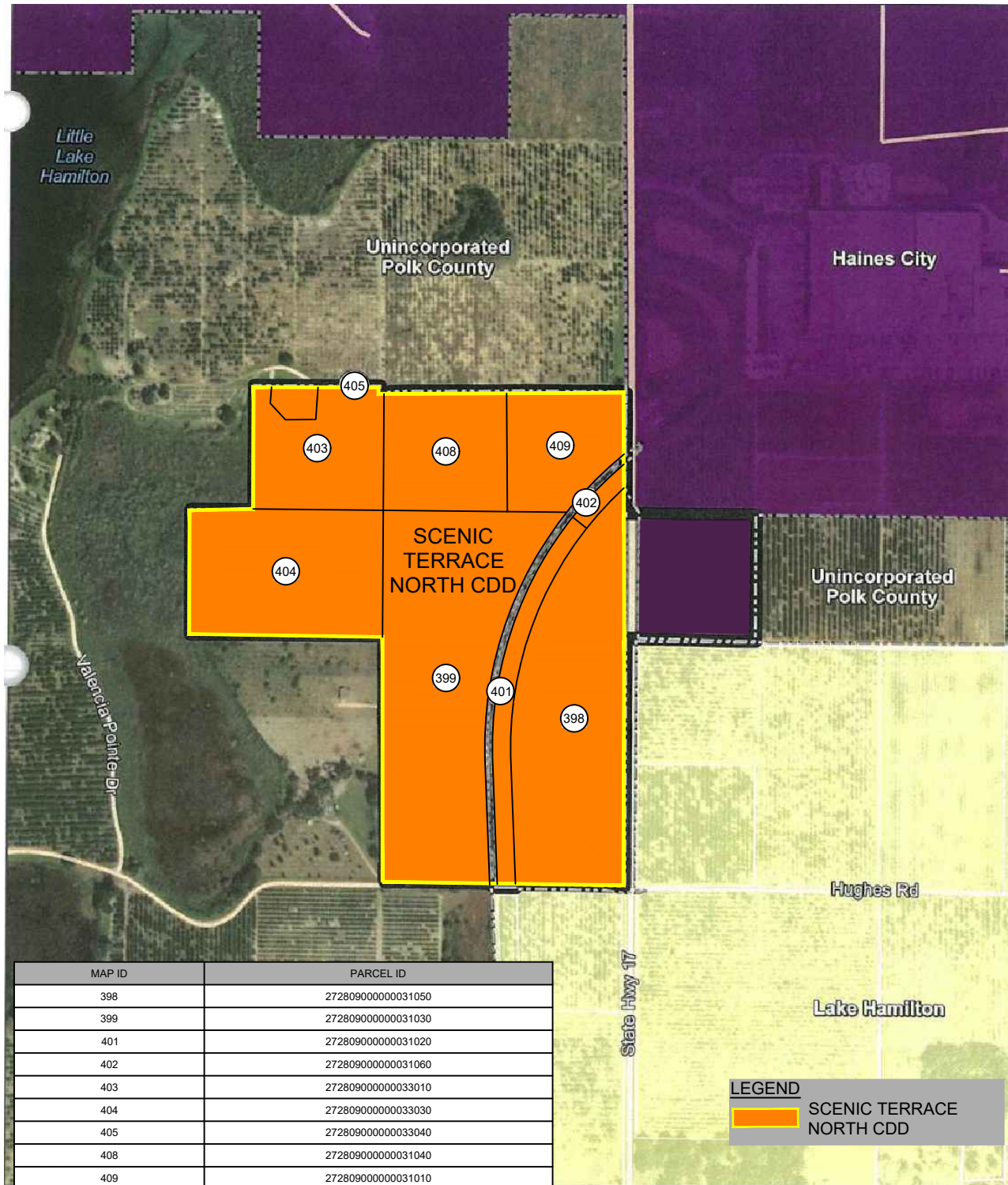
The Opinion of Probable Costs for the public infrastructure improvements is only an estimate and is not a guaranteed maximum price. The estimated costs are based upon current unit prices and on our experience with ongoing and similar projects and basis in the county and city. However, labor market, future costs of equipment; materials, changes to the regulatory permitting agencies' activities, and the actual construction processes employed by the chosen site contractor are beyond the engineer's control. Due to this inherent opportunity for changes (upward or downward) in the construction costs, the total, final construction cost may be more or less than this estimate.

Based upon the presumption that the CIP construction continues in a timely manner, it is our opinion that the costs of the CIP proposed represent a system of improvements benefitting all developable property located within the District, are fair and reasonable, and that the District-funded improvements are assessable improvements within the meaning of Chapter 190, F.S. We have no reason to believe that the CIP improvements cannot be constructed at the cost described in this report. We expect the improvements to be constructed or acquired by the District with bond proceeds, as indicated within this report. We believe that the District will be well served by the improvements discussed in this report.

I hereby certify that the foregoing is a true and correct copy of the engineer's report for the Scenic Terrace North Community Development District.

A handwritten signature in blue ink, appearing to read 'RM', is written over a horizontal line.

Reinardo Malavé, P.E.
Florida License No. 31588



SECTS 9, T28S, R27E

EXHIBITS 1 AND 3 - LOCATION AND BOUNDARY MAP SCENIC TERRACE NORTH CDD



DATE: 7/3/2023

LEGAL DESCRIPTION

LEGAL DESCRIPTION:

A PORTION OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 89°43'08" WEST ALONG THE NORTH LINE OF THE NORTHWEST 1/4 FOR A DISTANCE OF 43.74 FEET; THENCE DEPARTING SAID NORTH LINE RUN SOUTH 00°13'50" EAST FOR A DISTANCE OF 22.16 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00°33'34" EAST ALONG THE WEST RIGHT OF WAY LINE OF STATE ROAD 17, ALSO KNOWN AS SCENIC HIGHWAY, AS RECORDED IN OFFICIAL RECORDS BOOK 646, PAGE 443, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, FOR A DISTANCE OF 644.11 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°59'05" EAST ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 705.84 FEET TO THE NORTH EAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN SOUTH 00°36'22" EAST ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 667.03 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN NORTH 89°55'13" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 689.39 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8); THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 1318.91 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF HUGHES ROAD, AS RECORDED IN MAP BOOK 9, PAGE 12 THROUGH 30, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID NORTH RIGHT OF WAY LINE: NORTH 89°27'06" WEST, 126.48 FEET; NORTH 88°35'32" WEST, 100.01 FEET; NORTH 88°52'43" WEST, 100.00 FEET; NORTH 89°27'06" WEST, 100.00 FEET; NORTH 89°23'39" WEST, 100.00 FEET; NORTH 89°37'24" WEST, 100.00 FEET; NORTH 00°39'47" EAST, 3.50 FEET; SOUTH 89°58'32" WEST, 200.01 FEET; SOUTH 89°31'02" WEST, 100.02 FEET; NORTH 89°20'13" WEST, 100.00 FEET; NORTH 89°54'36" WEST, 200.01 FEET; SOUTH 00°39'47" WEST, 5.00 FEET; THENCE RUN NORTH 89°20'13" WEST FOR A DISTANCE OF 29.89 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF PALMER OY ROAD, AS RECORDED IN MAP BOOK 8, PAGE 99 THROUGH 100, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID EAST RIGHT OF WAY LINE: NORTH 23°51'25" WEST, 44.92 FEET; NORTH 05°21'16" WEST, 49.28 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°29'16" WEST FOR A DISTANCE OF 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; NORTH 01°38'01" WEST, 200.04 FEET; NORTH 00°39'29" EAST, 100.02 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; THENCE RUN NORTH 00°29'16" WEST, 20.16 FEET TO A POINT ON THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°57'35" WEST ALONG SAID SOUTH LINE AND THE SOUTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 1029.22 FEET TO THE SOUTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°32'44" WEST ALONG THE WEST LINE OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 661.46 FEET TO THE NORTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°50'22" EAST ALONG THE NORTH LINE OF

(CONTINUED ON SHEET 2)

SHEET 1 OF 7

SECTS 9, T28S, R27E

EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



DATE: 7/3/2023

LEGAL DESCRIPTION

(CONTINUED FROM SHEET 1)

THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 333.31 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°33'19" WEST ALONG THE WEST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 662.16 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°43'08" EAST ALONG THE NORTH LINE OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 666.38 FEET TO THE NORTHEAST CORNER OF THE SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 00°34'31" EAST ALONG THE EAST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 31.81 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF FLOYD ROAD, AS RECORDED IN MAP BOOK 8, PAGE 106, AFORESAID PUBLIC RECORDS; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: NORTH 86°38'31" EAST, 37.56 FEET; NORTH 86°38'21" EAST, 16.64 FEET; NORTH 87°32'49" EAST, 100.02 FEET; NORTH 89°15'56" EAST, 300.01 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 89°50'19" EAST, 100.02 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 88°07'11" EAST, 100.00 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; NORTH 89°50'19" EAST, 100.02 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; SOUTH 89°01'00" EAST, 100.08 FEET; THENCE RUN SOUTH 89°01'55" EAST A DISTANCE OF 34.67 FEET TO THE POINT OF BEGINNING.

LESS OUT:

THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, LYING EAST OF SCENIC HIGHWAY (STATE ROAD 17) ACCORDING TO THE STATE OF FLORIDA STATE ROAD DEPARTMENT RIGHT OF WAY MAP, PROJ. 5209-RD.(8), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, RUN THENCE ALONG THE WEST BOUNDARY OF SAID NORTHEAST 1/4, S.00°36'53"E., A DISTANCE OF 1332.66 FEET TO THE SOUTH BOUNDARY OF AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, S.89°55'02"E., A DISTANCE OF 36.65 FEET TO THE EASTERLY RIGHT OF WAY OF SAID SCENIC HIGHWAY (STATE ROAD 17) FOR A **POINT OF BEGINNING**; THENCE ALONG SAID EASTERLY RIGHT OF WAY, N.00°36'33"W., A DISTANCE OF 666.37 FEET TO THE NORTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID NORTH BOUNDARY, S.89°58'33"E., A DISTANCE OF 624.63 FEET TO THE EASTERLY BOUNDARY THEREOF; THENCE ALONG SAID EASTERLY BOUNDARY, S.00°36'20"E., A DISTANCE OF 667.01 FEET TO AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, N.89°55'02"W., A DISTANCE OF 624.59 FEET TO THE **POINT OF BEGINNING**.

ALTOGETHER CONTAINING 103.731 ACRES, MORE OR LESS.

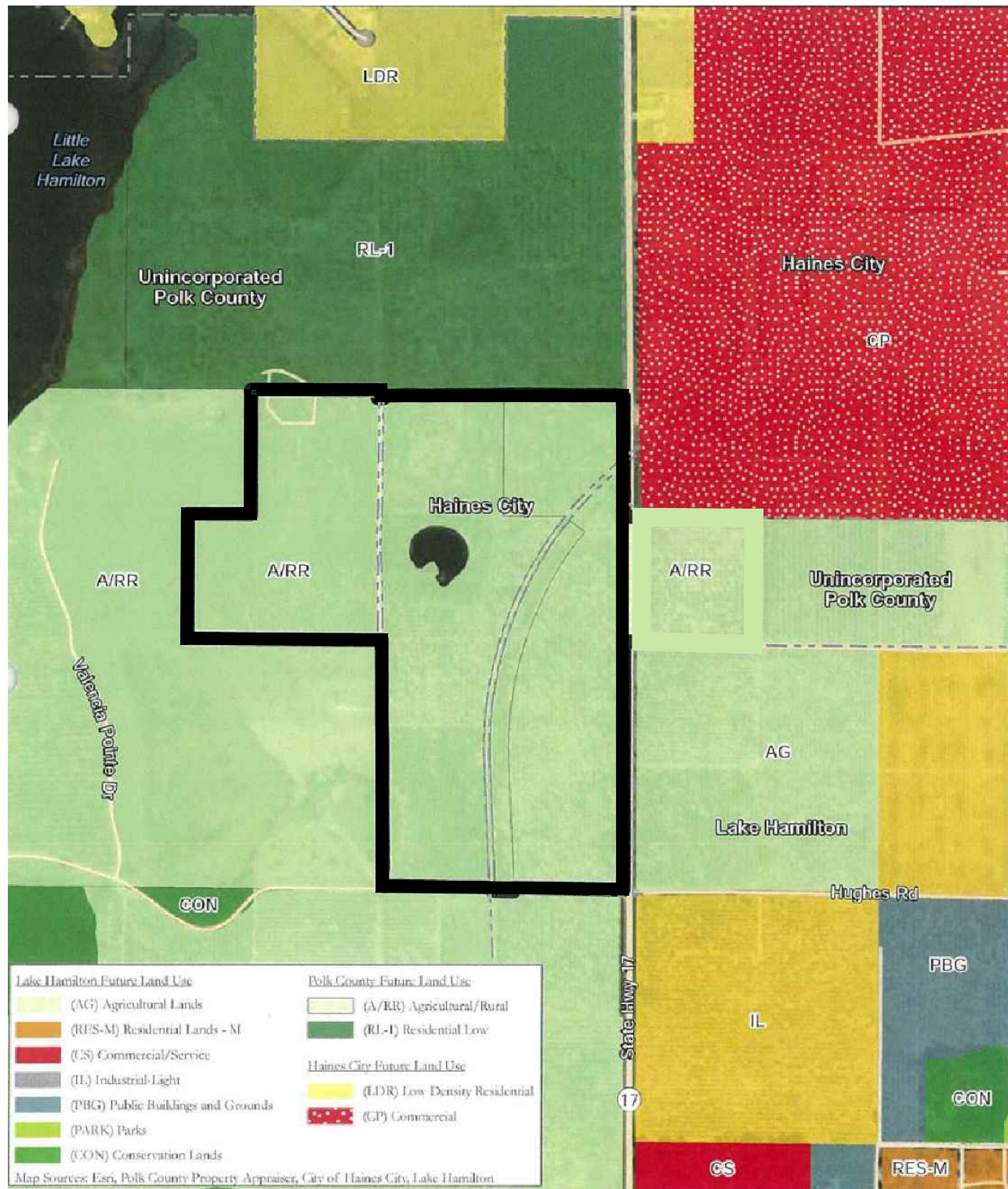
SHEET 2 OF 7

SECTS 9, T28S, R27E

EXHIBIT 2 - LEGAL DESCRIPTION SCENIC TERRACE NORTH CDD



DATE: 7/3/2023

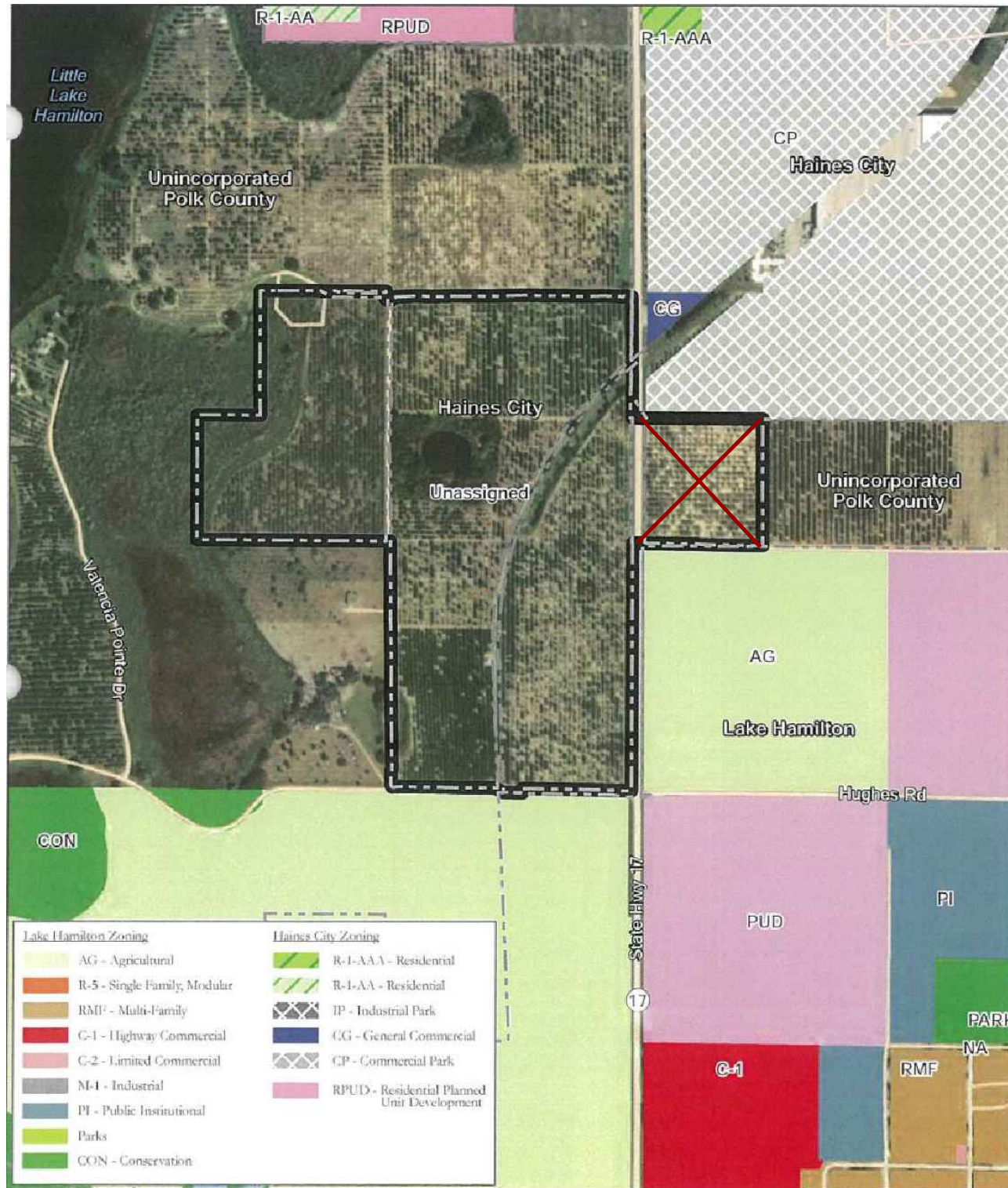


SECTS 9, T28S, R27E

EXHIBIT 7 - FUTURE LAND USE MAP SCENIC TERRACE NORTH CDD



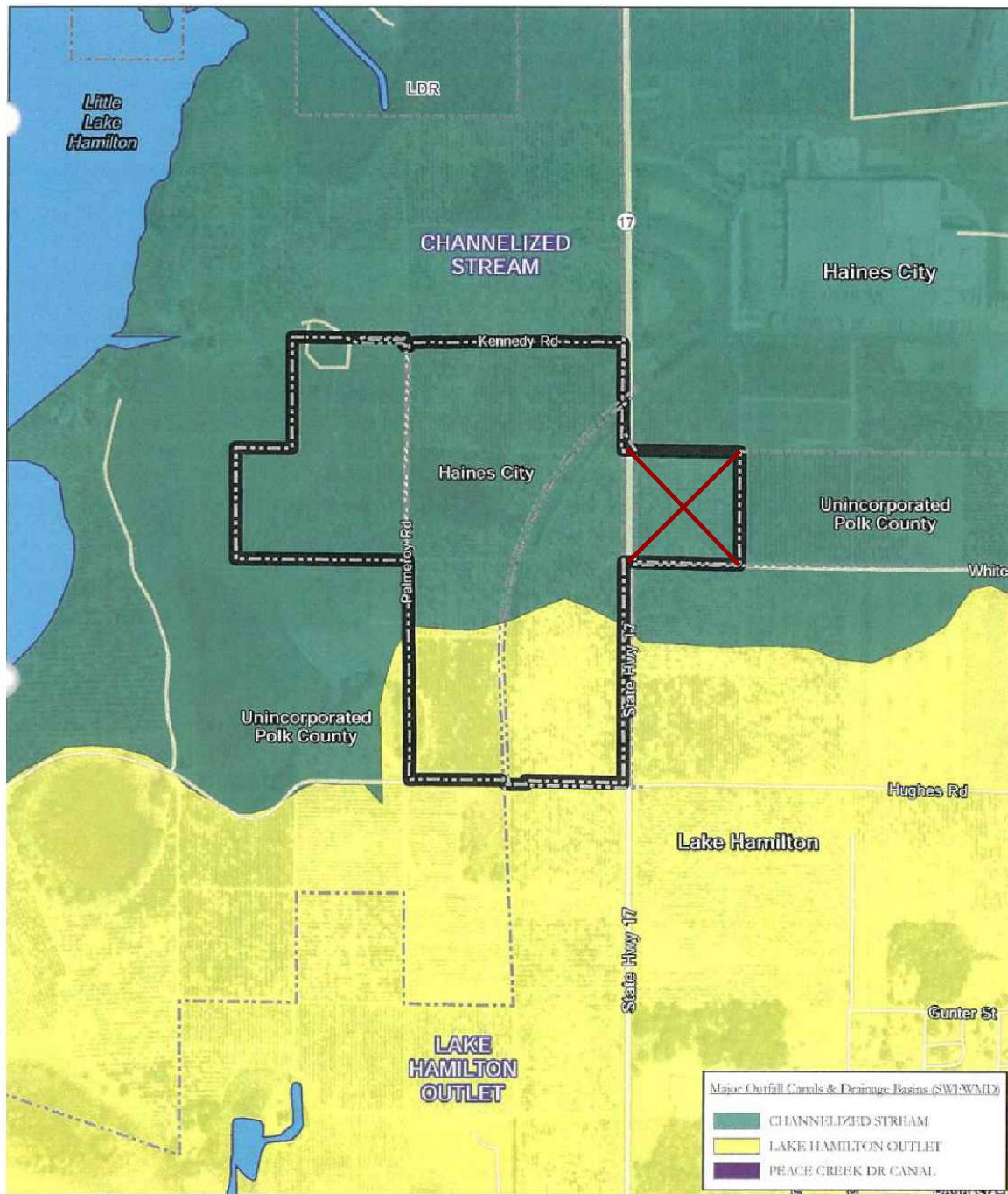
DATE: 7/3/2023



SECTS 9, T28S, R27E

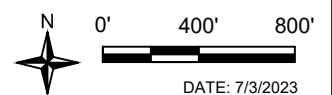
EXHIBIT 5 - ZONING MAP SCENIC TERRACE NORTH CDD





SECTS 9, T28S, R27E

EXHIBIT 6 - DRAINAGE MAP SCENIC TERRACE NORTH CDD



DATE: 7/3/2023

EXHIBIT 7A

Scenic Terrace North

Community Development District

Summary of Proposed District Facilities

District Infrastructure	Construction	Ownership	Capital Financing*	Operation and Maintenance
Stormwater Facilities	District	District	District Bonds	District
Lift Stations/Water/Sewer	District	City of Haines City	District Bonds	City of Haines City
Street Lighting	District	District	District Bonds	District
Onsite Road Construction	District	District	District Bonds	District
Offsite Road Construction	District	Polk County	District Bonds	Polk County
Entry Feature & Signage	District	District	District Bonds	District
Parks and Recreation Facilities	District	District	District Bonds	District

*Costs not funded by bonds will be funded by the developer.

EXHIBIT 7B
Scenic Terrace North Community Development District
Estimate of Probable Capital Improvement Costs^{7,10,11}
DATE: July 2023

	TOTALS
Infrastructure ¹⁻¹¹	
Number of LOTS	330
Offsite Improvements	\$1,750,000.00
Stormwater Management ^{3,6}	\$2,200,000.00
Mass Grading and Master Stormwater Drainage ^{2,3}	\$3,100,000.00
Roadway - Curb, Paving and Drainage ⁴	\$3,250,000.00
Utilities (Water, Sewer, & Reuse)	\$4,600,000.00
Water	\$1,600,000.00
Reuse	\$900,000.00
Wastewater Systems	\$2,100,000.00
Electrical	\$800,000.00
Electrical Distribution (Incremental cost of undergrounding)	
Landscaping & Entry Feature ⁸	\$1,000,000.00
Parks and Amenities	\$800,000.00
SUBTOTAL CONSTRUCTION	\$17,500,000.00
General Consulting (Engr & Legal) @ 10% ⁵	\$2,000,000.00
Subtotal	\$19,500,000.00
Contingency @ 15%	\$2,625,000.00
Grand Total	\$22,125,000.00

Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another government entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2023 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and buffer fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the streetlight poles and lighting service. Includes only the incremental cost of undergrounding.
10. Estimates based on 330 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

SECTION IX

Prepared By and Return To

Roy Van Wyk, Esq.
Kilinski Van Wyk PLLC
P.O. Box 6386
Tallahassee, Florida 32314

TEMPORARY CONSTRUCTION AND
ACCESS EASEMENT AGREEMENT
SCENIC TERRACE NORTH
(MASTER PROJECT IMPROVEMENTS)

THIS TEMPORARY CONSTRUCTION AND ACCESS EASEMENT AGREEMENT (“Agreement”) is made and entered as of this 19TH day of July 2023, by and between **HIGHLAND SUMNER LLC**, a Florida limited liability company, whose mailing address is 346 East Central Avenue, Winter Haven, Florida 33880 (**“Grantor”**) in favor of **SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, whose address is c/o Governmental Management Services – Central Florida, LLC, 219 East Livingston Street, Orlando, Florida 32801 (**“Grantee”** or the **“District”**) (Grantor and Grantee are sometimes together referred to herein as the **“Parties”**, and separately as the **“Party”**).

WITNESSETH:

WHEREAS, Grantor is the owner in fee simple of that certain parcel of real property located in the City of Haines City, Florida being more particularly described in **Exhibit “A”** attached hereto, and by this reference incorporated herein (collectively, the **“Easement Area”**); and

WHEREAS, Grantee intends to complete within the Easement Area, the design, installation and construction of roadway improvements and associated drainage facilities, and other such improvements as authorized by law (collectively, the **“Improvements”**); and

WHEREAS, Grantor desires to grant to Grantee a temporary, non-exclusive construction and access easement on, upon, over, under, across, and through the Easement Area for the sole purpose of constructing the Improvements, until either construction of the Improvements is completed, the Grantee acquires the Easement Area, or a plat is recorded which encompasses the Easement Area, whichever occurs first.

NOW, THEREFORE, for and in consideration of Ten and No/100 Dollars (\$10.00) in hand paid by the Grantee to the Grantor, the mutual covenants and agreements herein set forth and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby expressly acknowledged by the Parties, the Parties do hereby agree as follows:

1. **RECITALS.** The foregoing recitals are true and correct and are incorporated herein by this reference.

2. **TEMPORARY CONSTRUCTION EASEMENT.** Grantor does hereby grant, bargain, sell and convey to Grantee a temporary, non-exclusive easement on, upon, over, under, across and through the Easement Area for access, ingress, egress and to allow Grantee to complete the design, construction and installation of the Improvements (collectively, the “**Easement**”).

3. **TERM OF EASEMENT.** Upon the earlier of (i) the completion of all Improvements and the acceptance of such by the District’s Board of Supervisors, or (ii) recordation of a release of the Easement in the Public Records of Polk County, Florida, or (iii) upon recordation of a plat including the Easement Area, then this Agreement shall automatically terminate and be extinguished and all rights in the Easement granted by this Agreement shall immediately revert to the Grantor, its successors, transferees and assigns, without further action of the Grantor or Grantee being required with respect to such Easement Area. Upon termination of this Agreement, as provided herein, and upon request by Grantor, Grantee shall promptly execute and deliver to Grantor a document in recordable form confirming termination of this Agreement and the Easement granted herein. Should the Grantee acquire the Easement Area from the Grantor prior to the occurrence of events (i), (ii) and (iii) enumerated herein, this Agreement shall automatically terminate and be extinguished and all rights in the Easement granted by this Agreement shall immediately vest in the Grantee, its successors, transferees and assigns, without further action of the Grantor or Grantee being required with respect to such Easement Area.

4. **INSURANCE AND INDEMNITY.** Grantee and/or any contractors performing work for Grantee on the Easement Area, shall at all times maintain general public liability insurance to afford protection against any and all claims for personal injury, death or property damage arising directly or indirectly out of the exercise of the rights and privileges granted. Said insurance maintained by any contractors performing work for Grantee on the Easement Area shall be issued by solvent, reputable insurance companies authorized to do business in the State of Florida, naming Grantee and Grantor as insured, as their interests may appear, in a combined-single limit of not less than \$1,000,000.00 with respect to bodily injury or death and property damage. Said insurance shall also be primary, and not contributory, as to any insurance coverage maintained by Grantor. To the extent permitted by law and without waiving any of the protections afforded by Section 768.28, *Florida Statutes*, Grantee hereby agrees to indemnify and hold harmless Grantor from and against any and all liability arising out of Grantee’s construction activities within the Easement Area.

5. **OBLIGATIONS OF GRANTOR AND GRANTEE.** The Parties acknowledge and agree that any rights granted hereunder shall be exercised by the Parties only in accordance and compliance with any and all applicable laws, ordinances, rules, regulations, permits and approvals, and any future modifications or amendments thereto. The Parties covenant and agree that neither Party shall discharge into or within the Easement Area, any hazardous or toxic materials or substances, any pollutants, or any other substances or materials prohibited or regulated under any federal, state or local law, ordinance, rule, regulations or permit, except in accordance with such laws, ordinances, rules, regulations and permits. To the extent permitted by law and without waiving any of the protections afforded by Section 768.28, *Florida Statutes*, each Party hereby agrees to indemnify and hold harmless the other Party from and against any and all liability arising

out of such Party's breach of any provision of this Agreement, including, without limitation, the matters set forth in this paragraph.

6. **BENEFICIARIES OF EASEMENT RIGHTS.** The Easement set forth in this Agreement shall be for the sole benefit and use of Grantee, its successors and assigns, and Grantee's agents, employees, consultants, representatives, contractors and providers of emergency services and utility services.

7. **AMENDMENTS AND WAIVERS.** This Agreement may not be terminated or amended, modified, altered, or changed in any respect whatsoever, except by a further agreement in writing duly executed by the Parties and recorded in the Public Records of Polk County, Florida, except as provided in Section 3 of this Agreement. No delay or omission of any Party in the exercise of any right accruing upon any default of any Party shall impair such right or be construed to be a waiver thereof, and every such right may be exercised at any time during the continuance of such default. A waiver by any Party of a breach of, or a default in, any of the terms and conditions of this Agreement by any other Party shall not be construed to be a waiver of any subsequent breach of or default in the same or any other provision of this Agreement. No breach of the provisions of this Agreement shall entitle any Party to cancel, rescind or otherwise terminate this Agreement, but such limitation shall not affect, in any manner, any other rights or remedies which any Party may have by reason of any breach of the provisions of this Agreement.

8. **NOTICES.** Any notices which may be permitted or required hereunder shall be in writing and shall be deemed to have been duly given (i) three (3) days after depositing with the United States Postal Service, postage prepaid, (ii) one day after depositing with a nationally recognized overnight courier service, or (iii) on the day of hand delivery (provided such delivery occurs prior to 5:00 pm, E.S.T. or E.D.T., as applicable), to the address listed above or to such other address as either Party may from time to time designate by written notice in accordance with this paragraph.

9. **USE OF EASEMENT AREA.** It is acknowledged and agreed that the Easement granted under this Agreement is not an exclusive easement and that Grantor shall have the right to use and enjoy the Easement Area in any manner not inconsistent with the easement rights created herein, and grant others the right to do so.

10. **LIENS.** Grantee shall not permit (and shall promptly satisfy or bond) any construction, mechanic's lien or encumbrance against the Easement Area in connection with the exercise of rights hereunder.

11. **EFFECTIVE DATE.** The Effective Date of the Agreement shall be the last day that this Agreement is signed by either Party.

12. **MISCELLANEOUS.** This Agreement contains the entire understanding of the Parties with respect to the matters set forth herein and no other agreement, oral or written, not set forth herein, nor any course of dealings of the Parties, shall be deemed to alter or affect the terms and conditions set forth herein. If any provision of this Agreement, or portion thereof, or the application thereof to any person or circumstances, shall, to the extent be held invalid, inoperative or unenforceable, the remainder of this Agreement, or the application of such provision or portion

thereof to any other persons or circumstances, shall not be affected thereby; it shall not be deemed that any such invalid provision affects the consideration for this Agreement; and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. This Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any proceeding brought hereunder shall be Polk County, Florida. In the event of any dispute hereunder or of any action to interpret or enforce this Agreement, any provision hereof or any matter arising herefrom, the predominantly prevailing party shall be entitled to recover its reasonable attorneys' fees, costs and expenses, whether suit be brought or not, and whether in settlement, in any declaratory action, at trial or on appeal. The section headings in this Agreement are for convenience only, shall in no way define or limit the scope or content of this Agreement, and shall not be considered in any construction or interpretation of this Agreement or any part hereof. Where the sense of this Agreement requires, any reference to a term in the singular shall be deemed to include the plural of said term, and any reference to a term in the plural shall be deemed to include the singular of said term. Nothing in this Agreement shall be construed to make the Parties hereto partners or joint venturers or render either of said Parties liable for the debts or obligations of the other. This Agreement may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute one and the same Agreement. Time is of the essence of this Agreement. This Agreement shall be binding upon and inure to the benefit of Grantor and Grantee and their respective successors and assigns. The rights, privileges and Easement granted and conveyed hereunder shall be a burden upon the Easement Area and shall exist for the benefit of and run with title to the Easement Area.

[Signatures contained on following pages]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year first written above.

“GRANTOR”

Signed, sealed and delivered
in the presence of:

HIGHLAND SUMNER, LLC, a Florida
limited liability company

By: HEATH CONSTRUCTION AND
MANAGEMENT, LLC
Its: Manager

Print Name: _____

By: Warren K. (Rennie) Heath II
Its: Manager

Print Name: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me ☐ physical presence or ☐ online
notarization this ____ day of July, 2023, by Warren K. (Rennie) Heath II, as Manager of Heath
Construction and Management, LLC, Manager of Highland Sumner, LLC, on behalf of the
company.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

[Continue onto next page]

“GRANTEE”

**SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT
DISTRICT**, a local unit of special-purpose
government established
pursuant to Chapter 190, *Florida Statutes*

Signed, sealed and delivered
in the presence of:

Print Name: _____

Vice Chairperson, Board of Supervisors

Print Name: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me ☐ physical presence or ☐ online
notarization this ____ day of July, 2023, by Lauren Schwenk, as Vice Chairperson of the Board of
Supervisors of the Scenic Terrace North Community Development District.

(Official Notary Signature)

Name: _____

Personally Known _____

OR Produced Identification _____

Type of Identification _____

[notary seal]

[Continue onto next page]

EXHIBIT A
LEGAL DESCRIPTION

A PORTION OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 89°43'08" WEST ALONG THE NORTH LINE OF THE NORTHWEST 1/4 FOR A DISTANCE OF 43.74 FEET; THENCE DEPARTING SAID NORTH LINE RUN SOUTH 00°13'50" EAST FOR A DISTANCE OF 22.16 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00°33'34" EAST ALONG THE WEST RIGHT OF WAY LINE OF STATE ROAD 17, ALSO KNOWN AS SCENIC HIGHWAY, AS RECORDED IN OFFICIAL RECORDS BOOK 646, PAGE 443, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, FOR A DISTANCE OF 644.11 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°59'05" EAST ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 705.84 FEET TO THE NORTH EAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN SOUTH 00°36'22" EAST ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 667.03 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTH WEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN NORTH 89°55'13" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 689.39 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029— RD (8), THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 1318.91 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF HUGHES ROAD, AS RECORDED IN MAP BOOK 9, PAGE 12 THROUGH 30, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID NORTH RIGHT OF WAY LINE: NORTH 89°27'06" WEST, 126.48 FEET; NORTH 88°35'52" WEST, 100.01 FEET; NORTH 88°52'43" WEST, 100.00 FEET; NORTH 89°27'06" WEST, 100.00 FEET; NORTH 89°23'39" WEST, 100.00 FEET; NORTH 89°37'24" WEST, 100.00 FEET; NORTH 00°39'47" EAST, 3.50 FEET; SOUTH 89°58'32" WEST, 200.01 FEET; SOUTH 89°31'02" WEST, 100.02 FEET; NORTH 89°20'13" WEST, 100.00 FEET; NORTH 89°54'36" WEST, 200.01 FEET; SOUTH 00°39'47" WEST, 5.00 FEET; THENCE RUN NORTH 89°20'13" WEST FOR A DISTANCE OF 29.89 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF PALMERROY ROAD, AS RECORDED IN MAP BOOK 8, PAGE 99 THROUGH 100, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID EAST RIGHT OF WAY LINE: NORTH 23°51'25" WEST, 44.92 FEET; NORTH 05°21'16" WEST, 49.28 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET, NORTH 00°29'16" WEST FOR A DISTANCE OF 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; NORTH 01°38'01" WEST, 200.04 FEET; NORTH 00°39'29" EAST, 100.02 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; THENCE RUN NORTH 00°29'16" WEST, 20.16 FEET TO A POINT ON THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°57'35" WEST ALONG SAID SOUTH LINE AND THE SOUTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 1029.22 FEET TO THE SOUTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°32'44" WEST ALONG THE WEST LINE OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 661.46 FEET TO THE NORTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°50'22" EAST ALONG THE NORTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 333.31 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°33'19" WEST ALONG THE WEST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 662.16 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°43'08" EAST ALONG THE

NORTH LINE OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 666.38 FEET TO THE NORTHEAST CORNER OF THE SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 00°34'31" EAST ALONG THE EAST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 31.81 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF FLOYD ROAD, AS RECORDED IN MAP BOOK 8, PAGE 106, AFORESAID PUBLIC RECORDS; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: NORTH 86°38'31" EAST, 37.56 FEET; NORTH 86°38'21" EAST, 16.64 FEET; NORTH 87°32'49" EAST, 100.02 FEET; NORTH 89°15'56" EAST, 300.01 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 89°50'19" EAST, 100.02 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 88°07'11" EAST, 100.00 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; NORTH 89°50'19" EAST, 100.02 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; SOUTH 89°01'00" EAST, 100.08 FEET; THENCE RUN SOUTH 89°01'55" EAST A DISTANCE OF 34.67 FEET TO THE POINT OF BEGINNING.

CONTAINING 113.29 ACRES, MORE OR LESS.

LESS OUT:

THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, LYING EAST OF SCENIC HIGHWAY (STATE ROAD 17) ACCORDING TO THE STATE OF FLORIDA STATE ROAD DEPARTMENT RIGHT OF WAY MAP, PROJ. 5209-RD. (8), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, RUN THENCE ALONG THE WEST BOUNDARY OF SAID NORTHEAST 1/4, S.00°36'53"E., A DISTANCE OF 1332.66 FEET TO THE SOUTH BOUNDARY OF AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, S.89°55'02"E., A DISTANCE OF 36.65 FEET TO THE EASTERLY RIGHT OF WAY OF SAID SCENIC HIGHWAY (STATE ROAD 17) FOR A POINT OF BEGINNING; THENCE ALONG SAID EASTERLY RIGHT OF WAY, N.00°36'33"W., A DISTANCE OF 666.37 FEET TO THE NORTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID NORTH BOUNDARY, S.89°58'33"E., A DISTANCE OF 624.63 FEET TO THE EASTERLY BOUNDARY THEREOF; THENCE ALONG SAID EASTERLY BOUNDARY, S.00°36'20"E., A DISTANCE OF 667.01 FEET TO AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, N.89°55'02"W., A DISTANCE OF 624.59 FEET TO THE POINT OF BEGINNING.

ALTOGETHER CONTAINING 103.731 ACRES, MORE OR LESS.

SECTION X

Scenic Terrace North Subdivision
Ranking Results
BID OPENING 7/5/2023

Scenic Terrace North Subdivision (330 Lots)														
					Maximum Points	25	25	10	20	15	5	100		
Bidder	Opening Price	Opening Price w/ Proper Comps (Doesn't Include Survey/ADS Pipe/Material Understanding)	Substantial Completion Days	Price Rank	Schedule Rank	Price	Schedule	Financial Capability	Understanding of Work	Experience	Personnel	Total	Overall Rank	Cost/Lot
QGS	\$ 14,691,181.37	\$ 14,511,359.99	450	3	4	24.2	12.1	10	20	15	5	86.3	4	\$43,973.82
KEARNEY	\$ 14,567,891.00	\$ 14,567,891.00	365	4	2	24.1	19.3	10	20	15	5	93.4	2	\$44,145.12
TUCKER PAVING*	\$ 14,011,651.71	\$ 14,285,016.45	297	2	1	24.6	25.0	10	18	15	5	97.6	1	\$43,287.93
JR. DAVIS **	\$ 13,162,914.59	\$ 14,055,639.92	398	1	3	25.0	16.5	10	18	15	5	89.5	3	\$42,592.85

*POINTS DOCKED FOR LATE BID
**POINTS DOCKED FOR UNDERSTANDING OF WORK

Adjustments:	
QGS	Removed Survey Alt. Price - (-\$179821.38)
KEARNEY	No Changes
TUCKER	Change from ADS Pipe (Alt.) to RCP (Base Bid) - (+\$273,364.74)
JR. DAVIS	Added Clearing & Grubbing - (+\$161,000.00) Added Shoulder Gutter to Offsite - (+\$26442.00) Adjusted Stockpile & Import Quantity - (+\$866,283)

SECTION XI

RESOLUTION 2023-06

A RESOLUTION OF THE BOARD OF SUPERVISORS OF SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT APPOINTING AN ASSISTANT TREASURER OF THE DISTRICT AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Scenic Terrace North Community Development District (hereinafter the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated within Polk County, Florida; and

WHEREAS, the Board of Supervisors of the District desires to appoint an Assistant Treasurer.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. Darrin Mossing, Sr. is appointed as an Assistant Treasurer.

SECTION 2. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 19th day of July 2023.

ATTEST:

**SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT
DISTRICT**

Secretary / Assistant Secretary

Chairperson, Board of Supervisors

SECTION XII

RESOLUTION 2023-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT ADOPTING THE ANNUAL MEETING SCHEDULE FOR FISCAL YEAR 2024; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Scenic Terrace North Community Development District (the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated within Polk County, Florida; and

WHEREAS, the District is required by Section 189.015, *Florida Statutes*, to file quarterly, semi-annually, or annually a schedule (including date, time, and location) of its regular meetings with local governing authorities; and

WHEREAS, further, in accordance with the above-referenced statute, the District shall also publish quarterly, semi-annually, or annually the District’s regular meeting schedule in a newspaper of general paid circulation in the county in which the District is located; and

WHEREAS, the Board desires to adopt the Fiscal Year 2023/2024 annual meeting schedule attached as **Exhibit A**.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. The Fiscal Year 2023/2024 annual meeting schedule attached hereto and incorporated by reference herein as **Exhibit A** is hereby approved and shall be published in accordance with the requirements of Florida law and also provided to applicable governing authorities.

SECTION 2. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 19th day of July 2023.

ATTEST:

**SCENIC TERRACE NORTH COMMUNITY
DEVELOPMENT DISTRICT**

Secretary / Assistant Secretary

Chairperson, Board of Supervisors

Exhibit A: Fiscal Year 2023/2024 Annual Meeting Schedule

Exhibit A: Fiscal Year 2023/2024 Annual Meeting Schedule

BOARD OF SUPERVISORS MEETING DATES SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2023/2024

The Board of Supervisors of the Scenic Terrace North Community Development District will hold their regular meetings for Fiscal Year 2023/2024 at 346 East Central Avenue, Winter Haven, Florida 33880, on the 3rd Wednesday of every month at 1:30 PM unless otherwise indicated as follows:

**October 18, 2023
November 15, 2023
December 20, 2023
January 17, 2024
February 21, 2024
March 20, 2024
April 17, 2024
May 15, 2024
June 19, 2024
July 17, 2024
August 21, 2024
September 18, 2024**

The meetings are open to the public and will be conducted in accordance with the provision of Florida Law for Community Development Districts. The meetings may be continued to a date, time, and place to be specified on the record at the meeting. A copy of the agenda for these meetings may be obtained from Governmental Management Services - Central Florida, LLC, 219 E. Livingston Street, Orlando, Florida 32801 or by calling (407) 841-5524.

There may be occasions when one or more Supervisors or staff will participate by telephone. Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (407) 841-5524 at least 48 hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office.

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

District Manager

SECTION XIII

RESOLUTION 2023-08

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT DESIGNATING A DATE, TIME AND LOCATION FOR A LANDOWNERS' MEETING AND ELECTION; PROVIDING FOR PUBLICATION; ESTABLISHING FORMS FOR THE LANDOWNER ELECTION; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Scenic Terrace North Community Development District ("**District**") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated within Polk County, Florida; and

WHEREAS, pursuant to Section 190.006(1), *Florida Statutes*, the District's Board of Supervisors ("**Board**") "shall exercise the powers granted to the district pursuant to [Chapter 190, *Florida Statutes*]," and the Board shall consist of five members; and

WHEREAS, the District is statutorily required to hold a meeting of the landowners of the District for the purpose of electing Board Supervisors for the District on the first Tuesday of the month in November, which shall be noticed pursuant to Section 190.006(2), *Florida Statutes*.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT:

1. **EXISTING BOARD SUPERVISORS; SEATS SUBJECT TO ELECTIONS.** The Board is currently made up of the following individuals:

<u>Seat Number</u>	<u>Supervisor</u>	<u>Term Expiration Date</u>
1	Lauren Schwenk	11/2025
2	Daniel Arnette	11/2023
3	Patricia Hudson	11/2023
4	Rennie Heath	11/2023
5	Chuck Cavaretta	11/2025

This year, Seat 2, currently held by Daniel Arnette, Seat 3, currently held by Patricia Hudson, and Seat 4, currently held by Rennie Heath, are subject to election by landowners in November 2023. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The candidate receiving the next highest number of votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

2. **LANDOWNER'S ELECTION.** In accordance with Section 190.006(2), *Florida Statutes*, the meeting of the landowners to elect Board Supervisor(s) of the District shall be held on the 7th day of November 2023, at **9:10 AM** and located at the **Holiday Inn—Winter Haven, 200 Cypress Gardens Blvd., Winter Haven, FL 33880**.

3. **PUBLICATION.** The District's Secretary is hereby directed to publish notice of the landowners' meeting and election in accordance with the requirements of Section 190.006(2), *Florida Statutes*.

4. **FORMS.** Pursuant to Section 190.006(2)(b), *Florida Statutes*, the landowners' meeting and election have been announced by the Board at its **July 19, 2023** meeting. A sample notice of

landowners' meeting and election, proxy, ballot form and instructions were presented at such meeting and are attached hereto as **Exhibit A**. Such documents are available for review and copying during normal business hours at the office of the District Manager, Governmental Management Services – Central Florida LLC, located at 219 East Livingston Street, Orlando, Florida 32801.

5. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

6. **EFFECTIVE DATE.** This Resolution shall become effective upon its passage.

PASSED AND ADOPTED THIS 19TH DAY OF JULY 2023.

**SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT
DISTRICT**

ATTEST:

CHAIRPERSON / VICE CHAIRPERSON

SECRETARY / ASST. SECRETARY

EXHIBIT A

NOTICE OF LANDOWNERS' MEETING AND ELECTION AND MEETING OF THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT

Notice is hereby given to the public and all landowners within Scenic Terrace North Community Development District ("**District**") the location of which is generally described as comprising a parcel or parcels of land containing approximately 103.731 acres, generally located on the west side of SR 17– Scenic Highway, and north of Hughes Road in the City of Haines City, Florida, advising that a meeting of landowners will be held for the purpose of electing three (3) people to the District's Board of Supervisors ("**Board**", and individually, "**Supervisor**"). Immediately following the landowners' meeting there will be convened a meeting of the Board for the purpose of considering certain matters of the Board to include election of certain District officers, and other such business which may properly come before the Board.

DATE:	November 7, 2023
HOUR:	9:10 AM
LOCATION:	Holiday Inn Winter Haven 200 Cypress Gardens Blvd. Winter Haven, FL 33880

Each landowner may vote in person or by written proxy. Proxy forms may be obtained upon request at the office of the District Manager, Governmental Management Services – Central Florida LLC, 219 East Livingston Street, Orlando, Florida 32801 Ph: (407) 841-5524 ("**District Manager's Office**"). At said meeting each landowner or his or her proxy shall be entitled to nominate persons for the position of Supervisor and cast one vote per acre of land, or fractional portion thereof, owned by him or her and located within the District for each person to be elected to the position of Supervisor. A fraction of an acre shall be treated as one acre, entitling the landowner to one vote with respect thereto. Platted lots shall be counted individually and rounded up to the nearest whole acre. The acreage of platted lots shall not be aggregated for determining the number of voting units held by a landowner or a landowner's proxy. At the landowners' meeting the landowners shall select a person to serve as the meeting chair and who shall conduct the meeting.

The landowners' meeting and the Board meeting are open to the public and will be conducted in accordance with the provisions of Florida law. One or both of the meetings may be continued to a date, time, and place to be specified on the record at such meeting. A copy of the agenda for these meetings may be obtained from the District Manager's Office. There may be an occasion where one or more supervisors will participate by telephone.

Any person requiring special accommodations to participate in these meetings is asked to contact the District Manager's Office, at least 48 hours before the hearing. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Manager's Office.

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

District Manager
Run Date(s): _____ & _____

PUBLISH: ONCE A WEEK FOR 2 CONSECUTIVE WEEKS, THE LAST DAY OF PUBLICATION TO BE NOT FEWER THAN 14 DAYS OR MORE THAN 28 DAYS BEFORE THE DATE OF ELECTION, IN A NEWSPAPER WHICH IS IN GENERAL CIRCULATION IN THE AREA OF THE DISTRICT

**INSTRUCTIONS RELATING TO LANDOWNERS' MEETING OF
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
FOR THE ELECTION OF SUPERVISORS**

DATE OF LANDOWNERS' MEETING: **Tuesday, November 7, 2023**

TIME: **9:10 AM**

LOCATION: **Holiday Inn—Winter Haven, 200 Cypress Gardens Blvd., Winter Haven, FL 33880**

Pursuant to Chapter 190, *Florida Statutes*, and after a Community Development District (“**District**”) has been established and the landowners have held their initial election, there shall be a subsequent landowners’ meeting for the purpose of electing members of the Board of Supervisors (“**Board**”) every two years until the District qualifies to have its board members elected by the qualified electors of the District. The following instructions on how all landowners may participate in the election are intended to comply with Section 190.006(2)(b), *Florida Statutes*.

A landowner may vote in person at the landowners’ meeting, or the landowner may nominate a proxy holder to vote at the meeting in place of the landowner. Whether in person or by proxy, each landowner shall be entitled to cast one vote per acre of land owned by him or her and located within the District, for each position on the Board that is open for election for the upcoming term. A fraction of an acre shall be treated as one (1) acre, entitling the landowner to one vote with respect thereto. For purposes of determining voting interests, platted lots shall be counted individually and rounded up to the nearest whole acre. Moreover, please note that a particular parcel of real property is entitled to only one vote for each eligible acre of land or fraction thereof; therefore, two or more people who own real property in common, that is one acre or less, are together entitled to only one vote for that real property.

At the landowners’ meeting, the first step is to elect a chair for the meeting, who may be any person present at the meeting. The landowners shall also elect a secretary for the meeting who may be any person present at the meeting. The secretary shall be responsible for the minutes of the meeting. The chair shall conduct the nominations and the voting. If the chair is a landowner or proxy holder of a landowner, he or she may nominate candidates and make second motions. Candidates must be nominated and then shall be elected by a vote of the landowners. Nominees may be elected only to a position on the Board that is open for election for the upcoming term.

This year, three (3) seats on the Board will be up for election by landowners. The two candidates receiving the highest number of votes shall be elected for a term of four (4) years. The candidate receiving the next highest number of votes shall be elected for a term of two (2) years. The term of office for each successful candidate shall commence upon election.

A proxy is available upon request. To be valid, each proxy must be signed by one of the legal owners of the property for which the vote is cast and must contain the typed or printed name of the individual who signed the proxy; the street address, legal description of the property or tax parcel identification number; and the number of authorized votes. If the proxy authorizes more than one vote, each property must be listed and the number of acres of each property must be included. The signature on a proxy does not need to be notarized.

LANDOWNER PROXY

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
LANDOWNERS' MEETING – [NOVEMBER 7, 2023]**

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, the fee simple owner of the lands described herein, hereby constitutes and appoints _____ (**"Proxy Holder"**) for and on behalf of the undersigned, to vote as proxy at the meeting of the landowners of the Scenic Terrace North Community Development District to be held at **the Holiday Inn—Winter Haven, 200 Cypress Gardens Blvd., Winter Haven, FL 33880, on Tuesday, November 7, 2023, at 9:10 AM** and at any adjournments thereof, according to the number of acres of unplatted land and/or platted lots owned by the undersigned landowner that the undersigned would be entitled to vote if then personally present, upon any question, proposition, or resolution or any other matter or thing that may be considered at said meeting including, but not limited to, the election of members of the Board of Supervisors. Said Proxy Holder may vote in accordance with his or her discretion on all matters not known or determined at the time of solicitation of this proxy, which may legally be considered at said meeting.

Any proxy heretofore given by the undersigned for said meeting is hereby revoked. This proxy is to continue in full force and effect from the date hereof until the conclusion of the landowners' meeting and any adjournment or adjournments thereof, but may be revoked at any time by written notice of such revocation presented at the landowners' meeting prior to the Proxy Holder's exercising the voting rights conferred herein.

Printed Name of Legal Owner

Signature of Legal Owner

Date

Parcel Description

Acreage

Authorized Votes

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel. If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

Total Number of Authorized Votes:

NOTES: Pursuant to Section 190.006(2)(b), *Florida Statutes* (2022), a fraction of an acre is treated as one (1) acre entitling the landowner to one vote with respect thereto. For purposes of determining voting interests, platted lots shall be counted individually and rounded up to the nearest whole acre. Moreover, two (2) or more persons who own real property in common that is one acre or less are together entitled to only one vote for that real property.

If the fee simple landowner is not an individual, and is instead a corporation, limited liability company, limited partnership or other entity, evidence that the individual signing on behalf of the entity has the authority to do so should be attached hereto (e.g., bylaws, corporate resolution, etc.).

OFFICIAL BALLOT
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
POLK COUNTY, FLORIDA
LANDOWNERS' MEETING - NOVEMBER 7, 2023

For Election (3 Supervisors): The two (2) candidates receiving the highest number of votes will each receive a four (4) year term, and the one (1) candidate receiving the next highest number of votes will receive a two (2) year term, with the term of office for the successful candidates commencing upon election.

The undersigned certifies that he/she/it is the fee simple owner of land, or the proxy holder for the fee simple owner of land, located within the Scenic Terrace North Community Development District and described as follows:

Description

Acreage

_____	_____
_____	_____
_____	_____

[Insert above the street address of each parcel, the legal description of each parcel, or the tax identification number of each parcel.] [If more space is needed, identification of parcels owned may be incorporated by reference to an attachment hereto.]

or

Attach Proxy.

I, _____, as Landowner, or as the proxy holder of _____ (Landowner) pursuant to the Landowner's Proxy attached hereto, do cast my votes as follows:

SEAT #	NAME OF CANDIDATE	NUMBER OF VOTES
2		
3		
4		

Date: _____

Signed: _____

Printed Name: _____

SECTION XIV

**This Instrument Prepared by
and return to:**

Roy Van Wyk, Esq.
Kilinski | Van Wyk PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303

**NOTICE OF BOUNDARY AMENDMENT OF THE
SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT**

PLEASE TAKE NOTICE that on June 1, 2023, the City Commission of the City of Haines City, Florida, adopted Ordinance No. 23-2042, amending the boundaries of the Scenic Terrace North Community Development District (“District”). The legal description of the lands encompassed within the District, after amendment, is attached hereto as Exhibit “A.” The Scenic Terrace North Community Development District was established by City of Haines City Ordinance No. 21-1741, which became effective on August 19, 2021. The District is a special-purpose form of local government established pursuant to and governed by Chapter 190, *Florida Statutes*. More information on the powers, responsibilities, and duties of the District may be obtained by examining Chapter 190, *Florida Statutes*, or by contacting the District’s registered agent as designated to the Department of Economic Opportunity in accordance with Section 189.014, *Florida Statutes*.

**THE SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
MAY IMPOSE AND LEVY TAXES OR ASSESSMENTS, OR BOTH TAXES AND
ASSESSMENTS, ON THIS PROPERTY. THESE TAXES AND ASSESSMENTS PAY
THE CONSTRUCTION, OPERATION AND MAINTENANCE COSTS OF CERTAIN
PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET**


ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENT TAXES AND ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW.


IN WITNESS WHEREOF, this Notice has been executed on this 9th day of June 2023, and recorded in the Official Records of Polk County, Florida.

SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT DISTRICT



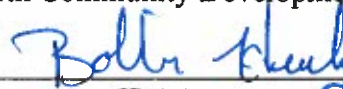
Warren K. (Rennie) Heath II, Chairman


Witness
Kristin Cassidy
Print Name


Witness
Emily Cassidy
Print Name

STATE OF FLORIDA
COUNTY OF Polk

The foregoing instrument was acknowledged before me ☒ physical presence or ☐ online notarization this 9th day of June, 2023, by Warren K. (Rennie) Heath, II, as Chairperson of the Board of Supervisors of the Scenic Terrace North Community Development District.



(Official Notary Signature)

Name: Bobbie Henley
Personally Known y
OR Produced Identification _____
Type of Identification _____

[notary seal]

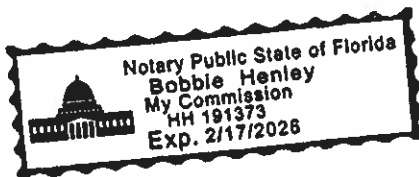


EXHIBIT A

EXHIBIT A- LEGAL DESCRIPTION

LEGAL DESCRIPTION:

A PORTION OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 89°43'08" WEST ALONG THE NORTH LINE OF THE NORTHWEST 1/4 FOR A DISTANCE OF 43.74 FEET; THENCE DEPARTING SAID NORTH LINE RUN SOUTH 00°13'50" EAST FOR A DISTANCE OF 22.16 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00°33'34" EAST ALONG THE WEST RIGHT OF WAY LINE OF STATE ROAD 17, ALSO KNOWN AS SCENIC HIGHWAY, AS RECORDED IN OFFICIAL RECORDS BOOK 646, PAGE 443, PUBLIC RECORDS OF POLK COUNTY, FLORIDA, FOR A DISTANCE OF 644.11 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°59'05" EAST ALONG SAID NORTH LINE AND THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 705.84 FEET TO THE NORTH EAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN SOUTH 00°36'22" EAST ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 667.03 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTH WEST 1/4 OF THE NORTHEAST 1/4; THENCE RUN NORTH 89°55'13" WEST ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 FOR A DISTANCE OF 689.39 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029— RD (8), THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 1318.91 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF HUGHES ROAD, AS RECORDED IN MAP BOOK 9, PAGE 12 THROUGH 30, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID NORTH RIGHT OF WAY LINE: NORTH 89°27'06" WEST, 126.48 FEET; NORTH 88°35'52" WEST, 100.01 FEET; NORTH 88°52'43" WEST, 100.00 FEET; NORTH 89°27'06" WEST, 100.00 FEET; NORTH 89°23'39" WEST, 100.00 FEET; NORTH 89°37'24" WEST, 100.00 FEET; NORTH 00°39'47" EAST, 3.50 FEET; SOUTH 89°58'32" WEST, 200.01 FEET; SOUTH 89°31'02" WEST, 100.02 FEET; NORTH 89°20'13" WEST, 100.00 FEET; NORTH 89°54'36" WEST, 200.01 FEET; SOUTH 00°39'47" WEST, 5.00 FEET; THENCE RUN NORTH 89°20'13" WEST FOR A DISTANCE OF 29.89 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF PALMERROY ROAD, AS RECORDED IN MAP BOOK 8, PAGE 99 THROUGH 100, AFORESAID PUBLIC RECORDS OF POLK COUNTY, FLORIDA; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID EAST RIGHT OF WAY LINE: NORTH 23°51'25" WEST, 44.92 FEET; NORTH 05°21'16" WEST, 49.28 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET, NORTH 00°29'16" WEST FOR A DISTANCE OF 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; NORTH 01°38'01" WEST, 200.04 FEET; NORTH 00°39'29" EAST, 100.02 FEET; NORTH 00°29'16" WEST, 100.00 FEET; NORTH 01°03'39" WEST, 100.00 FEET; NORTH 00°05'07" EAST, 200.01 FEET; THENCE RUN NORTH 00°29'16" WEST, 20.16 FEET TO A POINT ON THE SOUTH 1/2 OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 89°57'35" WEST ALONG SAID SOUTH LINE AND THE SOUTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 1029.22 FEET TO THE SOUTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°32'44" WEST ALONG THE WEST LINE OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 661.46 FEET TO THE NORTHWEST CORNER OF SAID EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°50'22" EAST ALONG THE NORTH LINE OF THE EAST 3/4 OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 333.31 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 00°33'19" WEST ALONG THE WEST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 662.16 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN NORTH 89°43'08" EAST ALONG THE NORTH LINE OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 666.38

FEET TO THE NORTHEAST CORNER OF THE SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE RUN SOUTH 00°34'31" EAST ALONG THE EAST LINE OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 FOR A DISTANCE OF 31.81 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF FLOYD ROAD, AS RECORDED IN MAP BOOK 8, PAGE 106, AFORESAID PUBLIC RECORDS; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: NORTH 86°38'31" EAST, 37.56 FEET; NORTH 86°38'21" EAST, 16.64 FEET; NORTH 87°32'49" EAST, 100.02 FEET; NORTH 89°15'56" EAST, 300.01 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 89°50'19" EAST, 100.02 FEET; NORTH 88°41'34" EAST, 100.00 FEET; NORTH 88°07'11" EAST, 100.00 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; NORTH 89°50'19" EAST, 100.02 FEET; SOUTH 89°35'20" EAST, 100.04 FEET; SOUTH 89°01'00" EAST, 100.08 FEET; THENCE RUN SOUTH 89°01'55" EAST A DISTANCE OF 34.67 FEET TO THE POINT OF BEGINNING.

CONTAINING 113.29 ACRES, MORE OR LESS.

LESS OUT:

THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, LYING EAST OF SCENIC HIGHWAY (STATE ROAD 17) ACCORDING TO THE STATE OF FLORIDA STATE ROAD DEPARTMENT RIGHT OF WAY MAP, PROJ. 5209-RD. (8), AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, RUN THENCE ALONG THE WEST BOUNDARY OF SAID NORTHEAST 1/4, S.00°36'53"E., A DISTANCE OF 1332.66 FEET TO THE SOUTH BOUNDARY OF AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, S.89°55'02"E., A DISTANCE OF 36.65 FEET TO THE EASTERLY RIGHT OF WAY OF SAID SCENIC HIGHWAY (STATE ROAD 17) FOR A POINT OF BEGINNING; THENCE ALONG SAID EASTERLY RIGHT OF WAY, N.00°36'33"W., A DISTANCE OF 666.37 FEET TO THE NORTH BOUNDARY OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID NORTH BOUNDARY, S.89°58'33"E., A DISTANCE OF 624.63 FEET TO THE EASTERLY BOUNDARY THEREOF; THENCE ALONG SAID EASTERLY BOUNDARY, S.00°36'20"E., A DISTANCE OF 667.01 FEET TO AFORESAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG SAID SOUTH BOUNDARY, N.89°55'02"W., A DISTANCE OF 624.59 FEET TO THE POINT OF BEGINNING.

ALTOGETHER CONTAINING 103.731 ACRES, MORE OR LESS.

SECTION XV

**SCENIC TERRACE NORTH
COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2022**

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Scenic Terrace North Community Development District
City of Haines City, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Scenic Terrace North Community Development District, City of Haines City, Florida ("District") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of September 30, 2022, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information Included in the Financial Report

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c) but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

June 28, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Scenic Terrace North Community Development District, City of Haines City, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2022. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

The District was established pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes and created by Ordinance No. 21-1741 of the City of Haines, Florida enacted on August 19, 2021 and no audit was required for the prior period. As a result, the balances as of and for the period ended September 30, 2021 are for less than an twelve month period and are unaudited.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$14,654.
- The change in the District's total net position in comparison with the prior fiscal year was \$3,636, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2022, the District's governmental funds reported combined ending fund balances of \$14,654, an increase of \$3,636 in comparison with the prior fiscal year. The fund balance is non-spendable for prepaid items and the remainder is unassigned fund balance.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by Developer contributions. The District does not have any business-type activities. The governmental activities of the District include the general government (management) function.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one governmental fund for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund which is a major fund.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

NET POSITION SEPTEMBER 30,		
	2022	2021 (Unaudited)
Current and other assets	\$ 26,684	20,000
Total assets	26,684	20,000
Current liabilities	12,030	8,982
Total liabilities	12,030	8,982
Net position		
Unrestricted	14,654	11,018
Total net position	\$ 14,654	\$ 11,018

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The unrestricted net position may be used to meet the District's other obligations.

The District's net position increased during the most recent fiscal year. The majority of the increase represents the extent to which ongoing program revenues exceeded the cost of operations.

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		
	2022	2021 (Unaudited)
Revenues:		
Program revenues		
Operating grants and contributions	\$ 79,455	\$ 20,000
Total revenues	79,455	20,000
Expenses:		
General government	75,819	8,982
Total expenses	75,819	8,982
Change in net position	3,636	11,018
Net position - beginning	11,018	
Net position - ending	\$ 14,654	\$ 11,018

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2022 was \$75,819. The costs of the District's activities were primarily funded by program revenues. Program revenues were comprised of Developer contributions. Expenses increased in the current fiscal year mainly due to a full year of activity.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2022.

ECONOMIC FACTORS AND OTHER EVENTS

The District anticipates issuing bonds in the subsequent period; therefore the operations are expected to increase.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Scenic Terrace North Community Development District's Finance Department at 219 East Livingston Street, Orlando, FL 32801.

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

	Governmental Activities
ASSETS	
Cash	\$ 16,854
Prepaid items	5,375
Due from Developer	4,455
Total assets	<u>26,684</u>
LIABILITIES	
Accounts payable	<u>12,030</u>
Total liabilities	<u>12,030</u>
NET POSITION	
Unrestricted	14,654
Total net position	<u><u>\$ 14,654</u></u>

See notes to the financial statements

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues Operating Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
			<u>Governmental Activities</u>
Primary government:			
Governmental activities:			
General government	\$ 75,819	\$ 79,455	\$ 3,636
Total governmental activities	75,819	79,455	3,636
	Change in net position		3,636
	Net position - beginning		11,018
	Net position - ending		<u>\$ 14,654</u>

See notes to the financial statements

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	<u>Major Funds</u>	<u>Total Governmental Funds</u>
	General	
ASSETS		
Cash	\$ 16,854	\$ 16,854
Due from Developer	4,455	4,455
Prepaid items	5,375	5,375
Total assets	<u>\$ 26,684</u>	<u>\$ 26,684</u>
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 12,030	\$ 12,030
Total liabilities	<u>12,030</u>	<u>12,030</u>
 Fund balances:		
Nonspendable:		
Prepaid items and deposits	5,375	5,375
Unassigned	9,279	9,279
Total fund balances	<u>14,654</u>	<u>14,654</u>
 Total liabilities and fund balances	<u>\$ 26,684</u>	<u>\$ 26,684</u>

See notes to the financial statements

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	<u>Major Funds</u>	<u>Total Governmental Funds</u>
	General	
REVENUES		
Developer contributions	\$ 79,455	\$ 79,455
Total revenues	<u>79,455</u>	<u>79,455</u>
EXPENDITURES		
Current:		
General government	75,819	75,819
Total expenditures	<u>75,819</u>	<u>75,819</u>
Excess (deficiency) of revenues over (under) expenditures	3,636	3,636
Fund balances - beginning	<u>11,018</u>	<u>11,018</u>
Fund balances - ending	<u>\$ 14,654</u>	<u>\$ 14,654</u>

See notes to the financial statements

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

The Scenic Terrace North Community Development District ("District") was created on August 19, 2021 by Ordinance 21-1741 of the City of Haines City, Florida, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue Bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. At September 30, 2022, all of the Board members are affiliated with Atlanticblue Capital, LLC ("Developer").

The Board has the final responsibility for:

1. Assessing and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment. (Operating-type special assessments for maintenance and debt service are treated as charges for services.); and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on benefitted property within the District. Operating and Maintenance Assessments are based upon adopted budget and levied annually. Debt Service Assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection (Chapter 197.3632, Florida Statutes). Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by County Tax Collector on November 1 and due on or before March 31 of each year. Property owners may prepay a portion or all of the Debt Service Assessments on their property subject to various provisions in the Bond documents.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Capital Assets (Continued)

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Fund Equity/Net Position (Continued)

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

NOTE 5 – DEVELOPER TRANSACTIONS

The Developer has agreed to fund the general operations of the District. For the current fiscal year, Developer contributions in the general fund were \$79,455 which includes a receivable of \$4,455.

NOTE 6 – CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

NOTE 7 – MANAGEMENT AGREEMENTS

The District has contracted with a management company to perform management advisory services, which include financial and accounting advisory services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

NOTE 8 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims since inception of the District.

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Developer contributions	\$ 131,810	\$ 79,455	\$ (52,355)
Total revenues	<u>131,810</u>	<u>79,455</u>	<u>(52,355)</u>
EXPENDITURES			
Current:			
General government	131,810	75,819	55,991
Total expenditures	<u>131,810</u>	<u>75,819</u>	<u>55,991</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	3,636	<u>\$ 3,636</u>
Fund balances - beginning		<u>11,018</u>	
Fund balances - ending		<u>\$ 14,654</u>	

See notes to required supplementary information

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2022.

**SCENIC TERRACE NORTH COMMUNITY DEVELOPMENT DISTRICT
CITY OF HAINES CITY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FLORIDA STATUTE 218.39(3)(C)
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of district employees compensated at 9/30/2022	0
Number of independent contractors compensated in September 2022	8
Employee compensation for FYE 9/30/2022 (paid/accrued)	\$0
Independent contractor compensation for FYE 9/30/2022	\$75,819
Construction projects to begin on or after October 1; (>\$65K)	0
Budget variance report	See page 16
Ad Valorem taxes	N/A
Outstanding Bonds:	N/A
Non ad valorem special assessments;	N/A



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors
Scenic Terrace North Community Development District
City of Haines City, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Scenic Terrace North Community Development District, City of Haines City, Florida ("District") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated June 28, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

June 28, 2023



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CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Scenic Terrace North Community Development District
City of Haines City, Florida

We have examined Scenic Terrace North Community Development District, City of Haines City, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2022. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2022.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Scenic Terrace North Community Development District, City of Haines City, Florida and is not intended to be and should not be used by anyone other than these specified parties.

June 28, 2023



**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors
Scenic Terrace North Community Development District
City of Haines City, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Scenic Terrace North Community Development District, City of Haines City, Florida ("District") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 28, 2023.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 28, 2023, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of Scenic Terrace North Community Development District, City of Haines City, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Scenic Terrace North Community Development District, City of Haines City, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

June 28, 2023

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

N/A – first year audit

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

N/A – first year audit

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2022.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2022.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2022. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 18.

SECTION XVI

SECTION A

SECTION 1



KILINSKI | VAN WYK

MEMORANDUM

To: Board of Supervisors
From: Kilinski | Van Wyk PLLC
Date: July 7, 2023
Re: Ethics Training for Special District Supervisors

The purpose of this memorandum is to provide you with information regarding new ethics training requirements applicable to Special District Supervisors. This requirement is the result of changes to Section 112.3142, Florida Statutes, which were passed during the recent legislative session. The new requirements will apply beginning with the 2024 calendar year.

Who is affected?

The new requirement applies to all elected officers of independent special districts as defined in Section 189.012, Florida Statutes, including those elected officers who are appointed to fill a vacancy for an unexpired term of office. This includes Supervisors of Community Development Districts and “Special Act” Districts, among others. It does not apply to non-elected officers of a special district, such as a secretary or treasurer, unless that person is also an elected officer. The training requirement previously applied only to specified constitutional officers, elected municipal officers, and commissioners of community redevelopment agencies.

What is required?

Supervisors will be required to complete four (4) hours of training each calendar year. The training must address, at a minimum, Article II of the State Constitution, the Code of Ethics for Public Officers and Employees, and Florida’s public records and open meetings laws. It may be completed by taking a continuing legal education class or other continuing professional education class, seminar, or presentation, if the required information is covered.

How do I report compliance?

The Commission on Ethics has not announced special procedures for special district supervisors. For other officers subject to the training requirement, compliance is self-reported by marking a check box on the annual financial disclosure form. Supervisors should keep detailed records on the name of each course, length of each course, and date completed in the event that verification is required.

When is the deadline?

This requirement will apply beginning in the 2024 calendar year. Training should be completed as close as possible to the date an officer assumes office. Officers who assume a new office or a new term of office before March 31 must complete the training on or before December 31 of the same year. Officers who assume a new office or a new term of office after March 31 are not required to complete the training until the following calendar year.

Where can I find training materials?

The Florida Commission on Ethics has provided links to approved courses on their Ethics Training web page: <https://ethics.state.fl.us/Training/Training.aspx>. There are also many courses – both free and for a charge – available online and in-person. Kilinski | Van Wyk will be offering customized training sessions at discounted rate for existing clients. If you have questions about whether a particular course meets the requirements, or if you would like to request a customized training session, please consult your Kilinski | Van Wyk attorney. There is also the ability to include training within your regular Board meeting schedule.

SECTION C

SECTION 1

Scenic Terrace North Community Development District

Summary of Check Register

March 01, 2023 through July 5, 2023

Fund	Date	Check No.'s		Amount
General Fund	3/1/23	83-84	\$	1,854.00
	3/9/23	85	\$	894.00
	3/16/23	86	\$	3,318.78
	3/23/23	87	\$	740.00
	3/28/23	88	\$	255.00
	4/5/23	89	\$	555.50
	4/11/23	90	\$	3,350.74
	4/12/23	91-92	\$	859.50
	5/10/23	93-99	\$	4,693.61
	5/22/23	100	\$	1,423.24
	6/6/23	101-104	\$	9,519.55
	6/13/23	105-106	\$	3,825.24
	6/20/23	107	\$	522.50
	Total Amount		\$	31,811.66

STNO SCENIC TERRACE ZYAN

CHECK DATE	VEND#INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNTCHECK..... AMOUNT #
6/06/23	00015	4/25/23 2268086	202303 310-51300-31100	ENGINEER SVCS MAR 23	*	165.00	
				DEWBERRY ENGINEERS INC			165.00 000101
6/06/23	00017	6/02/23 24286	202306 310-51300-32200	ANNUAL AUDIT FY22	*	3,200.00	
				GRAU & ASSOCIATES			3,200.00 000102
6/06/23	00004	4/11/23 6419	202303 310-51300-49100	BOUNDARY AMENDMENT MAR 23	*	1,669.55	
				KILINSKI/VAN WYK, PLLC			1,669.55 000103
6/06/23	00005	5/31/23 00056052	202305 310-51300-48000	NOT BA MTG 5/4-5/25/23	*	4,485.00	
				CA FLORIDA HOLDINGS, LLC			4,485.00 000104
6/13/23	00015	5/24/23 2281695	202304 310-51300-31100	ENGINEER SERVICES APR 23	*	475.00	
				DEWBERRY ENGINEERS INC			475.00 000105
6/13/23	00001	6/01/23 23	202306 310-51300-34000	MANAGEMENT FEES JUNE 23	*	3,062.50	
		6/01/23 23	202306 310-51300-35200	WEBSITE ADMIN JUNE 23	*	100.00	
		6/01/23 23	202306 310-51300-35100	INFORMATION TECH JUNE 23	*	150.00	
		6/01/23 23	202306 310-51300-51000	OFFICE SUPPLIES JUNE 23	*	.21	
		6/01/23 23	202306 310-51300-42000	POSTAGE JUNE 23	*	37.53	
				GOVERNMENTAL MANAGEMENT SERVICES			3,350.24 000106
6/20/23	00004	6/13/23 6827	202305 310-51300-31500	GENERAL COUNSEL MAY 23	*	522.50	
				KILINSKI/VAN WYK, PLLC			522.50 000107
TOTAL FOR BANK A						31,811.66	
TOTAL FOR REGISTER						31,811.66	

STNO SCENIC TERRACE ZYAN

SECTION 2

Scenic Terrace North
Community Development District

Unaudited Financial Reporting
May 31, 2023



Table of Contents

1	<hr/>	Balance Sheet
2	<hr/>	General Fund
3	<hr/>	Month to Month

Scenic Terrace North
Community Development District
Combined Balance Sheet
May 31, 2023

		<i>General Fund</i>
Assets:		
<u>Cash:</u>		
Operating Account	\$	25,719
Total Assets	\$	25,719
Liabilities:		
Accounts Payable	\$	7,317
Total Liabilites	\$	7,317
Fund Balance:		
Unassigned	\$	18,402
Total Fund Balances	\$	18,402
Total Liabilities & Fund Balance	\$	25,719

Scenic Terrace North

Community Development District

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance For The Period Ending May 31, 2023

	Adopted	Prorated Budget	Actual	
	Budget	Thru 05/31/23	Thru 05/31/23	Variance
<u>Revenues:</u>				
Developer Contributions	\$ 258,666	\$ 50,000	\$ 50,000	\$ -
Boundary Amendment Contribution	\$ -	\$ -	\$ 6,493	\$ 6,493
Total Revenues	\$ 258,666	\$ 50,000	\$ 56,493	\$ 6,493
<u>Expenditures:</u>				
<u>General & Administrative:</u>				
Supervisor Fees	\$ 12,000	\$ 8,000	\$ 2,800	\$ 5,200
Engineering	\$ 15,000	\$ 10,000	\$ 1,625	\$ 8,375
Attorney	\$ 25,000	\$ 16,667	\$ 5,252	\$ 11,414
Annual Audit	\$ 4,000	\$ -	\$ -	\$ -
Assessment Administration	\$ 5,000	\$ -	\$ -	\$ -
Arbitrage	\$ 450	\$ -	\$ -	\$ -
Dissemination	\$ 5,000	\$ -	\$ -	\$ -
Trustee Fees	\$ 4,041	\$ -	\$ -	\$ -
Management Fees	\$ 36,750	\$ 24,500	\$ 24,500	\$ -
Information Technology	\$ 1,800	\$ 1,200	\$ 1,200	\$ -
Website Maintenance	\$ 1,200	\$ 800	\$ 800	\$ -
Postage & Delivery	\$ 1,000	\$ 667	\$ 103	\$ 563
Insurance	\$ 5,625	\$ 5,625	\$ 5,375	\$ 250
Printing & Binding	\$ 1,000	\$ 667	\$ -	\$ 667
Legal Advertising	\$ 10,000	\$ 6,667	\$ 4,792	\$ 1,875
Other Current Charges	\$ 5,000	\$ 3,333	\$ -	\$ 3,333
Boundary Amendment Expenses	\$ -	\$ -	\$ 6,108	\$ (6,108)
Office Supplies	\$ 625	\$ 417	\$ 14	\$ 402
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
Total General & Administrative:	\$ 133,666	\$ 78,717	\$ 52,744	\$ 25,973
<u>Operations & Maintenance</u>				
Playground Lease	\$ 25,000	\$ -	\$ -	\$ -
Field Contingency	\$ 100,000	\$ -	\$ -	\$ -
Total Operations & Maintenance:	\$ 125,000	\$ -	\$ -	\$ -
Total Expenditures	\$ 258,666	\$ 78,717	\$ 52,744	\$ 25,973
Excess (Deficiency) of Revenues over Expenditures	\$ -		\$ 3,748	
Fund Balance - Beginning	\$ -		\$ 14,654	
Fund Balance - Ending	\$ -		\$ 18,402	

Scenic Terrace North
Community Development District
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
Revenues:													
Developer Contributions	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Boundary Amend Contribution	\$ -	\$ 518	\$ 111	\$ -	\$ 2,614	\$ 1,415	\$ -	\$ 1,835	\$ -	\$ -	\$ -	\$ -	\$ 6,493
Total Revenues	\$ -	\$ 25,518	\$ 111	\$ -	\$ 2,614	\$ 1,415	\$ 25,000	\$ 1,835	\$ -	\$ -	\$ -	\$ -	\$ 56,493
Expenditures:													
General & Administrative:													
Supervisor Fees	\$ -	\$ 800	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,800
Engineering	\$ 255	\$ 255	\$ 220	\$ -	\$ 255	\$ 165	\$ 475	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,625
Attorney	\$ 112	\$ 406	\$ 39	\$ 1,634	\$ 740	\$ 376	\$ 1,423	\$ 523	\$ -	\$ -	\$ -	\$ -	\$ 5,252
Annual Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assessment Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Arbitrage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dissemination	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Management Fees	\$ 3,063	\$ 3,063	\$ 3,063	\$ 3,063	\$ 3,063	\$ 3,063	\$ 3,063	\$ 3,063	\$ -	\$ -	\$ -	\$ -	\$ 24,500
Information Technology	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ 1,200
Website Maintenance	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 800
Postage & Delivery	\$ 43	\$ 4	\$ 1	\$ 5	\$ 6	\$ 4	\$ 38	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ 103
Insurance	\$ 5,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,375
Printing & Binding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Advertising	\$ -	\$ 307	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,485	\$ -	\$ -	\$ -	\$ -	\$ 4,792
Other Current Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Boundary Amendment Expenses	\$ 573	\$ 56	\$ 894	\$ 556	\$ 2,360	\$ 1,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,108
Office Supplies	\$ 5	\$ 0	\$ 3	\$ 0	\$ 0	\$ 3	\$ 0	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ 14
Dues, Licenses & Subscriptions	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175
Total General & Administrative:	\$ 9,851	\$ 5,140	\$ 4,469	\$ 5,507	\$ 7,673	\$ 5,529	\$ 6,249	\$ 8,326	\$ -	\$ -	\$ -	\$ -	\$ 52,744
Operations & Maintenance													
Playground Lease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Field Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operations & Maintenance:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 9,851	\$ 5,140	\$ 4,469	\$ 5,507	\$ 7,673	\$ 5,529	\$ 6,249	\$ 8,326	\$ -	\$ -	\$ -	\$ -	\$ 52,744
Excess (Deficiency) of Revenues over Expenditures	\$ (9,851)	\$ 20,378	\$ (4,358)	\$ (5,507)	\$ (5,059)	\$ (4,114)	\$ 18,751	\$ (6,491)	\$ -	\$ -	\$ -	\$ -	\$ 3,748

SECTION 3



April 21, 2023

Samantha Hoxie – Recording Secretary
Scenic Terrace North CDD Office
219 E. Livingston Street
Orlando, Florida 32801-1508

**RE: Scenic Terrace North Community Development District Registered
Voters**

Dear Ms. Hoxie,

In response to your request, there are currently no voters within the Scenic Terrace North Community Development District as of **April 15, 2023**.

Please do not hesitate to contact us if we can be of further assistance.

Sincerely,

A handwritten signature in black ink that reads "Lori Edwards". The signature is written in a cursive, flowing style.

Lori Edwards
Supervisor of Elections
Polk County, Florida