

*Chapel Creek  
Community Development District*

*Meeting Agenda*

*April 6, 2021*

# AGENDA

# *Chapel Creek*

## *Community Development District*

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219 E. Livingston St., Orlando, Florida 32801

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

March 30, 2021

**Board of Supervisors  
Chapel Creek  
Community Development District**

Dear Board Members:

The regular meeting of the Board of Supervisors of the **Chapel Creek Community Development District** will be held **Tuesday, April 6, 2021 at 11:00 AM** at the **Hampton Inn – Dade City, 13215 Hwy US 301, Dade City, FL 33525**. Masks are required to be worn at the meeting venue.

Those members of the public wishing to attend the meeting can do so using the information below:

**Zoom Video Link:** <https://zoom.us/j/94406903761>

**Zoom Call-In Information:** 1-646-876-9923

**Meeting ID:** 944 0690 3761

Following is the advance agenda for the meeting:

### **Board of Supervisors Meeting**

1. Roll Call
2. Public Comment Period (<sup>1</sup>Speakers 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 February 2, 2021 Board of Supervisors Meeting
4. Public Hearing
  - A. Public Hearing on the Imposition of Special Assessments
    - i. Presentation of Engineer's Report
    - ii. Presentation of Assessment Methodology
    - iii. Consideration of Resolution 2021-10 Levying Special Assessments
5. Consideration of Resolution 2021-11 Delegation Resolution
6. Consideration of Ancillary Financing Documents
  - A. Conveyance Agreement

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<sup>1</sup> Comments will be limited to three (3) minutes

- B. Funding and Completion Agreement
  - C. Acquisition Agreement
  - D. True-Up Agreement
  - E. Collateral Assignment Agreement
- 7. Consideration of Partial Assignment and Assumption of Site Development Agreement with QGS Development
- 8. Consideration of Resolution 2021-12 Direct Purchase Resolution
- 9. Consideration of Resolution 2021-13 Appointing Treasurer and Assistant Treasurer
- 10. Staff Reports
  - A. Attorney
  - B. Engineer
  - C. Field Manager's Report
    - i. Consideration of Proposal from Smith Contracting for Wier Wall Repair
  - D. District Manager's Report
    - i. Approval of Check Register
    - ii. Balance Sheet & Income Statement
- 11. Other Business
- 12. Supervisors Requests and Audience Comments
- 13. Adjournment



# MINUTES

**MINUTES OF MEETING  
CHAPEL CREEK  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Chapel Creek Community Development District was held on Tuesday, **February 2, 2021** at 11:00 a.m. at the Hampton Inn – Dade City, 13215 US Hwy 301, Dade City, Florida.

Present and constituting a quorum were:

Brian Walsh	Chairman
Milton Andrade	Vice Chairman
Garret Parkinson	Assistant Secretary
Tim Jones <i>via Zoom</i>	Assistant Secretary
Steve Johnson	Assistant Secretary

Also, present were:

Jill Burns	District Manager, GMS
Tracy Robin <i>via Zoom</i>	District Counsel, Straley Robin Vericker
Clayton Smith	GMS
Baron Hoffmeister	GMS
Tonja Stewart <i>via Zoom</i>	District Engineer

*The following is a summary of the discussions and actions taken at the February 2, 2021 Chapel Creek Community Development District's Regular Board of Supervisor's Meeting.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Burns called the meeting to order. There were four members present at the meeting constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Ms. Burns noted there were no public comments at this time and the next item followed.

**THIRD ORDER OF BUSINESS****Approval of Minutes of the January 5, 2021 Board of Supervisors Meeting**

Ms. Burns presented the January 5, 2021 Board meeting minutes and asked for questions, comments, or corrections on the minutes. The Board had no changes to the minutes.

On MOTION by Mr. Walsh, seconded by Mr. Johnson, with all in favor, the Minutes of the January 5, 2021 Board of Supervisors Meeting, were approved.

**FOURTH ORDER OF BUSINESS****Consideration of Resolution 2021-07 Adopting a Policy for the District Regarding Parking and Towing**

Ms. Burns noted the Board had had a previous conversation about cars parked over night at the amenity facility. This parking policy would allow for no overnight parking for 10:00 p.m. to 6:00 a.m. Any cars parked in the amenity facility building during that timeframe will be towed. Signage is not yet in place but once it is approved by the Board a sign will be implemented and the policy will be enforced.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, Resolution 2021-07 Adopting a Policy for the District Regarding Parking and Towing, was approved.

**FIFTH ORDER OF BUSINESS****Consideration of Property Towing and Impound Agreement with 813 Towing Service, LLC**

Ms. Burns presented the agreement for towing services to the Board. There is no fee, it is just a form of agreement which gives 813 Towing Services, LLC the ability to tow cars breaking the parking policy. Mr. Walsh asked if there would be additional correspondence to the residents to announce the new policy. Ms. Burns reported they could do a mail out, but because it is just at the amenity center, they typically would not incur the cost of a mailed notice. Posting on the website and the signage that will be in place should be enough. If the Board prefers, they will send a mailed notice. Mr. Jones suggested because this is a new policy, they should leave a copy of the notice on any vehicles that are currently parked at the amenity center to allow a few days before the towing is enacted. Ms. Burns added that it would take a few weeks to get the signage

in place, so that would give them time to get the word out of the new policy and when the towing will begin.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, the Property Towing and Impound Agreement with 813 Towing Services, LLC, was approved.

Ms. Burns then asked for a motion to approve moving forward to get signage purchased and installed which Mr. Smith will take care of.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, the Signage Purchase and Installation, was approved.

#### **SIXTH ORDER OF BUSINESS**

#### **Presentation of Supplemental Engineer's Report for Phases 7 and 8**

Ms. Stewart, District Engineer, presented the Supplemental Engineer's Report for Phase 7 and 8 to the Board. The report describes the scope of the 2021 project and the construction cost estimate of the improvements. It includes water management and control, water supply, District roads, amenity center, landscape irrigation, and undergrounding of electric. The total estimated cost of the 2021 project cost is \$15,685,000. There being no questions, there was no further action required.

#### **SEVENTH ORDER OF BUSINESS**

#### **Presentation of Master Assessment Methodology**

Ms. Burns noted this is for the Series 2021 assessment area and it allocates the debt to certain properties based on the special benefits each receives from the 2021 project. This will not impact existing residents, only future residents in areas 7 and 8. Table 1 shows that there will be 390 units in this area. They are all similar in size and have been assigned the same ERU of 1. Table 2 is the capital improvement plan, and the total cost of the improvements is \$15,685,000. Table 3 is the bond sizing that shows the amount that is necessary in order to generate the construction fund. It includes debt service reserve, capitalized interest, underwriters' discounts, and the cost of issuance for the bonds. Table 4 shows the improvement cost per unit, totaling \$40,218. It is the capital improvement plan allocated across all 390 units. Table 5 shows the par

debt per unit, totaling \$50,038. Table 6 shows the net and gross and annual debt assessment per unit. The net amount is \$3,255 annually and the gross amount is \$3,463. Table 7 is the preliminary assessment role. There is one property owner for the assessment area and that is Clayton Properties. It shows the total amount of debt allocated to that 157.11 acres. It is important to note that this is the most they could issue, and this sets the cap, and they will use this amount for the mail notice that will go out to the property owners effected by the assessments. There being no questions, there was no other action required.

**EIGHTH ORDER OF BUSINESS****Consideration of Resolution 2021-08  
Declaring Special Assessments**

Ms. Burns noted this resolution would find that the Board believes it is in the best interest of the District to pay for the project by imposing and levying and collecting non-ad valorem assessments as allowed by Florida statute. It states the Engineer's Report and amount presented by Ms. Stewart and it states that the assessment report for the area notes the total amount being \$19,515,000. This will set the time manner and place of how the assessments get levied by incorporating all the other documents as well.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, Resolution 2021-08 Declaring Special Assessments, was approved.

**NINTH ORDER OF BUSINESS****Consideration of Resolution 2021-09  
Setting a Public Hearing on the  
Imposition of Special Assessments**

Ms. Burns noted the date for the public hearing will be April 6, 2021 at 11:00 am. The Boards regular April meeting date and a mail notice will have to be sent so they will need at least 30 days to do so.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, Resolution 2021-09 Setting a Public Hearing on the Imposition of Special Assessments for April 6, 2021 at 11:00 a.m., was approved.

**TENTH ORDER OF BUSINESS****Consideration of Memorandum from  
Straley Robin Vericker Regarding E-  
Verify System****A. Consideration of E-Verify Memorandum of Understanding for Employers**

Ms. Burns noted that this includes a consideration of Memorandum of Understanding of the E-Verify system. Mr. Robin noted that as of January 1, 2021 there was a change in state law that requires all contractors and subcontractors of the District to certify that their employees have been E-Verified. The District also has to register with the department of Homeland Security and execute the memorandum that can be found in the agenda packet which serves to register the District and set forth the District's responsibilities with respect to the department and inquiries for E-Verification of employees that they are not illegal immigrants.

On MOTION by Mr. Walsh, seconded by Mr. Andrade, with all in favor, the Memorandum from Straley Robin Vericker Regarding E-Verify System, was approved.

**ELEVENTH ORDER OF BUSINESS****Consideration of Underwriter Services  
Agreement with FMS Bonds – ADDED**

Ms. Burns noted this was provided by John Kessler's office and it is their form of agreement for underwriting services and the Rule G17 disclosure that they are required for the Series 2021 Bonds.

On MOTION by Mr. Andrade, seconded by Mr. Walsh, with all in favor, the Underwriter Services Agreement with FMS Bonds, was approved.

**TWELTH ORDER OF BUSINESS****Staff Reports****A. Attorney**

Mr. Robin had nothing further to report.

**B. Engineer**

Ms. Stewart had nothing further to report.

**C. Field Manager's Report**

Mr. Smith presented the Field Manager's Report. Completed items include holiday decoration removal and two dog stations were installed. Upcoming projects include landscape enhancements and playground mulching. He continues to work with the pool access control company. Originally the contractor believed that cell service could be used but it looks like it will need to use Wi-Fi.

**i. Consideration of Purchase and Installation of Dog Waste Stations**

Mr. Smith stated this would be for 4 more dog stations. Ordering and installation cost totals \$1,525. The landscape contract will now cover the removal of the waste.

On MOTION by Mr. Andrade, seconded by Mr. Walsh, with all in favor, the Purchase and Installation of Dog Waste Stations, was approved.

**D. District Manager's Report****i. Discussion Regarding May Meeting Date**

Ms. Burns noted that the adopted schedule for the meeting is off for the month of May. They typically meet the first Monday of the month, but the May meeting is scheduled for the second Monday of the month. She is wondering if the Board would like to keep it as scheduled or move it to the first Monday in May to coincide with the rest of the meetings. The Board decided to keep it on the 11<sup>th</sup> of May.

**THIRTEENTH ORDER OF BUSINESS****Other Business**

There being none, the next item followed.

**FOURTEENTH ORDER OF BUSINESS****Supervisors Requests and Audience Comments**

There being none, the next item followed.

**FIFTEENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Andrade, seconded by Mr. Walsh, with all in favor, the meeting was adjourned.
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Secretary/Assistant Secretary

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Chairman/Vice Chairman



## SECTION IV

# SECTION A

# SECTION 1

**Chapel Creek Community  
Development District**

Report of the District Engineer  
Capital Improvement Revenue Bonds,  
Series 2021



Prepared for:  
Board of Supervisors  
Chapel Creek Community  
Development District

Prepared by:  
Stantec Consulting Services Inc.  
777 S. Harbour Island Boulevard  
Suite 600  
Tampa, FL 33602  
(813) 223-9500

December 17, 2020



## **1.0 INTRODUCTION**

The Chapel Creek Community Development District (the "District") encompasses approximately 350 acres in Pasco County, Florida. The District is located within Sections 5 and 6, Township 26 South, Range 21 East, and more precisely being on the north side of Eiland Boulevard just to the east of Handcart Road.

See Appendix A for a Vicinity Map.

## **2.0 PURPOSE**

Pasco County Board of County Commissioners adopted Resolution 06-119 (effective February 14, 2006) for the purpose of constructing and/or acquiring, maintaining, and operating all or a portion of the public improvements and community facilities within the District. The purpose of this Report of the District Engineer is to provide a description and estimated costs of the public improvements and community facilities within the final phases of the community, Phases 7 and 8.

## **3.0 THE DEVELOPER AND DEVELOPMENT**

The undeveloped land encompassing the District is owned and will be developed by Clayton Properties Group (the "Developer"), and they plan to build 390 detached single-family units within Phases 7 and 8.

See Appendix B for the Phases 7 and 8 Site Plan.

## **4.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES**

The community's master and subdivision public improvements and community facilities are described separately, as follows:

### **4.1 WATER MANAGEMENT AND CONTROL**

The design criteria for the District's water management and control is regulated by Pasco County and the Southwest Florida Water Management District (SWFWMD). The continuing subdivision water management and control plan for the District focuses on utilizing newly constructed ponds within upland areas and on-site wetlands for stormwater treatment and storage.

Any excavated soil from the ponds is anticipated to remain within the development for use in building public infrastructure including roadways and drainage pond bank fill requirements, utility trench backfill, and filling and grading of public property.

The primary objectives of the continuing Subdivision Water Management and Control for the District are:



1. To provide stormwater quality treatment of run-off from the subdivision improvements.
2. To protect the subdivision improvements within the District from regulatory-defined rainfall events.
3. To maintain natural hydroperiods in the wetlands and connecting flow ways.
4. To ensure that adverse stormwater impacts do not occur upstream or downstream as a result of the subdivision improvement during regulatory-defined rainfall events.
5. To satisfactorily accommodate stormwater run-off from adjacent off-site areas which may naturally drain through the District.
6. To preserve the function of the flood plain storage during the 100 year storm event.

The continuing Subdivision Water Management and Control includes the storm sewer systems and stormwater ponds directing and receiving drainage from the continuing subdivision improvements.

Subdivision Water Management and Control have been and will be designed in accordance with Pasco County and SWFWMD technical standards, and the storm sewer systems will be owned and maintained by the District.

## **4.2 DISTRICT ROADS**

Subdivision District Roads include the roadway asphalt, base, and subgrade, roadway curb and gutter, and sidewalks within rights of way abutting common areas associated with the subdivision streets that will be intersecting the community collector roads.

Subdivision Roads have been and will be designed in accordance with Pasco County's Land Development Code and technical standards, and all roads will be owned and maintained by Pasco County.

## **4.3 SEWER AND WASTEWATER MANAGEMENT**

The District is located within the Pasco County Public Utilities service area which will provide sewer and wastewater management service to the community. The continuing Subdivision Sewer and Wastewater Management improvements include 8" gravity sanitary sewer systems within the subdivision roads right of way within Phases 7B, 8A and 8B that will connect to the Master Sewer and Wastewater Management system and the reclaimed water system providing irrigation to the community.

Subdivision Sewer and Wastewater Management Systems have been and will be designed in accordance with Pasco County technical standards and it will be owned and maintained by Pasco County.

## **4.4 WATER SUPPLY**

The District is located within the Pasco County Public Utilities service area which will provide water supply for potable water service and fire protection to the community. The continuing water supply improvements within Phases 7B, 8A and 8B include looped water mains that will connect to the Master Water Supply System.

Subdivision Water Supply systems have been and will be designed in accordance with Pasco County technical standards and will be owned and maintained by Pasco County.



## **4.5 AMENITY/WALLS/LANDSCAPING**

An additional park site will be constructed within Phases 7 and 8 and landscaping, irrigation and buffering/screening walls and or fencing.

## **4.6 UNDERGROUNDING OF ELECTRICAL POWER**

The District lies within the area served by Tampa Electric Company ("TECO") for electrical power service. TECO will provide electric service to the continuing subdivision streets from the Master Electric system, and there are fees to convert this service from overhead to underground. It is anticipated that the District will enter into a Street Lighting Agreement with TECO who will then own and maintain the streetlights.

## **4.7 PROFESSIONAL SERVICES AND PERMITTING FEES**

Pasco County and SWFWMD impose fees for construction permits and plan reviews. These fees vary with the magnitude and size of the development. Additionally, engineering, surveying, and architecture services are needed for the continuing subdivision design, permitting, and construction administration. As well, development/construction management services are required for the project coordination and field management.

Fees associated with performance and warranty financial securities covering Pasco County infrastructure are also required by Pasco County and may be funded through the District.

## **5.0 CONSTRUCTION PERMIT STATUS**

Phases 7 and 8 SWFWMD and Pasco County construction permit applications have been submitted by the Developer.

## **6.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES COSTS**

See Appendix C for the Construction Cost Estimate of the Public Improvements and Community Facilities which includes a small contingency to cover unforeseen field conditions and costs to resolve.

## **7.0 SUMMARY AND CONCLUSION**

The District, as outlined above, is responsible for the functional development of the lands within the District, and, except as noted above in this report, such public improvements and community facilities are located within the boundary of the District.

The planning and design of the District will be in accordance with current governmental regulatory requirements.

Items included in the Construction Cost Estimate are based on our review and analysis of the Phases 7 and 8 Site Plan and information provided by the Developer. It is our professional opinion that the estimated costs provided herein for the development are conservative to complete the



construction of the Public Improvements and Community Facilities described herein. All such infrastructure costs are public improvements or community facilities as set forth in Section 190.012(1) and (2) of the Florida Statutes.

The estimate of the construction costs is only an estimate and not a guaranteed maximum cost. The estimated cost is based on historical unit prices or current prices being experienced for on-going and similar items of work in Pasco County. The labor market, future costs of equipment and materials, and the actual construction process are all beyond our control. Due to this inherent possibility for fluctuation in costs, the total final cost may be more or less than this estimate.

The professional service for establishing the Construction Cost Estimate are consistent with the degree of care and skill exercised by members of the same profession under similar circumstances.

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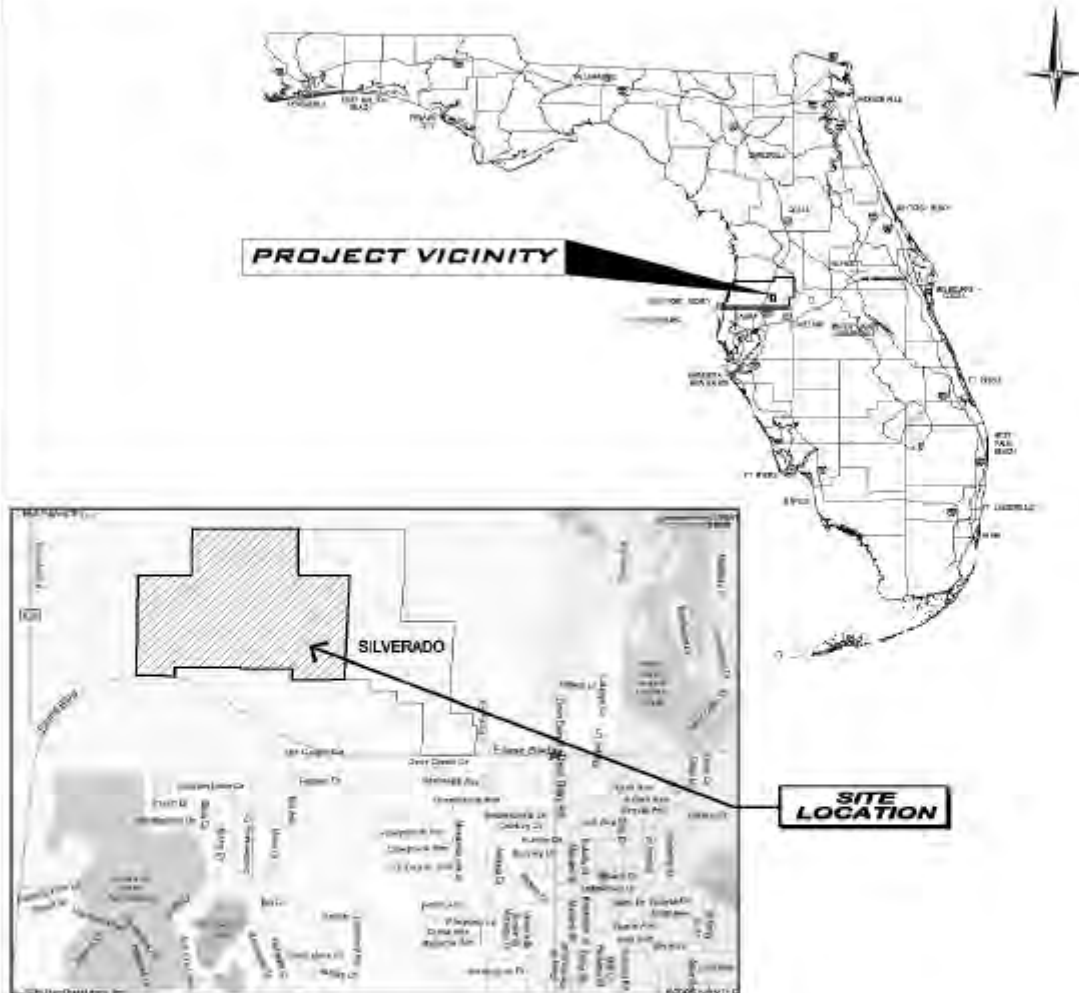
Tonja L. Stewart, P.E.  
Florida License No. 47704





**Chapel Creek CDD**  
Report of the District Engineer  
December 17, 2020

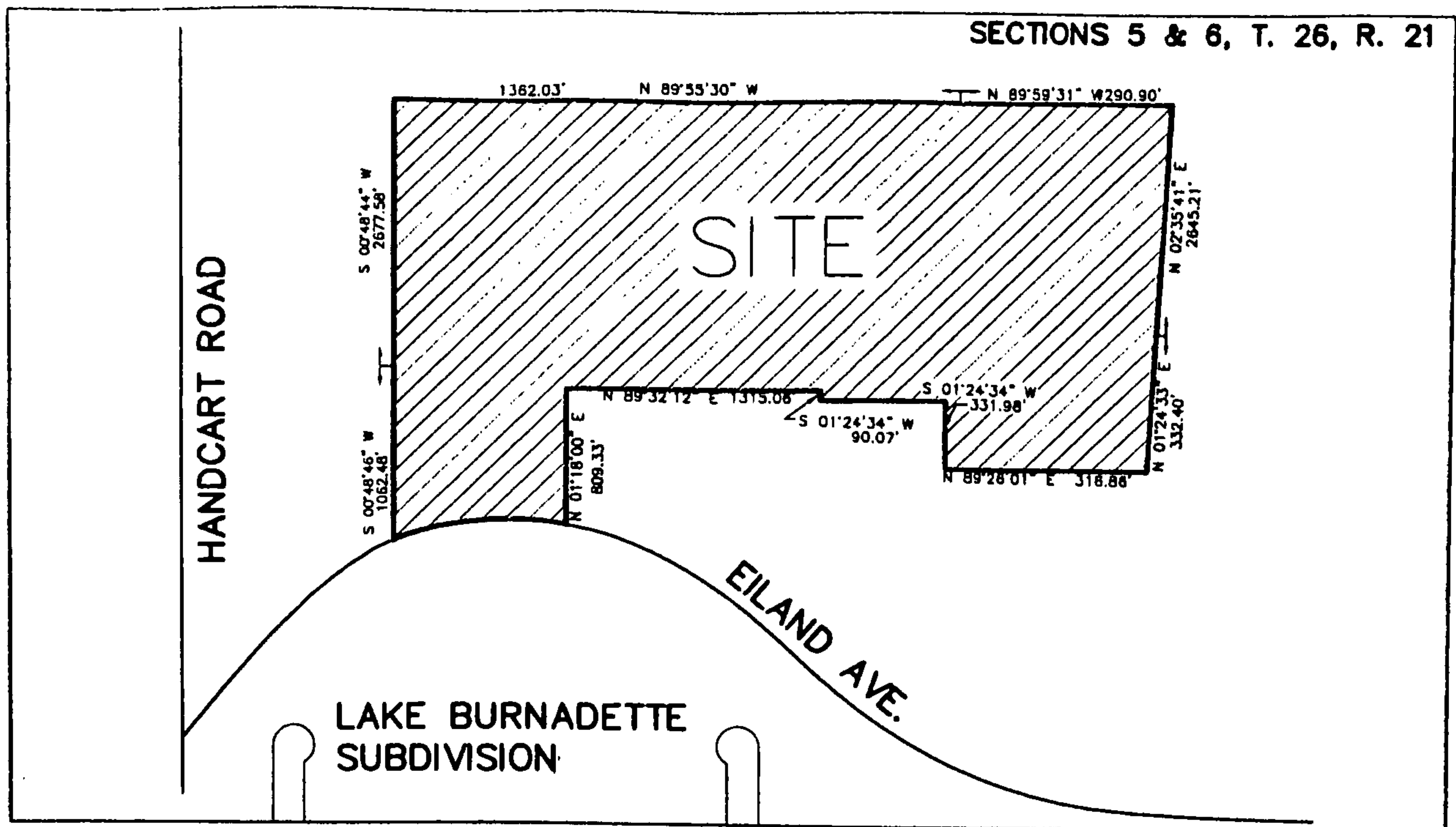
## **Appendix A VICINITY MAP**



SECTION 05 & 06 TOWNSHIP 26 RANGE 21 EAST  
PASCO COUNTY, FLORIDA

## VICINITY & LOCATION MAP

FIGURE 1



THE NORTHWEST  $\frac{1}{4}$  OF THE NORTHWEST  $\frac{1}{4}$  OF SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY FLORIDA;  
AND  
TRACTS 3 THROUGH 8, INCLUSIVE; TRACTS 11 THROUGH 14, INCLUSIVE; TRACTS 19 THROUGH 22, INCLUSIVE; TRACTS 27 THROUGH 30, INCLUSIVE; TRACTS 35 THROUGH 46 INCLUSIVE; TRACTS 51 THROUGH 56 INCLUSIVE; TRACTS 59 THROUGH 62, INCLUSIVE; TRACTS 67 AND 68 INCLUSIVE; TRACTS 57 AND 58 LESS THE SOUTH 30 FEET THEREOF, ZEPHYRHILLS COLONY COMPANY LANDS, IN SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 1, PAGE 55, PUBLIC RECORDS OF PASCO COUNTY, FLORIDA;  
AND  
THE EAST  $\frac{1}{4}$  OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA;

**LESS AND EXCEPT THE FOLLOWING PARCELS:**

**PARCEL "A"**

THAT PORTION OF THE EAST 1/8 OF THE SOUTHEAST 1/4 OF SECTION 8, TOWNSHIP 26 SOUTH, RANGE 21 EAST, LYING NORTH OF EILAND BOULEVARD, LYING AND BEING IN PASCO COUNTY, FLORIDA.

**PARCEL "B"**

THE SOUTH 58.25 FEET OF THE EAST 1/8 OF THE NORTHEAST 1/4 OF SECTION 6, TOWNSHIP 28 SOUTH, RANGE 21 EAST, LYING AND BEING IN PASCO COUNTY, FLORIDA.

**PARCEL "C"**

THE SOUTH 43.25 FEET OF TRACTS 57 AND 58 OF ZEPHYRHILLS COLONY COMPANY IN SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, ACCORDING TO THE MAP OR PLAT THEREOF AS RECORDED IN PLAT BOOK 1, PAGE 55, PUBLIC RECORDS OF PASCO COUNTY, FLORIDA.

**PARCEL "D"**

THAT PART OF THE EAST ¼ OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA, LYING SOUTH OF THE ZEPHYRHILLS BY-PASS WEST (AKA EILAND BOULEVARD).

**"PARCEL E"**

A PORTION OF SECTION 8, TOWNSHIP 28 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA, BEING FURTHER DESCRIBED AS FOLLOWS:  
COMMENCE AT THE SOUTHEAST CORNER OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 8; THENCE ALONG THE EAST BOUNDARY LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 8, N. 01°27'41" E., A DISTANCE OF 1613.75 FEET FOR A POINT OF BEGINNING; THENCE A DISTANCE OF 1035.93 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE HAVING A RADIUS OF 2270.00 FEET AND A CHORD OF 1026.97 FEET WHICH BEARS S. 81°22'19" W.; THENCE N., 21°42'07" W., A DISTANCE OF 10.00 FEET; THENCE A DISTANCE OF 286.98 FEET ALONG THE ARC OF A CURVE TO THE LEFT TO THE WEST BOUNDARY LINE OF THE EAST  $\frac{1}{4}$  OF SAID SECTION 8, SAID CURVE HAVING A RADIUS OF 2260.00 FEET AND A CHORD OF 286.79 FEET WHICH BEARS S. 64°41'32" W.; THENCE ALONG THE WEST BOUNDARY LINE OF THE EAST  $\frac{1}{4}$  OF SAID SECTION 8, N. 00°48'41" E., A DISTANCE OF 243.07 FEET; THENCE A DISTANCE OF 1319.83 FEET ALONG THE ARC OF A CURVE TO THE RIGHT TO THE EAST BOUNDARY LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 8, SAID CURVE HAVING A RADIUS OF 2494.00 FEET AND A CHORD OF 1304.48 FEET WHICH BEARS N. 79°01'00" E.; THENCE ALONG THE EAST BOUNDARY LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 8, S. 01°27'41" W., A DISTANCE OF 224.28 FEET TO THE POINT OF BEGINNING, TOTALING 350.3 ACRES.



**HILLS & ASSOCIATES, INC.**  
8406 Benjamin Road, Suite G  
Tampa, Florida 33634  
Phone: 813-887-3130  
FAX: 813-887-3140

**Civil Engineering / Surveying / Land Planning**

### Location Map

CHAPEL CREEK  
COMMUNITY DEVELOPMENT DISTRICT  
Pasco County, Florida

**HAI#:** 04-010

DATE<sup>n</sup> 8/16/04

**EXHIBIT BY: HILLS**



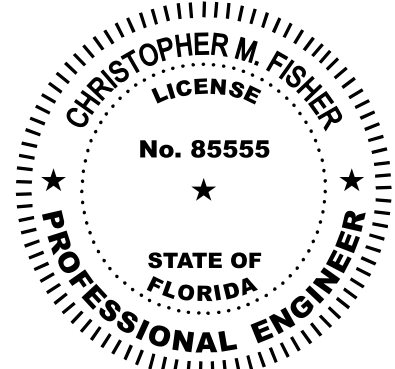
Chapel Creek CDD  
Report of the District Engineer  
December 17, 2020

## **Appendix B   PHASES 7 AND 8 SITE PLAN**





10-23-2020	REVIEW SUBMITTAL	INI
DATE	DESCRIPTION	BY
	REVISIONS	



**Clearview**  
LAND DESIGN, P.L.  
Engineering Business C.A. No.: 28858  
3010 W Azele St., Suite 150, Tampa, Florida 33609  
Office: 813-223-3919

DATE: CHRISTOPHER M. FISHER NO. 85555  
FLORIDA PROFESSIONAL ENGINEER

AERIAL SITE PLAN	
JOB NO. HLH-CC-009	CHAPEL CREEK VILLAGES 7 & 8 PHASES 1 - 3
DESIGN SANDERS	
DRAWN DROOR	PREPARED FOR: HIGHLAND HOMES
DATE 10-23-2020	Elevations based on North American Vertical Datum 1988 (NAVD 88) Conversion from NAVD 88 to NGVD 29 = +0.84 Feet
FILE ASP	<b>SHEET 3 OF 79 SHEETS</b>





Chapel Creek CDD  
Report of the District Engineer  
December 17, 2020

## **Appendix C   CONSTRUCTION COST ESTIMATE**

**Chapel Creek CDD**  
**Construction Cost Estimate**  
Bond Series 2021

<b><u>DESCRIPTION</u></b>	<b><u>ESTIMATE</u></b>
Water Management & Control	\$7,780,000
Sewer & Wastewater Management	\$1,008,000
Water Supply	\$1,872,000
Roads	\$2,325,000
Amenity/Walls/Landscaping	\$1,000,000
Professional Fees & Permitting	\$950,000
Undergrounding of Electric	\$750,000
<b>TOTAL</b>	<b>\$15,685,000</b>

## SECTION 2



**MASTER  
ASSESSMENT METHODOLOGY  
FOR THE SERIES 2021 ASSESSMENT AREA  
  
FOR  
  
CHAPEL CREEK  
COMMUNITY DEVELOPMENT DISTRICT**

**Date: January 21, 2021**

**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 Chapel Creek 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 Chapel Creek Community Development District with financial advisory services or offer investment advice in any form.

## **1.0 Introduction**

The Chapel Creek Community Development District is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes (the “District”), as amended. The District anticipates the issuance of, not to exceed, \$19,515,000 of special assessment bonds (“Series 2021 Bonds”). The Series 2021 Bonds are anticipated to fund certain infrastructure improvements that benefit Chapel Creek Villages 7 & 8, Phases 1-5 collectively referred to as the Series 2021 Assessment Area (the “Series 2021 Assessment Area”). The infrastructure to be financed (the “2021 Project”) is identified in the Report of the District Engineer Capital Improvement Revenue Bonds, Series 2021 dated December 17, 2020, for Community wide Capital Improvements prepared by Stantec Consulting Services (the “Engineer’s Report”).

### **1.1 Purpose**

This Master Assessment Methodology for the Series 2021 Assessment Area (the “Assessment Report”) provides for an assessment methodology for allocating the debt to be incurred by the District to benefiting properties within the Series 2021 Assessment Area. This Assessment Report allocates the debt to certain properties based on the special benefits each receives from the 2021 Project, as delineated in the Engineer’s Report. This Assessment Report will be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of Series 2021 Bonds. 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 impose non ad valorem special assessments on the benefited lands within the Series 2021 Assessment Area 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 Chapter 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, a homeowner’s association, or any other unit of government.

### **1.2 Background**

The District currently includes approximately 350 acres in Pasco County, Florida of which the Series 2021 Assessment Area. The proposed development plan is depicted in Table 1 (the “Development Plan”). The Development Plan envisions approximately 390 residential units. It is recognized that the Development Plan may change, and this Assessment Report will be modified accordingly.

The improvements contemplated by the District in the 2021 Project include master public facilities that benefit certain properties within the Series 2021 Assessment Area of the District. Specifically, the District will construct and/or acquire certain infrastructure including water management and control, sewer and wastewater management, water supply, roads, amenity/wall/landscaping, and undergrounding of electric as detailed in the Engineer's Report. 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 and services that may be provided by the District and the costs to implement the 2021 Project.
2. The District Engineer determines the assessable acres that benefit from the District's the 2021 Project.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the 2021 Project.
4. The assessments are initially divided equally among the benefited properties on a prorated gross acreage basis. As land is platted, this amount will be allocated to each of the benefited properties based on the number of platted units and product type.

### **1.3 Special Benefits and General Benefits**

The 2021 Project undertaken by the District creates special and peculiar benefits to assessable property within the Series 2021 Assessment Area different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large.

However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to certain property within the District. The implementation of the 2021 Project enables the 2021 Project within the boundaries of the Series 2021 Assessment Area to be developed. Without the District's 2021 Project, there would be no infrastructure to support development of land within the Series 2021 Assessment Area of the District. Without these improvements, development of the property within the Series 2021 Assessment Area of the District would be prohibited by law.

There is no doubt that the general public and property owners outside the Series 2021 Assessment Area of the District will benefit from the provision of the District's the 2021 Project. However, these benefits will be incidental to the District's the 2021 Project, which is designed solely to meet the needs of property within the Series 2021 Assessment Area of the District. Properties outside the District boundaries and outside of the Series 2021 Assessment Area of the District do not depend upon the District's

the 2021 Project. The property owners within the Series 2021 Assessment Area are therefore receiving special benefits not received by those outside the District's boundaries and outside the boundaries of the Series 2021 Assessment Area within the District.

#### **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 improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated to the properties being assessed.

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

#### **1.5 Special Benefits Exceed the Costs Allocated**

The special benefits provided to the property owners within the Series 2021 Assessment Area are greater than the costs associated with providing these benefits. The District Engineer estimates that the 2021 Project, that is necessary to support full development of property within the Series 2021 Assessment Area, will cost approximately \$15,685,000. The District's Underwriter projects that financing costs required to fund the infrastructure improvements, including the 2021 Project, the cost of issuance of the Bonds, the funding of debt service reserves and capitalized interest, will be approximately \$19,515,000. Without the 2021 Project, the property within the Series 2021 Assessment Area would not be able to be developed and occupied by future residents of the development.

### **2.0 Assessment Methodology**

#### **2.1 Overview**

The District may issue up to \$19,515,000 in Series 2021 Bonds to fund the District's the 2021 Project, provide for capitalized interest, a debt service reserve account and cost of issuance. It is the purpose of this Assessment Report to allocate the \$19,515,000 in debt to the properties benefiting from the 2021 Project.

Table 1 identifies the land uses as indicated by the Developer of the land within the Series 2021 Assessment Area. The construction costs needed for completion of the 2021 Project are outlined in Table 2. The improvements needed to support the Development Plan are described in detail in the Engineer's Report and are estimated to cost \$15,685,000. Based on the estimated costs, the size of the bond issue needed to

generate funds to pay for the 2021 Project and related costs was determined by the District's Underwriter to total approximately \$19,515,000. Table 3 shows the breakdown of the bond sizing.

## **2.2 Allocation of Debt**

Allocation of debt assessments is a continuous process until the Development Plan is completed. The 2021 Project funded by the Series 2021 Bonds benefits all developable acres within the Series 2021 Assessment Area.

The initial debt assessments will be levied on the currently platted lots, and then the remaining gross acres within the Series 2021 Assessment Area and then as platting occurs such debt assessments will be assigned to the remaining platted lots. A fair and reasonable methodology allocates the debt assessments incurred by the District proportionately to the properties receiving the special benefits. At this point all of the lands within the Series 2021 Assessment Area are benefiting from the improvements.

As additional platting or the recording of declaration of condominium, ("Assigned Properties") has occurred and lots are developed, the assessments will be assigned to the Assigned Properties based on the benefits they receive. The Unassigned Properties, defined as property that has not been platted, will continue to be assessed on a per acre basis. Eventually the development plan will be completed and the debt relating to the Series 2021 Bonds will be allocated to the planned 546 residential units within the Series 2021 Assessment Area. The planned 546 residential units are the beneficiaries of the 2021 Project, 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, or one of its affiliates that own land within the Series 2021 Assessment Area is required. The process is outlined in Section 3.0

The assignment of debt assessments 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 2021 Project consists of water management and control, sewer and wastewater management, water supply, roads, amenity/wall/landscaping, and undergrounding of electric as detailed in the Engineer's Report, and professional fees along with related incidental costs. There are two product types within the Development Plan. The multi-family has been set as the base unit and has been assigned one and a half equivalent residential units ("ERU"). Table 4 shows the allocation of benefit to the particular land use. It is important to note that the benefit derived from the 2021 Project on the particular units exceeds the cost that the units 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 2021 Project will provide several types of systems, facilities and services for its residents. These include water management and control, sewer and wastewater management, water supply, roads, amenity/wall/landscaping, and undergrounding of electric and professional fees along with related incidental costs. The 2021 Project improvements accrue in differing amounts and are somewhat dependent on the type of land use receiving the special benefits peculiar to those properties, which flow from the logical relationship of the improvements to the 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 as a result of their logical connection from the improvements in fact actually provided.

For the provision of the 2021 Project, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the probability of 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 non-ad valorem special assessment levied for the improvement or the debt 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 2021 Project described in the Engineer's Report is delineated in Table 5 (expressed as 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 2021 Project have been apportioned to the property according to reasonable estimates of the special and peculiar benefits provided consistent with the product type categories.

Accordingly, no acre or parcel of property within the Series 2021 Assessment Area will have a lien for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar 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 the two product types (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated units are built and sold as planned, and the entire proposed the 2021 Project is developed or acquired and financed by the District.

### **3.0 True Up Mechanism**

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto for the Developer, 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 processed, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein. In addition, the District must also prevent any buildup of debt on Unassigned Property or property that is not developable. Otherwise, the land could be fully conveyed and/or platted without all of the debt being allocated. To preclude this, at the time Unassigned Properties become Assigned Properties, the District will determine the amount of anticipated assessment revenue that remains on the developable Unassigned Properties, taking into account the proposed plat, or site plan approval. If the total anticipated assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no adjustment 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 to a level that will be supported by the new net annual debt service assessments.

### **4.0 Assessment Roll**

The District will initially distribute the liens across the platted and unplatted property within the Series 2021 Assessment Area of the District boundaries, with remaining liens placed on unplatted property on an equal gross acreage basis. As Assigned Property becomes 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 Development Plan changes, then the District will update Table 6 to reflect the changes. The current assessment roll is depicted in Table 7.



TABLE 1  
 CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
 DEVELOPMENT PROGRAM  
 MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	Total Units	ERUs per Unit (1)	Total ERUs
Single Family	390	1.00	390
Total Units*	390		390

(1) Benefit is allocated on an ERU basis; based on density of planned development, with SF = 1 ERU

\* - Unit mix is subject to change based on market and other factors

TABLE 2  
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
INFRASTRUCTURE COST ESTIMATES  
MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

2021 Project (1)	Cost Estimate
Water Management and Control	\$7,780,000
Sewer & Wastewater Management	\$1,008,000
Water Supply	\$1,872,000
Roads	\$2,325,000
Amenity/Wall/Landscaping	\$1,000,000
Undergrounding of Electric	\$750,000
Professional and Inspection Fees, Other Misc. Fees	\$950,000
Totals	\$ 15,685,000

(1) A detailed description of these improvements is provided in the Report of the District Engineer Capital Improvement Revenue Bonds, Series 2021, prepared by Stantac Consulting Services Inc.

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 3**  
**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT**  
**BOND SIZING**  
**MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA**

<b>Description</b>	<b>Total</b>
Construction Funds	\$ 15,685,000
Debt Service Reserve	\$ 1,269,450
Capitalized Interest	\$ 1,951,500
Underwriters Discount	\$ 390,300
Cost of Issuance	\$ 218,750
Contingency	\$ -
<b>Par Amount*</b>	<b>\$ 19,515,000</b>

<b>Bond Assumptions:</b>			
Interest Rate	5.00%		
Amortization	30 years		
Capitalized Interest	24 Months		
Debt Service Reserve	100% Max Annual D/S		
Underwriters Discount	2%		

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

TABLE 4  
 CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
 ALLOCATION OF IMPROVEMENT COSTS  
 MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvement Costs Per Product Type	Improvement Costs Per Unit
Single Family	390	1.00	390	100.0%	\$ 15,685,000	\$ 40,218
Totals	390		390	100.00%	\$ 15,685,000	

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

TABLE 5  
 CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
 ALLOCATION OF TOTAL PAR DEBT TO EACH PRODUCT TYPE  
 MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	No. of Units *	ERU Factor	ERU Totals	% of ERU	Improvement Costs by Product Type	Allocation of Par Debt Per Product Type	Par Debt Per Unit
Single Family	390	1.00	390	100.0%	\$ 15,685,000	\$ 19,515,000	\$50,038
Totals	390		390	100%	\$ 15,685,000	\$ 19,515,000	

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

**TABLE 6**  
**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT**  
**PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE**  
**MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA**

Product Type	No. of Units *	Allocation of Par		Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt		Gross Annual Debt	
		Debt Per Product Type	Type			Assessment Per Unit	Debt Assessment Per Unit	Assessment Per Unit (1)	Debt Assessment Per Unit (1)
Single Family	390	\$	19,515,000	\$ 50,038	\$ 1,269,450	\$ 3,255	\$	\$ 3,463	
<b>Totals</b>	<b>390</b>	<b>\$</b>	<b>19,515,000</b>		<b>\$ 1,269,450</b>				

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

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

TABLE 7  
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
PRELIMINARY ASSESSMENT ROLL  
MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Owner	Property ID #'s	Acres	Total Par Debt Allocation	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Clayton Properties Group Inc	05-26-21-0010-00100-0000	157.11	\$ 19,515,000	\$ 1,269,450	\$ 1,345,617
Totals			\$ 19,515,000	\$ 1,269,450	\$ 1,345,617

(1) This amount includes 6% to cover collection fees and early payment discounts when collected utilizing the uniform method.

Annual Assessment Periods	30
Projected Bond Rate (%)	5.00%
Maximum Annual Debt Service	\$1,269,450

## SECTION 3



**RESOLUTION 2021-10**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE CONSTRUCTION AND ACQUISITION OF CERTAIN CAPITAL PUBLIC IMPROVEMENTS; EQUALIZING, APPROVING, CONFIRMING, AND LEVYING NON-AD VALOREM SPECIAL ASSESSMENTS ON THE PROPERTY SPECIALLY BENEFITED BY SUCH PUBLIC IMPROVEMENTS TO PAY THE COST THEREOF; PROVIDING A METHOD FOR ALLOCATING THE TOTAL ASSESSMENTS AMONG THE BENEFITED PARCELS WITHIN THE DISTRICT; CONFIRMING THE DISTRICT'S INTENTION TO ISSUE ITS SPECIAL ASSESSMENT BONDS; PROVIDING FOR CHALLENGES AND PROCEDURAL IRREGULARITIES; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.**

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT AS FOLLOWS:

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to Chapters 170,190, and 197, Florida Statutes.

**SECTION 2. FINDINGS.** The Board of Supervisors (the “**Board**”) of the Chapel Creek Community Development District (the “**District**”) hereby finds and determines as follows:

(a) The District is a local unit of special purpose government organized and existing under and pursuant to Chapter 190, Florida Statutes, as amended.

(b) The District is authorized under Chapter 190, Florida Statutes, to construct and acquire certain capital public improvements as described in the Report of the District Engineer dated December 17, 2020 (the “**Project**”), attached hereto as **Exhibit “A.”**

(c) The District is authorized by Chapters 170 and 190, Florida Statutes, to levy special assessments to pay all or any part of the cost of community development improvements such as the Project and to issue bonds payable from non-ad valorem special assessments as provided in Chapters 170 and 190, Florida Statutes.

(d) It is desirable for the public safety and welfare that the District construct and acquire the Project on certain lands within the District, the nature and location of which are described in Resolution 2021-08 and more specifically described in the plans and specifications on file at the registered office of the District; that the cost of such Project be assessed against the lands specially benefited thereby, and that the District issue its special assessment bonds, in one or more series (herein, the “**Bonds**”), to provide funds for such purpose pending the receipt of such special assessments.

(e) The implementation of the Project, the levying of such special assessments and the sale and issuance of the Bonds serves a proper, essential, and valid public purpose.

(f) In order to provide funds with which to pay the cost of constructing and acquiring a portion of the Project which are to be assessed against the benefited properties pending the collection of such special assessments, it is necessary for the District to issue and sell the Bonds.

(g) By Resolution 2021-08, the Board determined to implement the Project and to defray the cost thereof by levying special assessments on benefited property and expressed an intention to issue the Bonds to provide the funds needed therefor prior to the collection of such special assessments. Resolution 2021-08 was adopted in compliance with the requirements of Section 190.016, Florida Statutes and with the requirements of Section 170.03, Florida Statutes, and prior to the time the same was adopted, the requirements of Section 170.04, Florida Statutes had been complied with.

(h) Resolution 2021-08 was published as required by Section 170.05, Florida Statutes, and a copy of the publisher's affidavit of publication is on file with the Chairman of the Board.

(i) A preliminary assessment roll has been prepared and filed with the Board as required by Section 170.06, Florida Statutes.

(j) As required by Section 170.07, Florida Statutes, upon completion of the preliminary assessment roll, the Board adopted Resolution 2021-09 fixing the time and place of a public hearing at which owners of the property to be assessed and other persons interested therein may appear before the Board and be heard as to (i) the propriety and advisability of implementing the Project, (ii) the cost thereof, (iii) the manner of payment therefor, and (iv) the amount thereof to be assessed against each specially benefited property.

(k) The Board met as an equalization board, conducted such public hearing and heard and considered all comments and complaints as to the matters described in paragraph (j) above, and based thereon, has made such modifications in the preliminary assessment roll as it deems desirable in the making of the final assessment roll.

(l) Having considered revised estimates of the construction costs of the Project, revised estimates of financing costs, and all complaints and evidence presented at such public hearing, the Board finds and determines:

(i) that the estimated costs of the Project, plus financing related costs, capitalized interest, a debt service reserve, and contingency is as specified in the Master Assessment Methodology Report dated January 21, 2021 (the "**Assessment Report**") attached hereto as **Exhibit "B,"** and the amount of such costs is reasonable and proper;

(ii) it is reasonable, proper, just and right to assess the cost of such Project against the properties specially benefited thereby using the methods determined by the Board, which results in the special assessments set forth on the final assessment roll;

(iii) it is hereby declared that the Project will constitute a special benefit to all parcels of real property listed on the final assessment roll set forth in the Assessment Report and that the benefit, in the case of each such parcel, will be equal to or in excess of the special assessments thereon; and

(iv) it is desirable that the Assessments be paid and collected as herein provided.

**SECTION 3. DEFINITIONS.** Capitalized words and phrases used herein but not defined herein shall have the meaning given to them in the Assessment Report. In addition, the following words and phrases shall have the following meanings:

**"Assessable Unit"** means a building lot in the product type or lot size as set forth in the Assessment Report.

**"Debt Assessment" or "Debt Assessments"** means the non-ad valorem special assessments imposed to repay the Bonds which are being issued to finance the construction and acquisition of the Project as described in the Assessment Report.

**"Developer"** means Clayton Properties Group, Inc., a Tennessee corporation, and its successors and assigns.

**SECTION 4. AUTHORIZATION OF PROJECT.** The Project described in Resolution 2021-08, as more specifically described by the plans and specifications therefor on file in the registered office of the District, is hereby authorized and approved and the proper officers, employees and agents of the District are hereby authorized and directed to take such further action as may be necessary or desirable to cause the same to be constructed or acquired following the issuance of Bonds referred to herein.

**SECTION 5. ESTIMATED COST OF PROJECT.** The total estimated costs of the Project, and the costs to be paid by the Debt Assessments on all specially benefited property is set forth in the Assessment Report.

**SECTION 6. EQUALIZATION, APPROVAL, CONFIRMATION AND LEVY OF ASSESSMENTS.** The Debt Assessments on the benefited parcels all as specified in the final assessment roll are hereby equalized, approved, confirmed, and levied. Promptly following the adoption of this Resolution, those Assessments shall be recorded by the Secretary of the Board of the District in a special book, to be known as the **"Improvement Lien Book."** The Debt Assessment or Debt Assessments against the benefited parcels shown on such final assessment roll and interest and penalties thereon, as hereafter provided, shall be and shall remain a legal, valid and binding first lien on such benefited parcels until paid; such lien shall be coequal with the lien

of all state, county, district and municipal taxes and special assessments, and superior in dignity to all other liens, titles, and claims (except for federal liens, titles, and claims).

**SECTION 7. FINALIZATION OF DEBT ASSESSMENTS.** When the Project has been constructed to the satisfaction of the Board, the Board shall adopt a resolution accepting the same and determining the actual costs to the District thereof, as required by Sections 170.08 and 170.09, Florida Statutes. In the event that the actual costs to the District for the Project is less than the amount assessed therefor, the District shall credit to each Debt Assessment for the Project the proportionate difference between the Debt Assessment as hereby made, approved and confirmed and the actual costs of the Project, as finally determined upon completion thereof. In no event, however, shall the final amount of any such Debt Assessment exceed the amount originally assessed hereunder. In making such credits, no discount shall be granted or credit given for any part of the payee's proportionate share of any actual bond financing costs, such as cost of issuance, capitalized interest, if any, funded reserves or bond discount included in the estimated cost of the Project. Such credits shall be entered in the Improvement Lien Book. Once the final amount of the Debt Assessments for all of the Project has been determined, the term "**Debt Assessment**" shall mean the sum of the actual costs of the Project benefiting the benefited parcels plus financing costs.

**SECTION 8. ALLOCATION OF DEBT ASSESSMENTS WITHIN THE BENEFITED PARCELS.** Because it is contemplated that the land will be subdivided into lots to be used for the construction of residential units, and that such individual lots will be sold to numerous purchasers, the Board deems it desirable to establish a method for allocating the total Debt Assessment among the various lots that will exist so that the amount so allocated to each lot will constitute an assessment against, and a lien upon, each such lot without further action by the Board.

The Board has been informed by the Developer that each lot of a particular product type as identified in the Assessment Report will be of approximately the same size as each other lot of the same product type. While it would be possible to allocate the Debt Assessments among each lot of a particular product type on the basis of the square footage of each such lot, the Board does not believe that the special benefits afforded by the Project to each lot vary to any material degree due to comparatively minor variations in the square footage of each lot. Instead, the Board believes, and hereby finds, that based upon the Developer's present development plans, each lot of the same product type will be benefited equally by the Project, regardless of minor variations in the square footage of the lots.

If the Developer's plans change and the size of the Assessable Units vary to a degree such that it would be inequitable to levy Debt Assessments in equal amounts against each Assessable Unit of the same product type, then the Board may, by a supplemental resolution, reallocate the Debt Assessments against the Assessable Units on a more equitable basis and in doing so the Board may ignore minor variations among lots of substantially equal square footage; provided, however, that before adoption of any resolution the Board shall have obtained and filed with the trustee for the Bonds (herein, the "**Trustee**"): (i) an opinion of counsel acceptable to the District to the effect that the Debt Assessments as reallocated were duly levied in accordance with applicable law, that

the Debt Assessments as reallocated, together with the interest and penalties, if any, thereon, will constitute a legal, valid and binding first lien on the Assessable Units as to which such Debt Assessments were reallocated until paid in full, and that such lien is coequal with the lien of all state, county, district and municipal taxes and special assessments, and superior in dignity to all other liens, titles, and claims (except for federal liens, titles, and claims), whether then existing or thereafter created; and (ii) a certificate from the District's methodology consultant together with supporting schedule confirming that the aggregate cash flow from the reallocated Debt Assessments is not less than the aggregate cash flow from the original Assessments.

If the Board reallocates Debt Assessments as provided in the preceding paragraph, a certified copy of the supplemental resolution approving such reallocation shall be filed with the Trustee within 30 days after its adoption and a revised Debt Assessment roll shall be prepared and shall be recorded in the Improvement Lien Book created pursuant hereto.

**SECTION 9. PAYMENT OF DEBT ASSESSMENTS.** At the end of the capitalized interest period referenced in the Assessment Report (if any), the Debt Assessments for the Bonds shall be payable in substantially equal annual installments of principal and interest over a period of 30 years, in the principal amounts set forth in the documents relating to the Bonds, together with interest at the applicable coupon rate of the Bonds, such interest to be calculated on the basis of a 360 day year consisting of 12 months of thirty days each, plus the District's costs of collection and assumed discounts for Debt Assessments paid in November; provided, however, that any owner of land (unless waived in writing by the owner or any prior owner and the same is recorded in the public records of the county) against which an Debt Assessment has been levied may pay the entire principal balance of such Debt Assessment without interest at any time within thirty days after the Project have been completed and the Board has adopted a resolution accepting the Project as provided by section 170.09, Florida Statutes. Further, after the completion and acceptance of the Project or prior to completion and acceptance to the extent the right to prepay without interest has been previously waived, any owner of land against which an Debt Assessment has been levied may pay the principal balance of such Debt Assessment, in whole or in part at any time, if there is also paid an amount equal to the interest that would otherwise be due on such balance to the earlier of the next succeeding Bond payment date, which is at least 45 days after the date of payment.

**SECTION 10. PAYMENT OF BONDS; REFUNDS FOR OVERPAYMENT.** Upon payment of all of the principal and interest on the Bonds secured by the Debt Assessments, the Debt Assessments theretofore securing the Bonds shall no longer be levied by the District. If, for any reason, Debt Assessments are overpaid or excess Debt Assessments are collected, or if, after repayment of the Bonds the Trustee makes payment to the District of excess amounts held by it for payment of the Bonds, such overpayment or excess amount or amounts shall be refunded to the person or entity who paid the Debt Assessment.

**SECTION 11. PENALTIES, CHARGES, DISCOUNTS, AND COLLECTION PROCEDURES.** The Debt Assessments shall be subject to a penalty at a rate of one percent (1%) per month if not paid when due under the provisions of Florida Statutes, Chapter 170 or the corresponding provisions of subsequent law. However, for platted and developed lots, the District anticipates using the "uniform method for the levy, collection and enforcement of non-ad valorem

assessment" as provided by Florida Statutes, Chapter 197 for the collection of the Debt Assessments for the Bonds. Accordingly, the Debt Assessments for the Bonds, shall be subject to all collection provisions to which non-ad valorem assessments must be subject in order to qualify for collection pursuant to Florida Statutes, Chapter 197, as such provisions now exist and as they may exist from time to time hereafter in Chapter 197 or in the corresponding provision of subsequent laws. Without limiting the foregoing, at the present time such collection provisions include provisions relating to discount for early payment, prepayment by installment method, deferred payment, penalty for delinquent payment, and issuance and sale of tax certificates and tax deeds for non-payment. With respect to the Debt Assessments not being collected pursuant to the uniform method and which are levied against any unplatted parcels owned by the Developer, or its successors or assigns, the District shall invoice and collect such Debt Assessments directly from the Developer, or its successors or assigns, and not pursuant to Chapter 197. Any Debt Assessments that are directly collected by the District shall be due and payable to the District at least 30 days prior to the next Bond payment date of each year.

**SECTION 12. CONFIRMATION OF INTENTION TO ISSUE CAPITAL IMPROVEMENT REVENUE BONDS.** The Board hereby confirms its intention to issue the Bonds, to provide funds, pending receipt of the Debt Assessments, to pay all or a portion of the cost of the Project assessed against the specially benefited property.

**SECTION 13. DEBT ASSESSMENT CHALLENGES.** The adoption of this Resolution shall be the final determination of all issues related to the Debt Assessments as it relates to property owners whose benefitted property is subject to the Debt Assessments (including, but not limited to, the determination of special benefit and fair apportionment to the assessed property, the method of apportionment, the maximum rate of the Debt Assessments, and the levy, collection, and lien of the Debt Assessments), unless proper steps shall be initiated in a court of competent jurisdiction to secure relief within 30 days from adoption date of this Resolution.

**SECTION 14. PROCEDURAL IRREGULARITIES.** Any informality or irregularity in the proceedings in connection with the levy of the Debt Assessments shall not affect the validity of the same after the adoption of this Resolution, and any Debt Assessment as finally approved shall be competent and sufficient evidence that such Debt Assessment was duly levied, that the Debt Assessment was duly made and adopted, and that all other proceedings adequate to such Debt Assessment were duly had, taken, and performed as required.

**SECTION 15. SEVERABILITY.** If any Section or part of a Section of this Resolution be declared invalid or unconstitutional, the validity, force and effect of any other Section or part of a Section of this Resolution shall not thereby be affected or impaired unless it clearly appears that such other Section or part of a Section of this Resolution is wholly or necessarily dependent upon the Section or part of a Section so held to be invalid or unconstitutional.

**SECTION 16. CONFLICTS.** All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

**EFFECTIVE DATE.** This Resolution shall become effective upon its adoption.

**PASSED AND ADOPTED THIS 6TH DAY OF APRIL, 2021.**

**Attest:**

**Chapel Creek  
Community Development District**

\_\_\_\_\_  
Name: \_\_\_\_\_  
Secretary / Assistant Secretary

\_\_\_\_\_  
Name: \_\_\_\_\_  
Chair / Vice Chair of the Board of Supervisors

**Exhibit “A” – Report of the District Engineer dated December 17, 2020**

**Exhibit “B” – Master Assessment Methodology Report dated January 21, 2021**

**Chapel Creek Community  
Development District**

Report of the District Engineer  
Capital Improvement Revenue Bonds,  
Series 2021



Prepared for:  
Board of Supervisors  
Chapel Creek Community  
Development District

Prepared by:  
Stantec Consulting Services Inc.  
777 S. Harbour Island Boulevard  
Suite 600  
Tampa, FL 33602  
(813) 223-9500

December 17, 2020





## **1.0 INTRODUCTION**

The Chapel Creek Community Development District (the "District") encompasses approximately 350 acres in Pasco County, Florida. The District is located within Sections 5 and 6, Township 26 South, Range 21 East, and more precisely being on the north side of Eiland Boulevard just to the east of Handcart Road.

See Appendix A for a Vicinity Map.

## **2.0 PURPOSE**

Pasco County Board of County Commissioners adopted Resolution 06-119 (effective February 14, 2006) for the purpose of constructing and/or acquiring, maintaining, and operating all or a portion of the public improvements and community facilities within the District. The purpose of this Report of the District Engineer is to provide a description and estimated costs of the public improvements and community facilities within the final phases of the community, Phases 7 and 8.

## **3.0 THE DEVELOPER AND DEVELOPMENT**

The undeveloped land encompassing the District is owned and will be developed by Clayton Properties Group (the "Developer"), and they plan to build 390 detached single-family units within Phases 7 and 8.

See Appendix B for the Phases 7 and 8 Site Plan.

## **4.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES**

The community's master and subdivision public improvements and community facilities are described separately, as follows:

### **4.1 WATER MANAGEMENT AND CONTROL**

The design criteria for the District's water management and control is regulated by Pasco County and the Southwest Florida Water Management District (SWFWMD). The continuing subdivision water management and control plan for the District focuses on utilizing newly constructed ponds within upland areas and on-site wetlands for stormwater treatment and storage.

Any excavated soil from the ponds is anticipated to remain within the development for use in building public infrastructure including roadways and drainage pond bank fill requirements, utility trench backfill, and filling and grading of public property.

The primary objectives of the continuing Subdivision Water Management and Control for the District are:



1. To provide stormwater quality treatment of run-off from the subdivision improvements.
2. To protect the subdivision improvements within the District from regulatory-defined rainfall events.
3. To maintain natural hydroperiods in the wetlands and connecting flow ways.
4. To ensure that adverse stormwater impacts do not occur upstream or downstream as a result of the subdivision improvement during regulatory-defined rainfall events.
5. To satisfactorily accommodate stormwater run-off from adjacent off-site areas which may naturally drain through the District.
6. To preserve the function of the flood plain storage during the 100 year storm event.

The continuing Subdivision Water Management and Control includes the storm sewer systems and stormwater ponds directing and receiving drainage from the continuing subdivision improvements.

Subdivision Water Management and Control have been and will be designed in accordance with Pasco County and SWFWMD technical standards, and the storm sewer systems will be owned and maintained by the District.

## **4.2 DISTRICT ROADS**

Subdivision District Roads include the roadway asphalt, base, and subgrade, roadway curb and gutter, and sidewalks within rights of way abutting common areas associated with the subdivision streets that will be intersecting the community collector roads.

Subdivision Roads have been and will be designed in accordance with Pasco County's Land Development Code and technical standards, and all roads will be owned and maintained by Pasco County.

## **4.3 SEWER AND WASTEWATER MANAGEMENT**

The District is located within the Pasco County Public Utilities service area which will provide sewer and wastewater management service to the community. The continuing Subdivision Sewer and Wastewater Management improvements include 8" gravity sanitary sewer systems within the subdivision roads right of way within Phases 7B, 8A and 8B that will connect to the Master Sewer and Wastewater Management system and the reclaimed water system providing irrigation to the community.

Subdivision Sewer and Wastewater Management Systems have been and will be designed in accordance with Pasco County technical standards and it will be owned and maintained by Pasco County.

## **4.4 WATER SUPPLY**

The District is located within the Pasco County Public Utilities service area which will provide water supply for potable water service and fire protection to the community. The continuing water supply improvements within Phases 7B, 8A and 8B include looped water mains that will connect to the Master Water Supply System.

Subdivision Water Supply systems have been and will be designed in accordance with Pasco County technical standards and will be owned and maintained by Pasco County.



## **4.5 AMENITY/WALLS/LANDSCAPING**

An additional park site will be constructed within Phases 7 and 8 and landscaping, irrigation and buffering/screening walls and or fencing.

## **4.6 UNDERGROUNDING OF ELECTRICAL POWER**

The District lies within the area served by Tampa Electric Company ("TECO") for electrical power service. TECO will provide electric service to the continuing subdivision streets from the Master Electric system, and there are fees to convert this service from overhead to underground. It is anticipated that the District will enter into a Street Lighting Agreement with TECO who will then own and maintain the streetlights.

## **4.7 PROFESSIONAL SERVICES AND PERMITTING FEES**

Pasco County and SWFWMD impose fees for construction permits and plan reviews. These fees vary with the magnitude and size of the development. Additionally, engineering, surveying, and architecture services are needed for the continuing subdivision design, permitting, and construction administration. As well, development/construction management services are required for the project coordination and field management.

Fees associated with performance and warranty financial securities covering Pasco County infrastructure are also required by Pasco County and may be funded through the District.

## **5.0 CONSTRUCTION PERMIT STATUS**

Phases 7 and 8 SWFWMD and Pasco County construction permit applications have been submitted by the Developer.

## **6.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES COSTS**

See Appendix C for the Construction Cost Estimate of the Public Improvements and Community Facilities which includes a small contingency to cover unforeseen field conditions and costs to resolve.

## **7.0 SUMMARY AND CONCLUSION**

The District, as outlined above, is responsible for the functional development of the lands within the District, and, except as noted above in this report, such public improvements and community facilities are located within the boundary of the District.

The planning and design of the District will be in accordance with current governmental regulatory requirements.

Items included in the Construction Cost Estimate are based on our review and analysis of the Phases 7 and 8 Site Plan and information provided by the Developer. It is our professional opinion that the estimated costs provided herein for the development are conservative to complete the



construction of the Public Improvements and Community Facilities described herein. All such infrastructure costs are public improvements or community facilities as set forth in Section 190.012(1) and (2) of the Florida Statutes.

The estimate of the construction costs is only an estimate and not a guaranteed maximum cost. The estimated cost is based on historical unit prices or current prices being experienced for on-going and similar items of work in Pasco County. The labor market, future costs of equipment and materials, and the actual construction process are all beyond our control. Due to this inherent possibility for fluctuation in costs, the total final cost may be more or less than this estimate.

The professional service for establishing the Construction Cost Estimate are consistent with the degree of care and skill exercised by members of the same profession under similar circumstances.

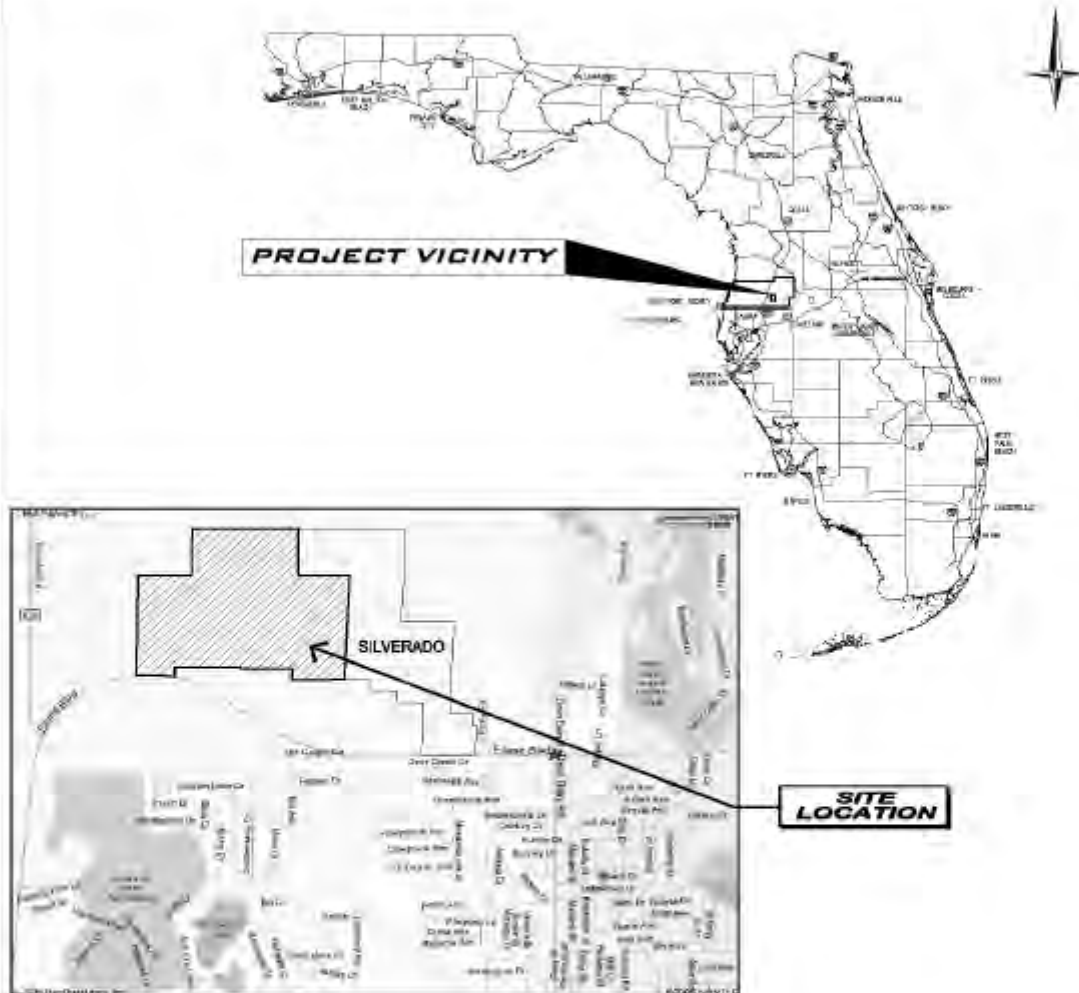
A handwritten signature in blue ink, appearing to read "Tonja L. Stewart", written over a horizontal line.

Tonja L. Stewart, P.E.  
Florida License No. 47704



Chapel Creek CDD  
Report of the District Engineer  
December 17, 2020

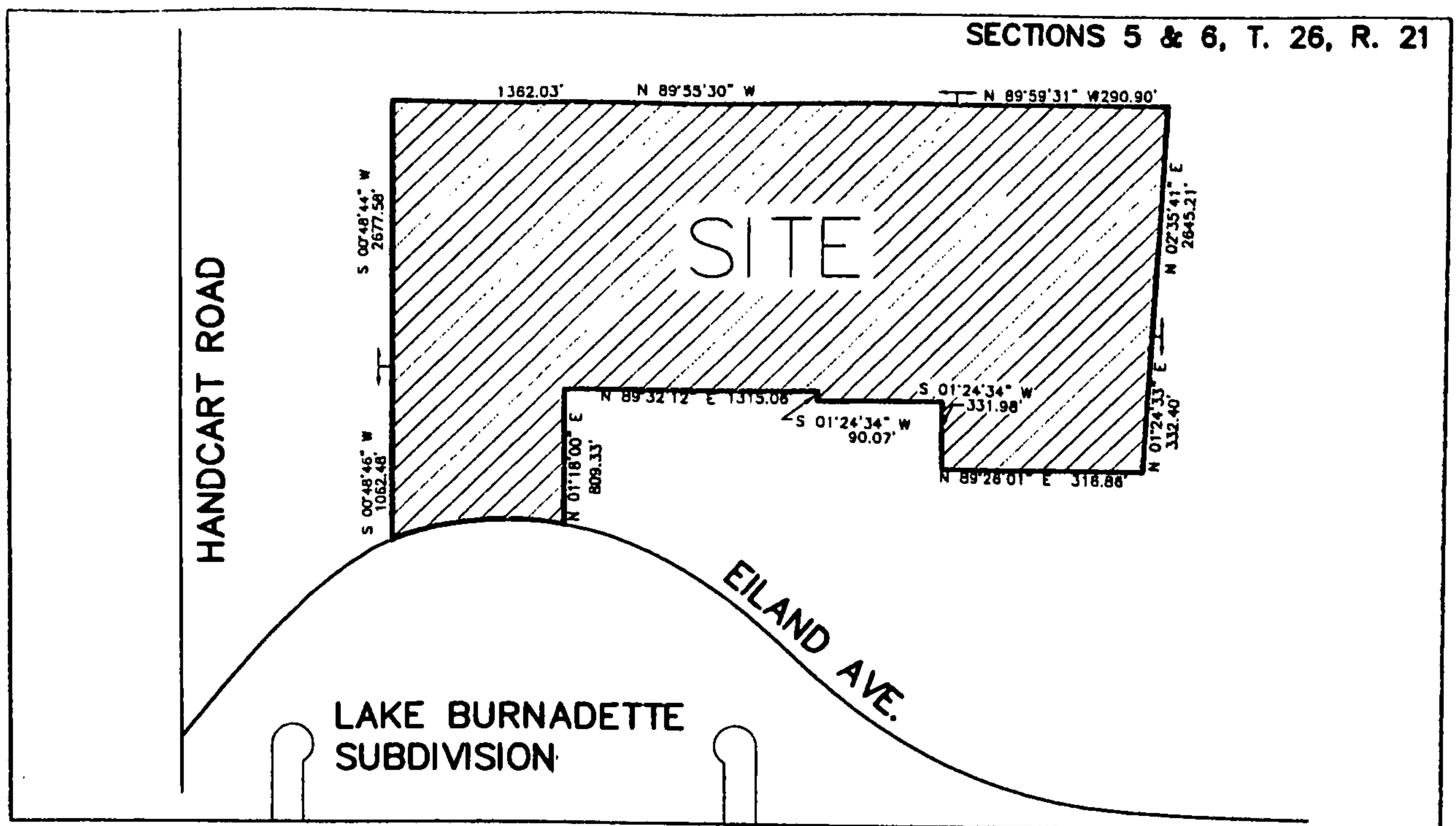
## **Appendix A VICINITY MAP**



SECTION 05 & 06 TOWNSHIP 26 RANGE 21 EAST  
PASCO COUNTY, FLORIDA

## VICINITY & LOCATION MAP

FIGURE 1



THE NORTHWEST  $\frac{1}{4}$  OF THE NORTHWEST  $\frac{1}{4}$  OF SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY FLORIDA;  
AND

TRACTS 3 THROUGH 6, INCLUSIVE; TRACTS 11 THROUGH 14, INCLUSIVE; TRACTS 19 THROUGH 22, INCLUSIVE; TRACTS 27 THROUGH 30, INCLUSIVE; TRACTS 35 THROUGH 46 INCLUSIVE; TRACTS 51 THROUGH 58 INCLUSIVE; TRACTS 59 THROUGH 62, INCLUSIVE; TRACTS 67 AND 68 INCLUSIVE; TRACTS 57 AND 58 LESS THE SOUTH 30 FEET THEREOF, ZEPHYRHILLS COLONY COMPANY LANDS, IN SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 1, PAGE 55, PUBLIC RECORDS OF PASCO COUNTY, FLORIDA;  
AND

THE EAST  $\frac{1}{4}$  OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA;

LESS AND EXCEPT THE FOLLOWING PARCELS:

**PARCEL "A"**

THAT PORTION OF THE EAST  $\frac{1}{8}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, LYING NORTH OF EILAND BOULEVARD, LYING AND BEING IN PASCO COUNTY, FLORIDA.

**PARCEL "B"**

THE SOUTH 58.25 FEET OF THE EAST  $\frac{1}{8}$  OF THE NORTHEAST  $\frac{1}{4}$  OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, LYING AND BEING IN PASCO COUNTY, FLORIDA.

**PARCEL "C"**

THE SOUTH 43.25 FEET OF TRACTS 57 AND 58 OF ZEPHYRHILLS COLONY COMPANY IN SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, ACCORDING TO THE MAP OR PLAT THEREOF AS RECORDED IN PLAT BOOK 1, PAGE 55, PUBLIC RECORDS OF PASCO COUNTY, FLORIDA.

**PARCEL "D"**

THAT PART OF THE EAST  $\frac{1}{4}$  OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA, LYING SOUTH OF THE ZEPHYRHILLS BY-PASS WEST (AKA EILAND BOULEVARD).

**"PARCEL E"**

A PORTION OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA, BEING FURTHER DESCRIBED AS FOLLOWS:  
COMMENCE AT THE SOUTHEAST CORNER OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 6; THENCE ALONG THE EAST BOUNDARY LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 6, N. 01°27'41" E., A DISTANCE OF 1813.75 FEET FOR A POINT OF BEGINNING; THENCE A DISTANCE OF 1035.93 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE HAVING A RADIUS OF 2270.00 FEET AND A CHORD OF 1028.97 FEET WHICH BEARS S. 81°22'19" W.; THENCE N., 21°42'07" W., A DISTANCE OF 10.00 FEET; THENCE A DISTANCE OF 286.98 FEET ALONG THE ARC OF A CURVE TO THE LEFT TO THE WEST BOUNDARY LINE OF THE EAST  $\frac{1}{4}$  OF SAID SECTION 6, SAID CURVE HAVING A RADIUS OF 2260.00 FEET AND A CHORD OF 286.79 FEET WHICH BEARS S. 64°41'32" W.; THENCE ALONG THE WEST BOUNDARY LINE OF THE EAST  $\frac{1}{4}$  OF SAID SECTION 6, N. 00°48'41" E., A DISTANCE OF 243.07 FEET; THENCE A DISTANCE OF 1319.83 FEET ALONG THE ARC OF A CURVE TO THE RIGHT TO THE EAST BOUNDARY LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 6, SAID CURVE HAVING A RADIUS OF 2494.00 FEET AND A CHORD OF 1304.48 FEET WHICH BEARS N. 79°01'00" E.; THENCE ALONG THE EAST BOUNDARY LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 6, S. 01°27'41" W., A DISTANCE OF 224.28 FEET TO THE POINT OF BEGINNING, TOTALING 350.3 ACRES.



**HILLS & ASSOCIATES, INC.**

8406 Benjamin Road, Suite G  
Tampa, Florida 33634  
Phone: 813-887-3130  
FAX: 813-887-3140

Civil Engineering / Surveying / Land Planning

**Location Map**

**CHAPEL CREEK  
COMMUNITY DEVELOPMENT DISTRICT  
Pasco County, Florida**

HAJ#: 04-010

DATE: 9/15/04

EXHIBIT BY: HILLS



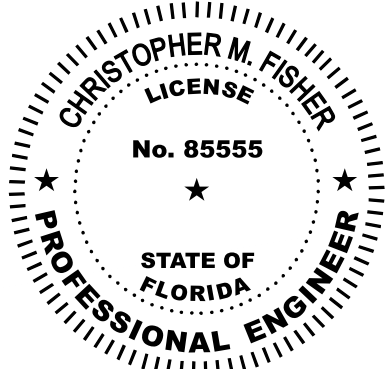
Chapel Creek CDD  
Report of the District Engineer  
December 17, 2020

## **Appendix B   PHASES 7 AND 8 SITE PLAN**





10-23-2020	REVIEW SUBMITTAL	INI
DATE	DESCRIPTION	BY
	REVISIONS	



**Clearview**  
LAND DESIGN, P.L.

Engineering Business C.A. No.: 28858  
3010 W Azele St., Suite 150, Tampa, Florida 33609  
Office: 813-223-3919

DATE:  
CHRISTOPHER M. FISHER NO. 85555  
FLORIDA PROFESSIONAL ENGINEER

AERIAL SITE PLAN	
JOB NO. HLH-CC-009	CHAPEL CREEK VILLAGES 7 & 8 PHASES 1 - 3
DESIGN SANDERS	
DRAWN DROOR	PREPARED FOR: HIGHLAND HOMES
DATE 10-23-2020	Elevations based on North American Vertical Datum 1988 (NAVD 88) Conversion from NAVD 88 to NGVD 29 = +0.84 Feet
FILE ASP	<b>SHEET 3 OF 79 SHEETS</b>





Chapel Creek CDD  
Report of the District Engineer  
December 17, 2020

## **Appendix C   CONSTRUCTION COST ESTIMATE**

**Chapel Creek CDD**  
**Construction Cost Estimate**  
Bond Series 2021

<b><u>DESCRIPTION</u></b>	<b><u>ESTIMATE</u></b>
Water Management & Control	\$7,780,000
Sewer & Wastewater Management	\$1,008,000
Water Supply	\$1,872,000
Roads	\$2,325,000
Amenity/Walls/Landscaping	\$1,000,000
Professional Fees & Permitting	\$950,000
Undergrounding of Electric	\$750,000
<b>TOTAL</b>	<b>\$15,685,000</b>

**MASTER  
ASSESSMENT METHODOLOGY  
FOR THE SERIES 2021 ASSESSMENT AREA  
  
FOR  
  
CHAPEL CREEK  
COMMUNITY DEVELOPMENT DISTRICT**

**Date: January 21, 2021**

**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 Chapel Creek 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 Chapel Creek Community Development District with financial advisory services or offer investment advice in any form.

## **1.0 Introduction**

The Chapel Creek Community Development District is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes (the “District”), as amended. The District anticipates the issuance of, not to exceed, \$19,515,000 of special assessment bonds (“Series 2021 Bonds”). The Series 2021 Bonds are anticipated to fund certain infrastructure improvements that benefit Chapel Creek Villages 7 & 8, Phases 1-5 collectively referred to as the Series 2021 Assessment Area (the “Series 2021 Assessment Area”). The infrastructure to be financed (the “2021 Project”) is identified in the Report of the District Engineer Capital Improvement Revenue Bonds, Series 2021 dated December 17, 2020, for Community wide Capital Improvements prepared by Stantec Consulting Services (the “Engineer’s Report”).

### **1.1 Purpose**

This Master Assessment Methodology for the Series 2021 Assessment Area (the “Assessment Report”) provides for an assessment methodology for allocating the debt to be incurred by the District to benefiting properties within the Series 2021 Assessment Area. This Assessment Report allocates the debt to certain properties based on the special benefits each receives from the 2021 Project, as delineated in the Engineer’s Report. This Assessment Report will be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of Series 2021 Bonds. 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 impose non ad valorem special assessments on the benefited lands within the Series 2021 Assessment Area 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 Chapter 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, a homeowner’s association, or any other unit of government.

### **1.2 Background**

The District currently includes approximately 350 acres in Pasco County, Florida of which the Series 2021 Assessment Area. The proposed development plan is depicted in Table 1 (the “Development Plan”). The Development Plan envisions approximately 390 residential units. It is recognized that the Development Plan may change, and this Assessment Report will be modified accordingly.

The improvements contemplated by the District in the 2021 Project include master public facilities that benefit certain properties within the Series 2021 Assessment Area of the District. Specifically, the District will construct and/or acquire certain infrastructure including water management and control, sewer and wastewater management, water supply, roads, amenity/wall/landscaping, and undergrounding of electric as detailed in the Engineer's Report. 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 and services that may be provided by the District and the costs to implement the 2021 Project.
2. The District Engineer determines the assessable acres that benefit from the District's the 2021 Project.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the 2021 Project.
4. The assessments are initially divided equally among the benefited properties on a prorated gross acreage basis. As land is platted, this amount will be allocated to each of the benefited properties based on the number of platted units and product type.

### **1.3 Special Benefits and General Benefits**

The 2021 Project undertaken by the District creates special and peculiar benefits to assessable property within the Series 2021 Assessment Area different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large.

However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to certain property within the District. The implementation of the 2021 Project enables the 2021 Project within the boundaries of the Series 2021 Assessment Area to be developed. Without the District's 2021 Project, there would be no infrastructure to support development of land within the Series 2021 Assessment Area of the District. Without these improvements, development of the property within the Series 2021 Assessment Area of the District would be prohibited by law.

There is no doubt that the general public and property owners outside the Series 2021 Assessment Area of the District will benefit from the provision of the District's the 2021 Project. However, these benefits will be incidental to the District's the 2021 Project, which is designed solely to meet the needs of property within the Series 2021 Assessment Area of the District. Properties outside the District boundaries and outside of the Series 2021 Assessment Area of the District do not depend upon the District's

the 2021 Project. The property owners within the Series 2021 Assessment Area are therefore receiving special benefits not received by those outside the District's boundaries and outside the boundaries of the Series 2021 Assessment Area within the District.

#### **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 improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated to the properties being assessed.

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

#### **1.5 Special Benefits Exceed the Costs Allocated**

The special benefits provided to the property owners within the Series 2021 Assessment Area are greater than the costs associated with providing these benefits. The District Engineer estimates that the 2021 Project, that is necessary to support full development of property within the Series 2021 Assessment Area, will cost approximately \$15,685,000. The District's Underwriter projects that financing costs required to fund the infrastructure improvements, including the 2021 Project, the cost of issuance of the Bonds, the funding of debt service reserves and capitalized interest, will be approximately \$19,515,000. Without the 2021 Project, the property within the Series 2021 Assessment Area would not be able to be developed and occupied by future residents of the development.

### **2.0 Assessment Methodology**

#### **2.1 Overview**

The District may issue up to \$19,515,000 in Series 2021 Bonds to fund the District's the 2021 Project, provide for capitalized interest, a debt service reserve account and cost of issuance. It is the purpose of this Assessment Report to allocate the \$19,515,000 in debt to the properties benefiting from the 2021 Project.

Table 1 identifies the land uses as indicated by the Developer of the land within the Series 2021 Assessment Area. The construction costs needed for completion of the 2021 Project are outlined in Table 2. The improvements needed to support the Development Plan are described in detail in the Engineer's Report and are estimated to cost \$15,685,000. Based on the estimated costs, the size of the bond issue needed to



generate funds to pay for the 2021 Project and related costs was determined by the District's Underwriter to total approximately \$19,515,000. Table 3 shows the breakdown of the bond sizing.

## **2.2 Allocation of Debt**

Allocation of debt assessments is a continuous process until the Development Plan is completed. The 2021 Project funded by the Series 2021 Bonds benefits all developable acres within the Series 2021 Assessment Area.

The initial debt assessments will be levied on the currently platted lots, and then the remaining gross acres within the Series 2021 Assessment Area and then as platting occurs such debt assessments will be assigned to the remaining platted lots. A fair and reasonable methodology allocates the debt assessments incurred by the District proportionately to the properties receiving the special benefits. At this point all of the lands within the Series 2021 Assessment Area are benefiting from the improvements.

As additional platting or the recording of declaration of condominium, ("Assigned Properties") has occurred and lots are developed, the assessments will be assigned to the Assigned Properties based on the benefits they receive. The Unassigned Properties, defined as property that has not been platted, will continue to be assessed on a per acre basis. Eventually the development plan will be completed and the debt relating to the Series 2021 Bonds will be allocated to the planned 546 residential units within the Series 2021 Assessment Area. The planned 546 residential units are the beneficiaries of the 2021 Project, 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, or one of its affiliates that own land within the Series 2021 Assessment Area is required. The process is outlined in Section 3.0

The assignment of debt assessments 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 2021 Project consists of water management and control, sewer and wastewater management, water supply, roads, amenity/wall/landscaping, and undergrounding of electric as detailed in the Engineer's Report, and professional fees along with related incidental costs. There are two product types within the Development Plan. The multi-family has been set as the base unit and has been assigned one and a half equivalent residential units ("ERU"). Table 4 shows the allocation of benefit to the particular land use. It is important to note that the benefit derived from the 2021 Project on the particular units exceeds the cost that the units 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 2021 Project will provide several types of systems, facilities and services for its residents. These include water management and control, sewer and wastewater management, water supply, roads, amenity/wall/landscaping, and undergrounding of electric and professional fees along with related incidental costs. The 2021 Project improvements accrue in differing amounts and are somewhat dependent on the type of land use receiving the special benefits peculiar to those properties, which flow from the logical relationship of the improvements to the 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 as a result of their logical connection from the improvements in fact actually provided.

For the provision of the 2021 Project, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the probability of 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 non-ad valorem special assessment levied for the improvement or the debt 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 2021 Project described in the Engineer's Report is delineated in Table 5 (expressed as 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 2021 Project have been apportioned to the property according to reasonable estimates of the special and peculiar benefits provided consistent with the product type categories.

Accordingly, no acre or parcel of property within the Series 2021 Assessment Area will have a lien for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar 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 the two product types (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated units are built and sold as planned, and the entire proposed the 2021 Project is developed or acquired and financed by the District.

### **3.0 True Up Mechanism**

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto for the Developer, 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 processed, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein. In addition, the District must also prevent any buildup of debt on Unassigned Property or property that is not developable. Otherwise, the land could be fully conveyed and/or platted without all of the debt being allocated. To preclude this, at the time Unassigned Properties become Assigned Properties, the District will determine the amount of anticipated assessment revenue that remains on the developable Unassigned Properties, taking into account the proposed plat, or site plan approval. If the total anticipated assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no adjustment 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 to a level that will be supported by the new net annual debt service assessments.

### **4.0 Assessment Roll**

The District will initially distribute the liens across the platted and unplatted property within the Series 2021 Assessment Area of the District boundaries, with remaining liens placed on unplatted property on an equal gross acreage basis. As Assigned Property becomes 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 Development Plan changes, then the District will update Table 6 to reflect the changes. The current assessment roll is depicted in Table 7.

TABLE 1  
 CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
 DEVELOPMENT PROGRAM  
 MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	Total Units	ERUs per Unit (1)	Total ERUs
Single Family	390	1.00	390
Total Units*	390		390

(1) Benefit is allocated on an ERU basis; based on density of planned development, with SF = 1 ERU

\* - Unit mix is subject to change based on market and other factors

TABLE 2  
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
INFRASTRUCTURE COST ESTIMATES  
MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

2021 Project (1)	Cost Estimate
Water Management and Control	\$7,780,000
Sewer & Wastewater Management	\$1,008,000
Water Supply	\$1,872,000
Roads	\$2,325,000
Amenity/Wall/Landscaping	\$1,000,000
Undergrounding of Electric	\$750,000
Professional and Inspection Fees, Other Misc. Fees	\$950,000
Totals	\$ 15,685,000

(1) A detailed description of these improvements is provided in the Report of the District Engineer Capital Improvement Revenue Bonds, Series 2021, prepared by Stantac Consulting Services Inc.

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 3**  
**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT**  
**BOND SIZING**  
**MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA**

<b>Description</b>	<b>Total</b>
Construction Funds	\$ 15,685,000
Debt Service Reserve	\$ 1,269,450
Capitalized Interest	\$ 1,951,500
Underwriters Discount	\$ 390,300
Cost of Issuance	\$ 218,750
Contingency	\$ -
<b>Par Amount*</b>	<b>\$ 19,515,000</b>

<b>Bond Assumptions:</b>			
Interest Rate	5.00%		
Amortization	30 years		
Capitalized Interest	24 Months		
Debt Service Reserve	100% Max Annual D/S		
Underwriters Discount	2%		

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

TABLE 4  
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
ALLOCATION OF IMPROVEMENT COSTS  
MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvement Costs Per Product Type	Improvement Costs Per Unit
Single Family	390	1.00	390	100.0%	\$ 15,685,000	\$ 40,218
Totals	390		390	100.00%	\$ 15,685,000	

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

TABLE 5  
 CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
 ALLOCATION OF TOTAL PAR DEBT TO EACH PRODUCT TYPE  
 MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA

Product Type	No. of Units *	ERU Factor	ERU Totals	% of ERU	Improvement Costs by Product Type	Allocation of Par Debt Per Product Type	Par Debt Per Unit
Single Family	390	1.00	390	100.0%	\$ 15,685,000	\$ 19,515,000	\$50,038
Totals	390		390	100%	\$ 15,685,000	\$ 19,515,000	

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



**TABLE 6**  
**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT**  
**PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE**  
**MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA**

Product Type	No. of Units *	Allocation of Par		Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt		Gross Annual Debt	
		Debt Per Product Type	Type			Assessment Per Unit	Debt Assessment Per Unit	Assessment Per Unit (1)	Debt Assessment Per Unit (1)
Single Family	390	\$	19,515,000	\$ 50,038	\$ 1,269,450	\$ 3,255	\$	\$ 3,463	
<b>Totals</b>	<b>390</b>	<b>\$</b>	<b>19,515,000</b>		<b>\$ 1,269,450</b>				

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

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

**TABLE 7**  
**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT**  
**PRELIMINARY ASSESSMENT ROLL**  
**MASTER ASSESSMENT METHODOLOGY FOR THE SERIES 2021 ASSESSMENT AREA**

Owner	Property ID #'s	Acres	Total Par Debt Allocation	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Clayton Properties Group Inc	05-26-21-0010-00100-0000	157.11	\$ 19,515,000	\$ 1,269,450	\$ 1,345,617
Totals			\$ 19,515,000	\$ 1,269,450	\$ 1,345,617

(1) This amount includes 6% to cover collection fees and early payment discounts when collected utilizing the uniform method.

Annual Assessment Periods	30
Projected Bond Rate (%)	5.00%
Maximum Annual Debt Service	\$1,269,450

## SECTION V

## **RESOLUTION 2021-11**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF ITS CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2021 (SERIES 2021 PROJECT) (THE "SERIES 2021 BONDS"); DETERMINING CERTAIN DETAILS OF THE SERIES 2021 BONDS AND ESTABLISHING CERTAIN PARAMETERS FOR THE SALE THEREOF; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD SUPPLEMENTAL TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2021 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT WITH RESPECT TO THE SERIES 2021 BONDS AND AWARDED THE SALE OF THE SERIES 2021 BONDS TO THE UNDERWRITER NAMED THEREIN; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2021 BONDS AND ITS USE BY THE UNDERWRITER IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2021 BONDS; APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2021 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CERTAIN CONTINUING DISCLOSURE AGREEMENT; PROVIDING FOR THE APPLICATION OF SERIES 2021 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2021 BONDS; MAKING CERTAIN DECLARATIONS; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.**

**WHEREAS**, Chapel Creek Community Development District (the "District") is a local unit of special-purpose government duly organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act") and created by Ordinance No. 05-35 enacted by the Board of County Commissioners of Pasco County, Florida effective on August 29, 2005; and

**WHEREAS**, the District was created for the purpose of delivering certain community development services and facilities within its jurisdiction, and the District has decided to undertake the planning, financing, acquisition, construction, reconstruction, equipping, and installation of certain master infrastructure improvements and neighborhood infrastructure improvements, pursuant to the Act (the "Project"); and

**WHEREAS**, pursuant to Resolution No. 2006-09, duly adopted by the District on January 26, 2006 (the "Initial Resolution"), the District authorized the issuance of not to exceed

\$50,000,000 aggregate principal amount of its Chapel Creek Community Development District (Pasco County, Florida) Special Assessment Bonds, in one or more series (collectively, the "Bonds"), in order to pay all or a portion of the costs of the Project, and authorized the execution and delivery of a Master Trust Indenture; and

**WHEREAS**, pursuant to that certain Master Trust Indenture dated as of September 1, 2006 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture (the "First Supplemental Indenture"), dated as of September 1, 2006, between the Issuer and the Trustee, the Issuer previously issued its \$16,095,000 Chapel Creek Community Development District (Pasco County, Florida) Special Assessment Bonds, Series 2006A and \$7,325,000 Chapel Creek Community Development District (Pasco County, Florida) Special Assessment Bonds, Series 2006B, for the primary purpose of funding a portion of the costs of certain public improvements constituting a portion of the Project; and

**WHEREAS**, pursuant to the Master Indenture as supplemented by a Second Supplemental Trust Indenture (the "Second Supplemental Indenture"), dated as of September 1, 2006, as amended as of October 28, 2008, between the Issuer and the Trustee, the Issuer previously issued its \$4,090,000 Chapel Creek Community Development District (Pasco County, Florida) Special Assessment Bonds, Series 2006B1, for the primary purpose of funding a portion of the costs of certain other public improvements constituting a portion of the Project; and

**WHEREAS**, on February 2, 2021, the District approved a Master Assessment Methodology for the Series 2021 Assessment Area for Chapel Creek Community Development District dated January 21, 2021 (the "Assessment Methodology Report"), prepared by Governmental Management Services – Central Florida, LLC, setting forth the District's methodology for allocating debt to property within the District benefitting certain properties within the Series 2021 Assessment Area; and

**WHEREAS**, the District duly adopted Resolution No. 2021-08 on February 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. 2021-09 on February 2, 2021 setting a public hearing to be held on April 6, 2021, for the purpose of hearing public comment on imposing the Special Assessments; and

**WHEREAS**, the District has determined it to be in the best interest of the landowners of the District, for the District to fund certain infrastructure improvements (the "Series 2021 Project") identified in the Chapel Creek Community Development District Report of the District Engineer Capital Improvement Revenue Bonds Series 2021, dated December 17, 2020, prepared by Stantec Consulting Services Inc. (the "District Engineer"), that benefit certain District Lands referred to as "Chapel Creek Phases 7 and 8" (collectively, the "Series 2021 Assessment Area"), and the District has determined to issue its Chapel Creek Community Development District

(Pasco County, Florida) Special Assessment Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 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 2021 Project, as summarized in Schedule I, attached hereto; and

**WHEREAS**, the Series 2021 Bonds constitute Bonds validated and confirmed by a final judgment of the Circuit Court of the Sixth Judicial Circuit Court in and for Pasco and Pinellas Counties, Florida, rendered on the 28<sup>th</sup> day of March, 2006; and

**WHEREAS**, the Series 2021 Bonds will be secured by the Special Assessments levied and imposed on assessable and benefitted land within the Series 2021 Assessment Area in the District in accordance with the Assessment Methodology Report; and

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

- (i) a form of Third Supplemental Trust Indenture between the District and the Trustee relating to the Series 2021 Bonds attached as Exhibit A hereto (the "Third Supplemental Indenture" and together with the Master Indenture, the "Indenture"); and
- (ii) a form of Bond Purchase Contract with respect to the Series 2021 Bonds between FMSbonds, Inc. (the "Underwriter") and the District attached as Exhibit B hereto (the "Bond Purchase Contract"), together with the form of a disclosure statement attached to the Bond Purchase Contract in accordance with Section 218.385, Florida Statutes; and
- (iii) a form of Preliminary Limited Offering Memorandum relating to the Series 2021 Bonds attached as Exhibit C hereto (the "Preliminary Limited Offering Memorandum"); and
- (iv) a form of Rule 15c2-12 Certificate of the District relating to the Preliminary Limited Offering Memorandum, attached as Exhibit D hereto (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 as Exhibit E hereto;

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

**WHEREAS**, this Resolution shall constitute a "Subsequent Resolution" as provided for in Section 9 of the Initial Resolution.

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

**Section 1. Authorization of Issuance of Series 2021 Bonds.** There are hereby authorized and directed to be issued the Chapel Creek Community Development District Special Assessment Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 Bonds") in an aggregate principal amount not to exceed \$ 10,000,000, 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 2021 Project, (ii) making a deposit to the Series 2021 Reserve Account in an amount equal to the Series 2021 Reserve Requirement, (iii) funding a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying certain costs of issuance in respect of the Series 2021 Bonds. The Series 2021 Bonds shall be issued under and secured by the Third Supplemental Indenture, the form of which by reference is hereby incorporated into this delegation resolution (this "Delegation Resolution") as if set forth in full herein.

**Section 2. Details of the Series 2021 Bonds.** The District hereby determines that the Series 2021 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 of the District (the "Chairperson") or any member of the Board of Supervisors designated by the Chairperson (a "Designated Member"), prior to the sale of said Series 2021 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. Supplemental Indenture.** The District hereby approves the form of and authorizes the execution of the Third 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 Third Supplemental Indenture in substantially the form thereof attached as Exhibit A hereto, 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 the Third Supplemental Indenture attached hereto, as the case may be.

**Section 4. Negotiated Sale.** The Series 2021 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 2021 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 2021 Bonds, including the pledge of Special Assessments levied on District lands in the Series 2021 Assessment Area as described in the Assessment Methodology Report, as security for the Series 2021 Bonds, it is desirable to sell the Series 2021 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 2021 Bonds, it is in the best interests of the District to sell the Series 2021 Bonds by a negotiated sale;

(iii) the Underwriter has participated in structuring the issuance of the Series 2021 Bonds and can assist the District in attempting to obtain the most attractive financing for the District;

(iv) the Series 2021 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 2021 Bonds are not sold pursuant to a competitive sale.

**Section 5. Bond Purchase Contract.** The District hereby approves the form of the Bond Purchase Contract submitted by the Underwriter and attached as Exhibit B hereto, and the sale of the Series 2021 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 as Exhibit B hereto with such changes, amendments, modifications, omissions and additions as may be approved by the Chairperson or the Designated Member; provided, however, with respect to the Series 2021 Bonds:

- (i) If the Series 2021 Bonds are subject to optional redemption, which determination will be made on or before the sale date of the Series 2021 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 2021 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 initial aggregate principal amount of the Series 2021 Bonds shall not exceed \$10,000,000;
- (iv) The Series 2021 Bonds shall have a final maturity not later than the maximum term allowed by Florida law, which is currently thirty years of principal amortization; and
- (v) The price at which the Series 2021 Bonds shall be sold to the Underwriter shall not be less than 98.00% of the aggregate face amount of the Series 2021 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 as Exhibit C hereto and authorizes its distribution and use in connection with the limited offering for sale of the Series 2021 Bonds. The preparation of a final Limited Offering Memorandum relating to the Series 2021 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 2021 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 2021 Bonds. The Limited Offering Memorandum shall be substantially in the form of the Preliminary Limited Offering Memorandum attached as Exhibit C hereto, with such changes as shall be approved by the Chairperson or Designated Member as necessary to conform the details of the Series 2021 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 2021 Bonds. The Chairperson or a Designated Member 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 as Exhibit D hereto.

**Section 7. Continuing Disclosure Agreement.** The District hereby authorizes and approves the execution and delivery of the Continuing Disclosure Agreement by and among the District, the Dissemination Agent and each landowner constituting an "Obligated Person" under the terms of such Continuing Disclosure Agreement, by the Chairperson or a Designated Member substantially in the form presented to this meeting and attached as Exhibit E hereto, 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 Series 2021 Bond Proceeds.** The proceeds of the Series 2021 Bonds, and other available moneys of the District, if any, shall be applied in the manner required in the Third 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 2021 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 2021 Bonds and any agreements in connection with maintaining the exclusion of interest on the

Series 2021 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 Delegation 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 Delegation 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 Delegation Resolution, whether heretofore 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 Delegation Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Delegation Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Delegation 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. Ratification of Prior Acts.** All actions previously taken by or on behalf of the District in connection with the issuance of the Series 2021 Bonds are hereby authorized, ratified and confirmed.

**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 Delegation Resolution and the consummation of the transactions contemplated by this Delegation 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 Delegation 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 Chapel Creek Community Development District, this 6<sup>th</sup> day of April, 2021.

**CHAPEL CREEK COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

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Secretary,  
Board of Supervisors

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Chairperson, Board of Supervisors

## **SCHEDULE I**

### **DESCRIPTION OF SERIES 2021 PROJECT**

The Series 2021 Project includes, but is not limited to, Phases 7 and 8 of the following improvements, comprising Series 2021:

<b><u>Description</u></b>	<b><u>Construction Cost Estimate</u></b>
Water Management & Control	\$ 7,780,000
Sewer & Wastewater Management	1,008,000
Water Supply	1,872,000
Roads	2,325,000
Amenity/Walls/Landscaping	1,000,000
Professional Fees & Permitting	950,000
Undergrounding of Electric	750,000
<b>TOTAL</b>	<b>\$15,685,000</b>

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Source: Chapel Creek Community Development District Report of the District Engineer  
Capital Improvement Revenue Bonds Series 2021, dated December 17, 2020,  
prepared by Stantec Consulting Services Inc.

**EXHIBIT A**

**FORM OF THIRD SUPPLEMENTAL INDENTURE**

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**THIRD SUPPLEMENTAL TRUST INDENTURE**

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between

**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
(PASCO COUNTY, FLORIDA)**

and

**U.S. BANK NATIONAL ASSOCIATION**

as Trustee

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**Dated as of [April 1, 2021]**

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**Authorizing and Securing  
\$[\_\_\_\_\_]   
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2021  
(SERIES 2021 PROJECT)**

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

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THIS **THIRD SUPPLEMENTAL TRUST INDENTURE** (the "Third Supplemental Trust Indenture"), dated as of [April 1, 2021], supplements and, with respect to the Series 2021 Bonds, amends a Master Trust Indenture, dated as of September 1, 2006 (the "Master Indenture"), as previously supplemented, between **CHAPEL CREEK 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 NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Orlando, Florida (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. 05-35 enacted by the Board of County Commissioners of Pasco County, Florida (the "County") on August 29, 2005 (the "Ordinance"), 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 (as further described in Exhibit A to the Master Indenture) consists of approximately 350 acres of land (the "District Lands") located entirely within the County; and

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

**WHEREAS**, the Issuer has determined to undertake the acquisition and/or construction of public infrastructure improvements and community facilities for the special benefit of Villages 7 and 8 of the District Lands (the "Project"), as described in the Report of the District Engineer Capital Improvement Revenue Bonds, Series 2021, dated December 17, 2020, as amended and supplemented from time to time (the "Engineer's Report"); and

**WHEREAS**, the Issuer has previously adopted Resolution No. 2006-09 on January 26, 2006 (the "Initial Resolution"), authorizing the issuance of not to exceed \$50,000,000 in aggregate principal amount of its Special Assessment Bonds (the "Bonds") to finance all or a portion of the planning, design, acquisition and construction costs of the Project 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**, pursuant to that certain Master Indenture, as supplemented by a First Supplemental Trust Indenture dated as of September 1, 2006 between the Issuer and the Trustee, the Issuer previously issued its (i) \$16,095,000 Chapel Creek Community Development District (Pasco County, Florida) Special Assessment Bonds, Series 2006A and (ii) \$7,325,000 Chapel Creek Community Development District (Pasco County, Florida) Special Assessment Bonds, Series 2006B, for the primary purpose of funding a portion of the costs of certain public improvements; and

**WHEREAS**, pursuant to that certain Master Indenture, as supplemented by a Second Supplemental Trust Indenture dated as of September 1, 2006, by and between the Issuer and the Trustee, the Issuer previously issued its \$4,090,000 Chapel Creek Community Development District (Pasco County, Florida) Special Assessment Bonds, Series 2006B1, for the primary purpose of funding a portion of the costs of certain public improvements within Villages 1, 2 and 3 of the District Lands; and

**WHEREAS**, Clayton Properties Group, Inc., *d/b/a Highland Homes*, a Tennessee corporation (the "Series 2021 Landowner") owns a portion of the District Lands which is expected to comprise approximately 390 homesites on approximately [157.11] acres of land, in particular, Villages 7 and 8, Phases 1-5 (collectively, the "Series 2021 Assessment Area"); and

**WHEREAS**, the Issuer has determined to issue an additional Series of Bonds, designated as the Chapel Creek Community Development District Special Assessment Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 Bonds") and to provide funds for the Issuer to construct and/or acquire all of the public infrastructure necessary to serve the Series 2021 Assessment Area (the "Series 2021 Project") (such public infrastructure as described in Exhibit A attached hereto); and

**WHEREAS**, the Series 2021 Bonds are being issued pursuant to the Master Indenture and this Third Supplemental Trust Indenture (hereinafter sometimes collectively referred to as the "Series 2021 Indenture"); and

**WHEREAS**, in the manner provided herein, the net proceeds of the Series 2021 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 2021 Project, (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 Bonds; and

**WHEREAS**, the Series 2021 Bonds will be payable from and secured by Special Assessments imposed, levied and collected by the District on the Series 2021 Assessment Area imposed with respect to property specially benefited by the Series 2021 Project (the "Series 2021 Special Assessments") which, together with the Funds and Accounts established hereunder for the sole benefit of the Series 2021 Bonds will comprise the Series 2021 Pledged Revenues (as defined herein); and

**WHEREAS**, the execution and delivery of the Series 2021 Bonds and of this Third Supplemental Trust Indenture have been duly authorized by the Board of the District and all things necessary (i) to make the Series 2021 Bonds when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and (ii) to make this Third Supplemental Trust Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the Series 2021 Pledged Revenues, have been done.

**NOW, THEREFORE, THIS THIRD SUPPLEMENTAL TRUST INDENTURE WITNESSETH**, that to provide for the issuance of the Series 2021 Bonds, the security and

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

**TO HAVE AND TO HOLD** the same and, 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 2021 Indenture with respect to the Series 2021 Bonds.

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

**PROVIDED, HOWEVER**, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal or redemption price of the Series 2021 Bonds issued, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2021 Bonds and the Series 2021 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 2021 Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Third Supplemental Trust Indenture and the rights hereby granted shall cease and terminate, otherwise this Third Supplemental Trust Indenture to be and remain in full force and effect.

**THIS THIRD SUPPLEMENTAL TRUST INDENTURE FURTHER WITNESSETH**, and it is expressly declared, that all Series 2021 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in the Series 2021 Indenture expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Series 2021 Bonds, as follows:

## ARTICLE I DEFINITIONS

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

"Acquisition Agreement" shall mean that certain Development Acquisition Agreement by and between the District and the Series 2021 Landowner regarding the acquisition of certain work product, improvements and real property dated **[April \_\_, 2021]**.

"Arbitrage Certificate" shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants, of the Issuer, dated **[April \_\_, 2021]**, relating to certain restrictions on arbitrage under the Code with respect to the Series 2021 Bonds.

"Assessment Resolutions" shall mean Resolution Nos. 2021-08, 2021-09, 2021-[\_\_], and 2021-[\_\_] of the Issuer adopted on February 2, 2021, February 2, 2021, **[April 6, 2021]**, and **[\_\_\_\_\_, 2021]**, respectively, as amended and supplemented from time to time.

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

"Collateral Assignment" shall mean the Collateral Assignment and Assumption of Development Rights Relating to the 2021 Project regarding certain rights granted in instruments executed by the Series 2021 Landowner in favor of the Issuer whereby certain of the material documents necessary to complete the development of the Series 2021 Project are collaterally assigned to the Issuer as security for the Series 2021 Landowner's obligation to pay the Series 2021 Special Assessments imposed against lands within the Series 2021 Assessment Area owned by the Series 2021 Landowner from time to time.

"Completion Agreement" shall mean the Funding and Completion Agreement between the District and the Series 2021 Landowner regarding the completion of certain improvements, dated **[April \_\_, 2021]**.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement for the benefit of the owners of the Series 2021 Bonds, dated **[April \_\_, 2021]**, by and among the Issuer, the dissemination agent named therein, and the Series 2021 Landowner, in connection with the issuance of the Series 2021 Bonds.

"Declaration of Consent" shall mean that certain instrument titled the Declaration of Consent to Jurisdiction of the Chapel Creek Community Development District Imposition of Special Assessments, and Imposition of Lien of Record, executed by the Series 2021 Landowner declaring consent to the jurisdiction of the District and the imposition of the Series 2021 Special Assessments.

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

"District Lands" shall mean the current 350 gross acres of land located within the County comprising the District.

"Interest Payment Date" shall mean each May 1 and November 1 of each year, commencing **[May 1, 2021]**.

"Investment Securities" shall mean and include any of the following securities with respect to the investment of moneys under this Third Supplemental Trust Indenture:

- (i) Government Obligations;
- (ii) obligations of any of the following agencies: Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Farmers Home Administration; Student Loan Marketing Association; Federal Home Loan Mortgage Corporation;
- (iii) money market deposit accounts, time deposits, and certificates of deposit issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's or S&P;
- (iv) commercial paper rated in the top two rating categories by both Moody's and S&P at the time of purchase;
- (v) municipal securities issued by any state or commonwealth of the United States or political subdivision thereof or constituted authority thereof including, but not limited to, municipal corporations, school districts and other special districts and rated A- or higher by Moody's, Fitch or S&P at the time of purchase;
- (vi) both (A) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for money market funds by both Moody's and S&P, including those shares offered or sponsored by the Trustee, and (B) shares of money market mutual funds, including those funds offered or sponsored by the Trustee, that invest only in Government Obligations and obligations of any of the following agencies: Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Banks;

Tennessee Valley Authority; Farmers Home Administration; Student Loan Marketing Association; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the two highest categories for such funds by both Moody's and S&P;

(vii) repurchase agreements, which will be collateralized at the onset of the repurchase agreement of at least 103% marked to market weekly by a third party acting solely as agent for the Issuer with collateral with a domestic or foreign bank or corporation (other than life or property casualty insurance company) the long-term debt of which, or, in the case of a financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's provided that the repurchase agreement shall provide that if during its term the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3," respectively, the provider shall immediately notify the Issuer and the Trustee and the provider shall at its option, within ten (10) calendar days of receipt of publication of such downgrade, either (A) maintain collateral at levels, sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (B) repurchase all collateral and terminate the repurchase agreement. Further, if the provider's rating by either S&P or Moody's falls below "A-" or "A3," respectively, the provider must immediately notify the Trustee and the Issuer and must at the direction of the Issuer to the Trustee, within ten (10) calendar days, either (1) maintain collateral at levels sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (2) repurchase all Collateral and terminate the repurchase agreement without penalty. In the event the repurchase agreement provider has not satisfied the above conditions within ten (10) calendar days of the date such conditions apply, then the repurchase agreement shall provide that the Trustee shall be entitled to, and in such event, the Trustee shall withdraw the entire amount invested plus accrued interest within ten (10) Business Days after the Trustee knows such conditions apply. Any repurchase agreement entered into pursuant to this Third Supplemental Trust Indenture shall contain the following additional provisions:

1) Failure to maintain the requisite collateral percentage will require the District or the Trustee to liquidate the collateral as provided above;

2) The Holder of the Collateral, as hereinafter defined, shall have possession of the collateral or the collateral shall have been transferred to the Holder of the Collateral, in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

3) The repurchase agreement shall state and an opinion of Counsel addressed to the Issuer and the Trustee in form and in substance satisfactory to the Issuer shall be rendered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

4) The repurchase agreement shall be a "repurchase agreement" as defined in the United States Bankruptcy Code and, if the provider is a domestic bank, a "qualified financial contract" as defined in the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") and such bank is subject to FIRREA;

5) The repurchase transaction shall be in the form of a written agreement, and such agreement shall require the provider to give written notice to the Trustee of any change in its long-term debt rating;

6) The Issuer or its designee shall represent that it has no knowledge of any fraud involved in the repurchase transaction;

7) The Issuer and the Trustee shall receive the opinion of Counsel (which opinion shall be addressed to the Issuer and the Trustee and shall be in form and substance satisfactory to the Issuer) that such repurchase agreement complies with the terms of this section and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

8) The term of the repurchase agreement shall be no longer than ten years;

9) The interest with respect to the repurchase transaction shall be payable at the times and in the amounts necessary in order to make funds available when required under this Third Supplemental Trust Indenture;

10) The repurchase agreement shall provide that the Trustee may withdraw funds without penalty at any time, or from time to time, for any purpose permitted or required under this Third Supplemental Trust Indenture;

11) Any repurchase agreement shall provide that a perfected security interest in such investments is created for the benefit of the Beneficial Owners under the Uniform Commercial Code of Florida, or book-entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. are created for the benefit of the Beneficial Owners; and

12) The collateral delivered or transferred to the Issuer, the Trustee, or a third-party acceptable to, and acting solely as agent for, the Trustee (the "Holder of the Collateral") shall be delivered and transferred in compliance with applicable state and federal laws (other than by means of entries on provider's books) free and clear of any third-party liens or claims pursuant to a custodial agreement subject to the prior written approval of the majority of the Holders and the Trustee. The custodial agreement shall provide that the Trustee must have disposition or control over the collateral of the repurchase agreement, irrespective of an event of default by the provider of such repurchase agreement.

If such investments are held by a third-party, they shall be held as agent for the benefit of the Trustee as fiduciary for the Beneficial Owners and not as agent for the bank serving as Trustee in its commercial capacity or any other party and shall be segregated from securities owned generally by such third party or bank;

(viii) investment agreements with a bank, insurance company or other financial institution, or the subsidiary of a bank, insurance company or other financial institution if the parent guarantees the investment agreement, which bank, insurance company, financial institution or parent has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in the two highest short-term rating categories by Moody's or S&P (if the term of

such agreement does not exceed 365 days), or has an unsecured, uninsured and unguaranteed obligation (or claims paying ability) rated by Aa2 or better by Moody's and AA or better by S&P or Fitch, respectively (if the term of such agreement is more than 365 days) or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation of the aforesaid ratings, provided:

1) interest is paid on any date interest is due on the Series 2021 Bonds (not more frequently than quarterly) at a fixed rate (subject to adjustments for yield restrictions required by the Code) during the entire term of the agreement;

2) moneys invested thereunder may be withdrawn without penalty, premium, or charge upon not more than two (2) Business Days' notice unless otherwise specified in a Supplemental Indenture;

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

4) the Issuer and the Trustee receive an opinion of counsel that such agreement is an enforceable obligation of such insurance company, bank, financial institution or parent;

5) in the event of a suspension, withdrawal, or downgrade below Aa3, AA- or AA- by Moody's, S&P or Fitch, respectively, the provider shall notify the Issuer and the Trustee within five (5) Business Days of such downgrade event and the provider shall at its option, within ten (10) Business Days after notice is given to the Issuer and the Trustee take any one of the following actions:

A) collateralize the agreement at levels, sufficient to maintain an "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach, or

B) assign the agreement to another provider, as long as the minimum rating criteria of "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach; or

C) have the agreement guaranteed by a provider which results in a minimum rating criteria of an "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach; or

D) repay all amounts due and owing under the agreement; and

6) in the event the provider has not satisfied any one of the above conditions within three (3) Business Days of the date such conditions apply, then the agreement shall provide that the Trustee shall be entitled to withdraw the entire amount invested plus accrued interest without penalty or premium.

(ix) bonds, notes and other debt obligations of any corporation organized under the laws of the United States, any state or organized territory of the United States or the District of



Columbia, if such obligations are, at the time of purchase, rated A- or better by at least two (2) of the following rating agencies: Moody's, S&P or Fitch or AA- or better by either S&P, Moody's or Fitch;

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

(xi) other investments permitted by Florida law and directed by the Issuer.

A certificate of a Responsible Officer directing any investment enumerated above shall constitute a representation by the Issuer that such investment is permitted under this Third Supplemental Trust Indenture and is a legal investment for funds of the District, upon which the Trustee is conclusively entitled to rely.

"Majority Holders" means the Beneficial Owners of more than fifty percent (50%) in aggregate principal amount of the Outstanding Series 2021 Bonds.

"Master Indenture" shall mean the Master Trust Indenture, dated as of September 1, 2006, by and between the Issuer and the Trustee, as supplemented and amended with respect to matters pertaining solely to the Master Indenture or the Series 2021 Bonds (as opposed to supplements or amendments relating to any Series of Bonds other than the Series 2021 Bonds as specifically defined in this Third Supplemental Trust Indenture).

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

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

"Project" shall mean all of the public infrastructure deemed necessary for the development of the District including, but not limited to, the Series 2021 Project.

"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 2021 Bond plus the applicable premium, if any payable upon redemption thereof pursuant to this Third Supplemental Trust Indenture.

"Registered Owner" shall mean the person or entity in whose name or names any Series 2021 Bond is registered on the books maintained by the Registrar.

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

"Regular Record Date" shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date or the date on which the principal of a Series 2021 Bond is to be paid.

"Resolution" shall mean, collectively, (i) Resolution No. 2006-09 of the Issuer adopted on January 26, 2006, pursuant to which the Issuer authorized the issuance of not exceeding \$50,000,000 aggregate principal amount of its Bonds to finance the construction or acquisition of the Project, and (ii) Resolution No. 2021-[10] of the Issuer adopted on [April 6, 2021], pursuant to which the Issuer authorized, among other things, the issuance of the Series 2021 Bonds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2021 Project, specifying the details of the Series 2021 Bonds and awarding the Series 2021 Bonds to the purchasers of the Series 2021 Bonds.

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

"Series 2021 Assessment Area" shall mean the approximately [157.11] acres of land within the District currently planned for 390 single-family residences in Villages 7 and 8, Phases 1-5 of the residential community thereon and the recreation areas, parks and related infrastructure.

"Series 2021 Bond Redemption Account" shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(g) of this Third Supplemental Trust Indenture.

"Series 2021 Bonds" shall mean the \$[\_\_\_\_\_] aggregate principal amount of Chapel Creek Community Development District Special Assessment Bonds, Series 2021 (Series 2021 Project), to be issued as fully registered Bonds in accordance with the provisions of the Master Indenture and this Third Supplemental Trust Indenture, and secured and authorized by the Master Indenture and this Third Supplemental Trust Indenture.

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

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

"Series 2021 Indenture" shall mean collectively, the Master Indenture and this Third Supplemental Trust Indenture.

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

"Series 2021 Landowner" shall mean Clayton Properties Group, Inc., *d/b/a Highland Homes*, a Tennessee corporation, and its successors and assigns.

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

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

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

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

"Series 2021 Project" shall mean the public infrastructure described in Exhibit A attached hereto benefitting the Series 2021 Assessment Area of the residential community thereon.

"Series 2021 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 Third Supplemental Trust Indenture.

"Series 2021 Reserve Account" shall mean the Account so designated, established as a separate Account within the Reserve Fund pursuant to Section 4.01(f) of this Third Supplemental Trust Indenture.

"Series 2021 Reserve Requirement" or "Reserve Requirement" shall be an amount equal to fifty percent (50%) of the maximum annual debt service on the Series 2021 Bonds as calculated from time to time. For the purpose of calculating the Series 2021 Reserve Requirement, fifty (50%) of maximum annual debt service shall be calculated as of the date of the original issuance and delivery and recalculated in connection with each extraordinary mandatory redemption of the Series 2021 Bonds as described in Section 3.01(b)(i) hereof (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the Series 2021 Reserve Account and other than as provided in the immediately preceding sentence, transferred to the Series 2021 Prepayment Subaccount in accordance with the provisions of Section 3.01(b)(i), 4.01(f) and 4.05(a) hereof. Amounts on deposit in the Series 2021 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2021 Bonds be used to pay principal of and interest on the Series 2021 Bonds at that time. Initially, the Series 2021 Reserve Requirement shall be equal to \$[\_\_\_\_\_].

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

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

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

"Substantially Absorbed" means the date at least 75% of the principal portion of the Series 2021 Special Assessments have been assigned to residential units within the District that have received certificates of occupancy. The District shall present the Trustee with a certification that the Series 2021 Special Assessments are Substantially Absorbed and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Series 2021 Special Assessments are Substantially Absorbed.

"True-Up Agreement" shall mean the Agreement dated **[April \_\_, 2021]**, by and between the Issuer and the Series 2021 Landowner relating to the true-up of Series 2021 Special Assessments.

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

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

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

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

[END OF ARTICLE I]

## ARTICLE II THE SERIES 2021 BONDS

**SECTION 2.01.** Amounts and Terms of Series 2021 Bonds; Issue of Series 2021 Bonds. No Series 2021 Bonds may be issued under this Third 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 Series 2021 Bonds that may be issued under this Third Supplemental Trust Indenture is expressly limited to \$[\_\_\_\_\_]. The Series 2021 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2021 Bonds shall be issued substantially in the form attached hereto as Exhibit B, with such appropriate variations, omissions and insertions as are permitted or required by the Series 2021 Indenture and with such additional changes as may be necessary or appropriate to conform to the provisions of the Resolution. The Issuer shall issue the Series 2021 Bonds upon execution of this Third 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 2021 Bonds and deliver them as specified in the request.

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

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

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

(a) The Series 2021 Bonds are being issued hereunder in order to provide funds for the purposes of (i) paying all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2021 Project, (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2021 Bonds and (iv) paying the costs of issuance of the Series 2021 Bonds. The Series 2021 Bonds shall be designated "Chapel Creek Community Development District Special Assessment Bonds, Series 2021 (Series 2021 Project)," and shall be issued as fully registered Bonds without coupons in Authorized Denominations.

(b) The Series 2021 Bonds shall be dated as of the date of initial delivery. Interest on the Series 2021 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2021 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a 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 [\_\_\_\_\_] 1, 20\_\_\_], 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 Third Supplemental Trust Indenture in connection with a book entry only system of registration of the Series 2021 Bonds, the principal or Redemption Price of the Series 2021 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2021 Bonds. Except as otherwise provided in Section 2.07 of this Third Supplemental Trust Indenture in connection with a book entry only system of registration of the Series 2021 Bonds, the payment of interest on the Series 2021 Bonds shall be made on each Interest Payment Date to the Registered Owners of the Series 2021 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each 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 2021 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Registered Owner in whose name the Series 2021 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each 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 2021 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Registered Owner to the bank account number on file with the Paying Agent, upon requesting the same in 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 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 2021 Bonds.

(a) The Series 2021 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 2021 Bonds will be computed in all cases on the basis of a 360 day year of twelve 30 day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by the Series 2021 Bonds on the day before the default occurred.

**SECTION 2.06.** Disposition of Series 2021 Bond Proceeds. From the net proceeds of the Series 2021 Bonds received by the Trustee in the amount of \$[\_\_\_\_\_] (par amount of \$[\_\_\_\_\_] [less [net] original issue discount of \$[\_\_\_\_\_] and less an underwriter's discount of \$[\_\_\_\_\_] which is retained by the underwriter of the Series 2021 Bonds):

(a) \$[\_\_\_\_\_] , which is an amount equal to the Series 2021 Reserve Requirement, shall be deposited in the Series 2021 Reserve Account of the Debt Service Reserve Fund;

(b) \$[\_\_\_\_\_] , shall be deposited into the Series 2021 Interest Account and applied to pay interest coming due on the Series 2021 Bonds through **[November 1, 2021]**;

(c) \$[\_\_\_\_\_] , shall be deposited into the Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund for payment of the costs of issuing the Series 2021 Bonds; and

(d) \$[\_\_\_\_\_] , representing the balance of the net proceeds of the Series 2021 Bonds, shall be deposited in the Series 2021 Acquisition and Construction Account of the Acquisition and Construction Fund which the Issuer shall cause to be applied only to the payment of costs of the Series 2021 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 2021 Bonds. The Series 2021 Bonds shall be issued as one fully registered bond for each maturity of Series 2021 Bonds and deposited with The Depository Trust Company ("DTC"), New York, New York, which is responsible for establishing and maintaining records of ownership for its participants.

As long as the Series 2021 Bonds are held in book-entry-only form, Cede & Co. shall be considered the Registered Owner for all purposes hereof and in the Master Indenture. The Series 2021 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 2021 Bonds ("Beneficial Owners").

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



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

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

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

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

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

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

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

- (a) Certified copies of the Assessment Resolutions;

(b) Executed originals of the Master Indenture and this Third Supplemental Trust Indenture;

(c) Opinions of Counsel required by the Master Indenture;

(d) A certificate of a Responsible Officer to the effect that, upon the authentication and delivery of the Series 2021 Bonds, the Issuer will not be in default in the performance of the terms and provisions of the Master Indenture or this Third 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 2021 Bonds shall be conclusive evidence that the foregoing conditions have been satisfied as to the Issuer and the Underwriter.

[END OF ARTICLE II]

### **ARTICLE III REDEMPTION OF SERIES 2021 BONDS**

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

The Series 2021 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the Redemption Price of the Series 2021 Bonds shall be made on the dates specified below. Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the Issuer shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2021 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2021 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2021 Bonds in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a mandatory sinking fund redemption amount 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 2021 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 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

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

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account following the payment in whole or in part of Series 2021 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of this Third Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2021 Reserve Account to the Series 2021 Prepayment Subaccount as a result of such Series 2021 Prepayment and pursuant to Sections 4.01(f) and 4.05(a) of this Third Supplemental Trust Indenture. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level;

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

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account in accordance with the provisions of Section 4.01(a) hereof, not otherwise reserved to complete the Series 2021 Project and transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

(c) Mandatory Sinking Fund Redemption. The Series 2021 Bonds maturing on May 1, 20[ ] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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 2021 Bonds maturing on May 1, 20[ ] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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.

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

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\* Maturity

The Series 2021 Bonds maturing on May 1, 20[ ] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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.

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

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\* Maturity

The Series 2021 Bonds maturing on May 1, 20[ ] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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.

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

\*

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\* Maturity

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

[END OF ARTICLE III]

**ARTICLE IV**  
**ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS;**  
**ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS;**  
**REMOVAL OF SERIES 2021 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 2021 Acquisition and Construction Account." Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Acquisition and Construction Account in the amount set forth in Section 2.06 of this Third Supplemental Trust Indenture, together with any moneys transferred or deposited thereto, and such moneys shall be applied as set forth in this Section 4.01(a) of this Third Supplemental Trust Indenture, Section 5.01 of the Master Indenture, and the Acquisition Agreement. Funds on deposit in the Series 2021 Acquisition and Construction Account shall only be requested by the Issuer to be applied to the Costs of the Series 2021 Project.

After the Completion Date for the Series 2021 Project, any moneys remaining in the Series 2021 Acquisition and Construction Account after retaining costs to complete the Series 2021 Project, shall be transferred to the Series 2021 General Redemption Subaccount, as directed in writing by the Issuer or the District Manager, on behalf of the Issuer to the Trustee. Except as provided in Section 5.06 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 2021 Acquisition and Construction Account. After no funds remain therein, the Series 2021 Acquisition and Construction Account shall be closed. The Trustee shall not be responsible for determining the amounts in the Series 2021 Acquisition and Construction Account allocable to the respective components of the Series 2021 Project.

The Trustee shall make no such transfers from the Series 2021 Acquisition and Construction Account to the Series 2021 General Redemption Subaccount if an Event of Default exists with respect to the Series 2021 Bonds of which the Trustee has notice as described in Section 11.06 of the Master Indenture or of which the Trustee has actual knowledge as described in Section 11.06 of the Master Indenture. Except as provided in Section 3.01(b)(iii) or Section 5.06 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 2021 Acquisition and Construction Account.

Pursuant to the Master Indenture, the Trustee shall establish a separate account within the Acquisition and Construction Fund designated as the "Series 2021 Costs of Issuance Account." Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Costs of Issuance Account in the amount set forth in Section 2.06 of this Third 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 2021 Costs of Issuance Account to pay the costs of issuing the Series 2021 Bonds. Six months after the issuance of the Series 2021 Bonds, any moneys remaining in the Series 2021 Costs of Issuance Account in excess of the amounts requested to be disbursed by the Issuer shall be deposited into the Series 2021 Interest Account and the Series 2021 Costs of Issuance Account

shall be closed. Any deficiency in the amount allocated to pay the cost of issuing the Series 2021 Bonds shall be paid from excess Series 2021 Pledged Revenues on deposit in the Series 2021 Revenue Account, as provided in Section 4.02 FIFTH. After no funds remain therein, the Series 2021 Costs of Issuance Account shall be closed.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Series 2021 Revenue Account." Series 2021 Special Assessments (except for Prepayments of Series 2021 Special Assessments which shall be identified as such by the Issuer to the Trustee and deposited in the Series 2021 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2021 Revenue Account which shall be applied as set forth in Section 6.03 of the Master Indenture and Section 4.02 of this Third 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 2021 Special Assessments otherwise received by the Trustee, are to be deposited into the Series 2021 Revenue Account.

(c) [RESERVED].

(d) Pursuant to Section 6.04 of the Master Indenture and Section 4.02 of this Third Supplemental Trust Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2021 Interest Account." Moneys deposited into the Series 2021 Interest Account pursuant to Section 6.04 of the Master Indenture and Sections 2.06 and 4.02 of this Third Supplemental Trust Indenture, shall be applied for the purposes provided therein and used to pay interest on the Series 2021 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 2021 Sinking Fund Account." Moneys shall be deposited into the Series 2021 Sinking Fund Account as provided in Section 6.04 of the Master Indenture and Section 4.02 of this Third Supplemental Trust Indenture, and applied for the purposes provided therein and in Section 3.01(c) of this Third 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 2021 Reserve Account." Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Reserve Account in the amount set forth in Section 2.06 of this Third Supplemental Trust Indenture, and such moneys, together with any other moneys deposited into the Series 2021 Reserve Account shall be applied for the purposes provided in the Master Indenture and in this Section 4.01(f) and Section 4.05 of this Third 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 2021 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 2021 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 2021 Reserve Account and transfer any excess therein above the Reserve Requirement for the Series 2021 Bonds caused by investment earnings to the Series 2021 Revenue Account in accordance with Section 4.02 hereof.

In the event of a prepayment of Series 2021 Special Assessments in accordance with Section 4.05(a) of this Third Supplemental Trust Indenture, 45 days before the next Quarterly Redemption Date, the Trustee after receiving the written direction of the Issuer described in Section 4.05(a) hereof, the Trustee shall recalculate the Series 2021 Reserve Requirement taking into account the amount of Series 2021 Bonds that will be outstanding as result of such prepayment of Series 2021 Special Assessments, and cause the amount on deposit in the Series 2021 Reserve Account in excess of the Series 2021 Reserve Requirement, resulting from Series 2021 Prepayment Principal, to be transferred to the Series 2021 Prepayment Subaccount to be applied toward the extraordinary mandatory redemption of Series 2021 Bonds in accordance with Section 3.01(b)(i), as a credit against the Series 2021 Prepayment Principal otherwise required to be made by the owner of such property subject to Series 2021 Special Assessments.

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

In addition, and together with the moneys transferred from the Series 2021 Reserve Account pursuant to this paragraph, if the amount on deposit in the Series 2021 General Redemption Subaccount is not sufficient to redeem a principal amount of the Series 2021 Bonds in an Authorized Denomination, the Trustee is authorized to withdraw amounts from the Series 2021 Revenue Account to round up the amount in the Series 2021 Prepayment Subaccount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2021 Revenue Account shall be made to pay interest on and/or principal of the Series 2021 Bonds for the redemption pursuant to Section 3.01(b)(iii) or 3.01(b)(iv) 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 2021 Bond Redemption Account" and within such Account, a "Series 2021 General Redemption Subaccount," a "Series 2021 Optional Redemption Subaccount," and a "Series 2021 Prepayment Subaccount." Except as otherwise provided in this Third Supplemental Trust Indenture regarding Prepayments or in connection with the optional redemption of the Series 2021 Bonds, moneys to be deposited into the Series 2021 Bond Redemption Account as provided in Section 6.06 of the Master Indenture, shall be deposited to the Series 2021 General Redemption Subaccount.

(h) Moneys that are deposited into the Series 2021 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 2021 Bonds, or (ii) in whole or in part pursuant to Section 3.01(b)(iii) hereof, an amount of Series 2021 Bonds equal to the amount of money transferred from the Series 2021 Acquisition and Construction Account pursuant to Section 3.01(b)(iii) and Section 4.01(a) hereof.

(i) Moneys in the Series 2021 Prepayment Subaccount (including all earnings on investments held in such Series 2021 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 2021 Bonds equal to the amount of money transferred to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account for the purpose of such extraordinary mandatory redemption on the dates and at the price provided in such Section 3.01(b)(i) hereof. In addition, and together with the moneys transferred from the Series 2021 Reserve Account pursuant to paragraph (f) above, if the amount on deposit in the Series 2021 Prepayment Subaccount is not sufficient to redeem a principal amount of the Series 2021 Bonds in an Authorized Denomination, the Trustee upon written direction from the Issuer, shall be authorized to withdraw amounts from the Series 2021 Revenue Account to deposit to the Series 2021 Prepayment Subaccount to round-up the amount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2021 Revenue Account shall be directed by the Issuer to pay interest on and/or principal for the Series 2021 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 2021 Rebate Account." Moneys shall be deposited into the Series 2021 Rebate Account, as provided in the Arbitrage Certificate and applied for the purposes provided therein.

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

**SECTION 4.02.** Series 2021 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2021 Revenue Account to the Funds 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 [May 1, 2021], to the Series 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Series 2021 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each [ ] 1, commencing [ ] 1, 20[ ], to the Series 2021 Sinking Fund Account, an amount equal to the principal amount of Series 2021 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2021 Sinking Fund Account not previously credited;

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

FOURTH, notwithstanding the foregoing, at any time the Series 2021 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 2021 Interest Account, the amount necessary to pay interest on the Series 2021 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 2021 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 2021 Bonds and next, any balance in the Series 2021 Revenue Account shall remain on deposit in such Series 2021 Revenue Account, unless needed for the purposes of rounding the principal amount of an Series 2021 Bond subject to extraordinary mandatory redemption pursuant to Section 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 2021 Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.

Notwithstanding the foregoing, in the event of redemption of Series 2021 Bonds from Prepayments on deposit in the Series 2021 Prepayment Subaccount, the Trustee is further authorized, upon written direction from the Issuer, to transfer from the Series 2021 Revenue Account to the Series 2021 Prepayment Subaccount sufficient funds to cause the redemption of the next closest Authorized Denomination of Series 2021 Bonds, as provided in Section 4.01(i) hereinabove.

**SECTION 4.03.**     Power to Issue Series 2021 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2021 Bonds, to execute and deliver the Series 2021 Indenture and to pledge the Series 2021 Pledged Revenues for the benefit of the Series 2021 Bonds to the extent set forth herein. The Series 2021 Pledged Revenues are not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Series 2021 Bonds, except as otherwise permitted under Section 5.04 hereof. The Series 2021 Bonds and the provisions of the Series 2021 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 2021 Indenture and all the rights of the Owners of the Series 2021 Bonds under the Series 2021 Indenture against all claims and demands of all persons whomsoever.

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

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

(a)     At any time any owner of property subject to the Series 2021 Special Assessments may, at its option, or as a result of acceleration of the Series 2021 Special Assessments because of non-payment thereof, 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 2021 Special Assessments by paying or causing there to be paid, to the Issuer all or a portion of the Series 2021 Special Assessment, which shall constitute Series 2021 Prepayment Principal, plus, except as provided below, accrued interest to the next succeeding Quarterly Redemption Date (or the first succeeding Quarterly Redemption Date that is at least 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 2021 Special Assessments owned by such owner. To the extent that such prepayments are to be used to redeem Series 2021 Bonds pursuant to Section 3.01(b)(i) hereof, in the event the amount on deposit in the Series 2021 Reserve Account will exceed the Series 2021 Reserve Requirement for the Series 2021 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 Third Supplemental Trust Indenture of Series 2021 Bonds, the excess amount shall be transferred from the Series 2021 Reserve Account to the Series 2021 Prepayment Subaccount, as a credit against the Series 2021 Prepayment Principal otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the Issuer together with a certificate of a Responsible Officer of the Issuer stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2021 Reserve Account to equal or exceed the Series 2021 Reserve Requirement.

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

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 2021 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 2021 Special Assessments. Pursuant to the terms and provisions of the Master Indenture, the Issuer shall collect the Series 2021 Special Assessments relating to the acquisition and construction of the Series 2021 Project through the Uniform Method of Collection (the "Uniform Method") afforded by Chapter 197, Florida Statutes. Pursuant to the terms and provisions of the Master Indenture, the Issuer shall, pursuant to the provisions of the Assessment Resolutions, directly collect the Series 2021 Special Assessments levied in lieu of the Uniform Method with respect to any lands within Series 2021 Area that have not been platted, unless the Trustee with the consent of the Majority Holders provide otherwise. In addition, and not in limitation of, the covenants contained elsewhere in this Third Supplemental Trust Indenture and in the Master Indenture, the Issuer covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2021 Special Assessments, and to levy and collect the Series 2021 Special Assessments and any required true-up payments set forth in the assessment methodology or True-Up Agreement in such manner as will generate funds sufficient to pay Debt Service on the Series 2021 Bonds when due. All Series 2021 Special Assessments that are collected directly by the Issuer shall be due and payable by the Series 2021 Landowner not later than thirty (30) days prior to each Interest Payment Date. The assessment methodology shall not be amended without the written consent of the Majority Holders.

**SECTION 5.02.**     Continuing Disclosure. Contemporaneously with the execution and delivery hereof, the Issuer and the Series 2021 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 Series 2021 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 2021 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 2021 Special Assessments, until the Series 2021 Special Assessments are Substantially Absorbed. The District shall present the Trustee with a certification that the Series 2021 Special Assessments are Substantially Absorbed and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Series 2021 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to assume that the Series 2021 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 2021

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 2021 Project.

**SECTION 5.05.**     Requisite Owners for Direction or Consent. Anything in the Master Indenture to the contrary notwithstanding, any direction or consent or similar provision which requires fifty-one percent of the Owners, shall in each case be deemed to refer to, and shall mean, the Majority Holders.

**SECTION 5.06.**     Acknowledgement Regarding Series 2021 Acquisition and Construction Account Moneys Following an Event of Default. In accordance with the provisions of the Series 2021 Indenture, upon the occurrence of an Event of Default with respect to the Series 2021 Bonds, the Series 2021 Bonds are payable solely from the Series 2021 Pledged Revenues and any other moneys held by the Trustee under the Series 2021 Indenture for such purpose. Anything in the Series 2021 Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that, upon the occurrence of an Event of Default with respect to the Series 2021 Bonds, (i) the Series 2021 Pledged Revenues includes, without limitation, all amounts on deposit in the Series 2021 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, (ii) the Series 2021 Pledged Revenues may not be used by the Issuer (whether to pay costs of the Series 2021 Project or otherwise) without the consent of the Majority Holders and (iii) the Series 2021 Pledged Revenues may be used by the Trustee, at the direction or with the approval of the Majority Holders, to pay costs and expenses incurred in connection with the pursuit of remedies under the Series 2021 Indenture, provided, however notwithstanding anything herein to the contrary the Trustee is also authorized to utilize the Series 2021 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 2021 Indenture. The Trustee agrees to act as Paying Agent, Registrar and Authenticating Agent for the Series 2021 Bonds.

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

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

**SECTION 6.04.**     Patriot Act Requirements of Trustee. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Trustee will ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[END OF ARTICLE VI]

## **ARTICLE VII MISCELLANEOUS PROVISIONS**

**SECTION 7.01.**     Interpretation of Third Supplemental Trust Indenture. This Third Supplemental Trust Indenture amends and supplements the Master Indenture with respect to the Series 2021 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this Third Supplemental Trust Indenture by reference. To the maximum extent possible, the Master Indenture and the Third Supplemental Trust Indenture shall be read and construed as one document.

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

**SECTION 7.03.**     Counterparts. This Third 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 Third Supplemental Trust Indenture are hereby incorporated herein and made a part of this Third 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 2021 Bonds or the date fixed for the redemption of any Series 2021 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

**SECTION 7.06.**     No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Series 2021 Bonds, and no other person is intended to be a third party beneficiary hereof to be entitled to assert or preserve any claim hereunder.

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



**IN WITNESS WHEREOF**, Chapel Creek Community Development District has caused this Third 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 Secretary of its Board of Supervisors and U.S. Bank National Association has caused this Third Supplemental Trust Indenture to be executed by one of its authorized signatories, all as of the day and year first above written.

**CHAPEL CREEK COMMUNITY  
DEVELOPMENT DISTRICT**

[SEAL]

Attest:

By: \_\_\_\_\_  
Name: Jill Burns  
Title: Secretary, Board of Supervisors

By: \_\_\_\_\_  
Name: Brian Walsh  
Title: Chairperson, Board of Supervisors

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

By: \_\_\_\_\_  
Name: Stacey L. Johnson  
Title: Vice President

**EXHIBIT A**  
**DESCRIPTION OF SERIES 2021 PROJECT**

The Series 2021 Project includes, but is not limited to, Phases 7 and 8, Phases 1-5 of the following improvements, comprising the Series 2021 Project:

<u>Description</u>	<u>Estimate</u>
Water Management & Control	\$ 7,780,000
Sewer & Wastewater Management	1,008,000
Water Supply	1,872,000
Roads	2,325,000
Amenity/Walls/Landscaping	1,000,000
Professional Fees & Permitting	950,000
Undergrounding of Electric	750,000
<b>TOTAL</b>	<b>\$15,685,000</b>

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Source: Chapel Creek Community Development District Report of the District Engineer Capital Improvement Revenue Bonds, Series 2021, dated December 17, 2020, prepared by Stantec Consulting Services Inc.

**EXHIBIT B**

[FORM OF SERIES 2021 BOND]

R-1

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

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
PASCO COUNTY, FLORIDA  
CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BOND SERIES 2021  
(SERIES 2021 PROJECT)**

Interest Rate  
[\_\_\_\_\_]%

Maturity Date  
May 1, 20[\_\_\_\_]

Date of Original Issuance  
[April \_\_, 2021]

CUSIP  
15943M [\_\_\_\_]

Registered Owner: CEDE & CO.

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the Chapel Creek Community Development District (the "Issuer"), for value received, hereby promises to pay to the Registered Owner shown above or registered assigns, on the date specified above, from the sources hereinafter mentioned, 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 National Association, in Orlando, Florida, as paying agent (said U.S. Bank National Association and/or any bank or trust company to become successor paying agent being herein called the "Paying Agent") made payable to the Registered Owner and mailed on each Interest Payment Date commencing [May 1, 2021] to the address of the Registered Owner as such name and address shall appear on the registry books of the Issuer maintained by U.S. Bank National Association, as Registrar (said U.S. Bank National Association and any successor Registrar being herein called the "Registrar") at the close of business on the 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 2021 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 [\_\_\_\_ 1, 20\_\_], in which case from the date of initial delivery, or unless the date of authentication hereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Owner on such Record Date and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by 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 2021 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 2021 Indenture.

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

This Bond is one of an authorized issue of Series 2021 Bonds of the Chapel Creek 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"), Ordinance No. 05-35 enacted by the Board of County Commissioners of Pasco County, Florida on August 29, 2005, designated as "Chapel Creek Community Development District Special Assessment Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 Bonds"), in the aggregate principal amount of [\_\_\_\_\_] and 00/100 Dollars (\$[\_\_\_\_]) of like date, tenor and effect, except as to number. The Series 2021 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 2021 Project (as defined in the herein referred to Series 2021 Indenture). The Series 2021 Bonds shall be issued as fully registered Series 2021 Bonds in Authorized Denominations, as set forth in the Series 2021 Indenture. The Series 2021 Bonds are issued under and secured by a Master Trust Indenture dated as of September 1, 2006 (the "Master Indenture"), as supplemented by a Third Supplemental Trust Indenture dated as of **[April 1, 2021]** (the "Third Supplemental Trust Indenture" and together with the Master Indenture, the "Series 2021 Indenture"), each by and between the Issuer and the Trustee, executed counterparts of which are on file at the designated corporate trust office of the Trustee in Orlando, Florida.

Reference is hereby made to the Series 2021 Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2021 Bonds issued under the Series 2021 Indenture, the operation and application of the Series 2021 Reserve Account within the Reserve Fund and other Funds and Accounts (each as defined in the Series 2021 Indenture) charged with and pledged to the payment of the principal of and the interest on the Series 2021 Bonds, the levy and the evidencing and certifying for collection, of the Series 2021 Special Assessments, the nature and extent of the security for the Series 2021 Bonds, the terms and conditions on which the Series 2021 Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Series 2021 Indenture, the conditions under

which such Series 2021 Indenture may be amended without the consent of the Registered Owners of the Series 2021 Bonds, the conditions under which such Series 2021 Indenture may be amended with the consent of the Registered Owners of a majority in aggregate principal amount of the Series 2021 Bonds outstanding, and as to other rights and remedies of the Registered Owners of the Series 2021 Bonds.

The owner of this Bond shall have no right to enforce the provisions of the Series 2021 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 2021 Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Series 2021 Indenture.

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 State or any other political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, the County, the State or any other political subdivision thereof, for the payment of the principal of and interest on this Bond or the making of any other sinking fund and other payments provided for in the Series 2021 Indenture, except for Series 2021 Special Assessments to be assessed and levied by the Issuer as set forth in the Series 2021 Indenture.

By the acceptance of this Bond, the Registered Owner hereof assents to all the provisions of the Series 2021 Indenture.

This Bond is payable from and secured by Series 2021 Pledged Revenues, as such term is defined in the Series 2021 Indenture, all in the manner provided in the Series 2021 Indenture. The Series 2021 Indenture provides for the levy and the evidencing and certifying, of non-ad valorem assessments in the form of Series 2021 Special Assessments to secure and pay the Series 2021 Bonds.

The Series 2021 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the Redemption Price of the Series 2021 Bonds shall be made on the dates specified below. Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemption, the Issuer shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2021 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2021 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2021 Bonds in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

### Optional Redemption

The Series 2021 Bonds 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 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

### Extraordinary Mandatory Redemption in Whole or in Part

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

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account following the payment in whole or in part of Series 2021 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of the Third Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2021 Reserve Account to the Series 2021 Prepayment Subaccount as a result of such Series 2021 Prepayment and pursuant to Sections 4.01(f) and 4.05(a) of the Third Supplemental Trust Indenture. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level;

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

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account not otherwise reserved to complete the Series 2021 Project and transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

### Mandatory Sinking Fund Redemption

The Series 2021 Bonds maturing on May 1, 20[\_\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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.

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

\*

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\* Maturity.

The Series 2021 Bonds maturing on May 1, 20[ ] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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.

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

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\* Maturity.

The Series 2021 Bonds maturing on May 1, 20[ ] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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.

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

\*

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\* Maturity.

The Series 2021 Bonds maturing on May 1, 20[ ] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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.

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

\*

\* Maturity.

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

Notice of each redemption of the Series 2021 Bonds is required to be 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 2021 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 2021 Bonds issued under the Series 2021 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 2021 Indenture, the Series 2021 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 2021 Bonds or such portions thereof on such date, interest on such Series 2021 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2021 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Series 2021 Indenture and the Owners thereof shall have no rights in respect of such Series 2021 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 2021 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 Owner of this Bond shall have no right to enforce the provisions of the Series 2021 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 2021 Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Series 2021 Indenture.



In certain events, on the conditions, in the manner and with the effect set forth in the Series 2021 Indenture, the principal of all the Series 2021 Bonds then Outstanding under the Series 2021 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 2021 Indenture or of any Series 2021 Indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Series 2021 Indenture.

Any moneys held by the Trustee or Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for three (3) years after the date when such Bond has become due and payable, either at its stated maturity date or by call for earlier redemption shall be paid to the Issuer, thereupon and thereafter no claimant shall have any rights against the Trustee or Paying Agent to or in respect of such moneys.

If the Issuer deposits or causes to be deposited with the Trustee funds or Federal Securities (as defined in the Master Indenture) sufficient to pay the principal or Redemption Price of any the Series 2021 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Series 2021 Indenture, together with the interest accrued to the due date, or date of redemption, as applicable, the lien of such Series 2021 Bonds as to the Trust Estate with respect to the Series 2021 Bonds shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Series 2021 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. 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 2021 Bonds at the designated corporate trust office of the Registrar in Orlando, Florida. Subject to the restrictions contained in the Series 2021 Indenture, the Series 2021 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 2021 Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Series 2021 Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Series 2021 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 2021 Bonds.

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

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed, precedent to and in 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 2021 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 2021 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 2021 Indenture, of the certificate of authentication endorsed hereon.

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

**CHAPEL CREEK 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 2021 Bonds delivered pursuant to the within mentioned Series 2021 Indenture.

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

**U.S. BANK 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 Sixth Judicial Circuit of Florida, in and for Pasco County, rendered on the 28<sup>th</sup> day of March, 2006.

### **CHAPEL CREEK 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 entirety
JT TEN	-	as joint tenants with rights of survivorship and not as tenants in common

UNIFORM TRANSFER MIN ACT	-	_____ Custodian _____
		(Cust) (Minor)
Under Uniform Transfer to Minors Act	_____	
	(State)	

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

## ASSIGNMENT AND TRANSFER

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

---

(please print or typewrite name and address of assignee)

---

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

---

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

Signature Guarantee:

---

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

---

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

---

Please insert social security or other identifying number of Assignee.



## EXHIBIT C

### FORMS OF REQUISITIONS

#### CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS SERIES 2021 (SERIES 2021 PROJECT)

(Acquisition and Construction)

The undersigned, a Responsible Officer of the Chapel Creek 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 National Association, as trustee (the "Trustee"), dated as of September 1, 2006 as supplemented by that certain Third Supplemental Trust Indenture dated as of [April 1, 2021] (collectively, the "Series 2021 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2021 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 2021 Acquisition and Construction Account of the Acquisition and Construction Fund.*

The undersigned hereby certifies that:

1. obligations in the stated amount set forth above have been incurred by the District,
2. each disbursement set forth above is a proper charge against the Series 2021 Acquisition and Construction Account; and
3. each disbursement set forth above was incurred in connection with the Cost of the Series 2021 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.

**CHAPEL CREEK 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 2021 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Series 2021 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 2021 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 2021 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

### CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS SERIES 2021 (SERIES 2021 PROJECT)

(Costs of Issuance)

The undersigned, a Responsible Officer of the Chapel Creek 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 National Association, as trustee (the "Trustee"), dated as of September 1, 2006, as supplemented by that certain Third Supplemental Trust Indenture dated as of [April 1, 2021] (collectively, the "Series 2021 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2021 Indenture):

- (A) Requisition Number:
- (B) Amount Payable:
- (C) Purpose for which paid or incurred: Costs of Issuance
- (D) Fund or Account and subaccount, if any, from which disbursement to be made:

*Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund*

The undersigned hereby certifies that:

1. this requisition is for Costs of Issuance payable from the Series 2021 Costs of Issuance Account that have not previously been paid;
2. each disbursement set forth above is a proper charge against the Series 2021 Costs of Issuance Account;
3. each disbursement set forth above was incurred in connection with the issuance of the Series 2021 Bonds; and
4. each disbursement represents a cost of issuance which has not previously been paid.

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

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

Attached hereto 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.

**CHAPEL CREEK COMMUNITY  
DEVELOPMENT DISTRICT**

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

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



**EXHIBIT D**  
**FORM OF INVESTOR LETTER**

[Date]

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

Re:     \$\_\_\_\_\_ Chapel Creek Community Development District Special Assessment  
          Bonds Series 2021 (Series 2021 Project)

Ladies and Gentlemen:

The undersigned is authorized to sign this letter [on behalf of Name of Non-Individual Investor], as the beneficial owner (the "Investor") of \$\_\_\_\_\_ of the above-referenced Bonds [state maturing on \_\_\_\_\_, \_\_\_\_\_, bearing interest at the rate of \_\_\_\_% per annum and CUSIP #] (herein, the "Investor Bonds").

In connection with the purchase of the Investor Bonds by the Investor, the Investor hereby makes the following representations upon which you may rely:

1.     The Investor has authority to purchase the Investor Bonds and to execute this letter, any other instruments and documents required to be executed by the Investor in connection with the purchase of the Investor Bonds.

2.     The Investor meets the criteria of an "accredited investor" as described in one or more of the categories derived from Rule 501(a) under Regulation D of the Securities Act of 1933, as amended (the "Securities Act") summarized below, and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations including those which are not rated or credit-enhanced, to be able to evaluate the risks and merits of the investment represented by the Bonds. Please check the appropriate box below to indicate the type of accredited investor:

☐     a bank, registered broker, dealer or investment adviser (or investment adviser exempt from registration under Section 203(l) or (m) within the meaning of the Investment Advisers Act of 1940), insurance company, registered investment company, business development company, small business investment company; or rural business investment company;

☐     an employee benefit plan, within the meaning of the Employee Retirement Income Security Act of 1974, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the employee benefit plan has total assets in excess of \$5 million;

☐     an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust partnership, or limited

liability company, not formed for the specific purpose of acquiring the Investor Bonds with assets exceeding \$5 million;

- ☐ a business in which all the equity owners are "accredited investors";
- ☐ a natural person who has individual net worth, or joint net worth with the person's spouse or spousal equivalent, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person, except that mortgage indebtedness on the primary residence shall not be included as a liability;
- ☐ a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse or spousal equivalent exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year;
- ☐ a trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Investor Bonds whose purchase is directed by a sophisticated person;
- ☐ an entity, of a type other than those set forth above, that owns investments in excess of \$5,000,000 and that was not formed for the specific purpose of acquiring the Investor Bonds;
- ☐ a natural person holding in good standing one or more professional certifications or designations or credentials from a designated accredited educational institution qualifying an individual for "accredited investor" status;
- ☐ a "family office" with at least \$5,000,000 in assets under management, that was not formed for the specific purpose of acquiring the Investor Bonds, and whose prospective investment is directed by a person capable of evaluating the merits and risks of the prospective investment; or
- ☐ a "family client" of a family office described in the prior bullet point whose prospective investment is directed by that family office.

3. The Investor has been supplied with an (electronic) copy of the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 of the Issuer and relating to the Bonds (the "Offering Document") and has reviewed the Offering Document and represents that such Offering Document has provided full and meaningful disclosure in order to make an informed decision to invest in the Investor Bonds.

Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Indenture.

Very truly yours,

[Name], [Type of Entity]

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

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

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

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

Or

\_\_\_\_\_  
[Name], an Individual

**EXHIBIT B**

**FORM OF BOND PURCHASE CONTRACT**

**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
(PASCO COUNTY, FLORIDA)**

\$ \_\_\_\_\_  
**SPECIAL ASSESSMENT BONDS, SERIES 2021  
(SERIES 2021 PROJECT)**

**BOND PURCHASE CONTRACT**

\_\_\_\_\_, 2021

Board of Supervisors  
Chapel Creek Community Development District  
Pasco County, Florida

Dear Ladies and Gentlemen:

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

**1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District and the District hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of its \$ \_\_\_\_\_ aggregate principal amount of Chapel Creek Community Development District Special Assessment Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 Bonds"). The Series 2021 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 2021 Bonds shall be \$ \_\_\_\_\_ (representing the \$ \_\_\_\_\_ aggregate principal amount of the Series 2021 Bonds, [plus net original issue premium/less original issue discount] of \$ \_\_\_\_\_ and less an underwriter's discount of \$ \_\_\_\_\_). The payment for and delivery of the Series 2021 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 2021 Bonds.** The Series 2021 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. 05-35, duly enacted by the Board of County Commissioners of Pasco County, Florida (the "County") on August 23, 2005, (the "Ordinance"). The Series 2021 Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of September 1, 2006 (the "Master Indenture"), as supplemented by a Third Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2021 (the "Third Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"), and Resolution No. 2006-09 and Resolution No. 2021-[10] adopted by the Board of Supervisors (the "Board") of the District on January 26, 2006 and [April 6, 2021], respectively (collectively, the "Bond Resolution"). The Series 2021 Special Assessments, the revenues from which constitute the Series 2021 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 2021 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 2021 Bonds to the Underwriter, and to the Underwriter's obligation to purchase, accept delivery of and pay for the Series 2021 Bonds, that the entire principal amount of the Series 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 Bonds.

(c) The Underwriter confirms that it has offered the Series 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The District acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2021 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 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 2021 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 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 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 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 2021 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 2021 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 2021 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 2021 Bonds to the public),

(iii) a purchaser of any of the Series 2021 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

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

**4. Use of Documents.** Prior to the date hereof, the District has caused to be prepared and provided to the Underwriter the Preliminary Limited Offering Memorandum, dated \_\_\_\_\_, 2021 (the "Preliminary Limited Offering Memorandum"), of the District, relating to the Series 2021 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 2021 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 2021 Bonds.

**5. Definitions.** For purposes hereof, (a) this Purchase Contract, the Series 2021 Bonds, the Indenture, the Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District and Clayton Properties Group, Inc., a Tennessee corporation (the "Developer"), and Governmental Management Services – Central Florida, LLC, 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 Developer dated as of the Closing Date (the "Completion Agreement"), the Agreement Regarding the Acquisition of Real Property by and between the District and the Developer dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2021 Project by and between the District and the Developer 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 Developer 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 2021 Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Series 2021 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 2021 Bonds;

(c) At meetings of the Board that were duly called and noticed and at which a quorum was present and acting throughout, the Board duly adopted the Bond Resolution and the Assessment Resolutions, and the same are in full force and effect and have not been supplemented, amended, modified or repealed, except as set forth therein. By all necessary official Board action, the District has duly authorized and approved the use and delivery of the Preliminary Limited Offering Memorandum and the execution and delivery of the Financing Documents, the Ancillary Agreements, the Series 2021 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 2021 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 2021 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 2021 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 2021 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 2021 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 2021 Bonds, or under the Series 2021 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 2021 Bonds;

(f) The descriptions of the Series 2021 Bonds, the Financing Documents, the Ancillary Agreements and the Series 2021 Project to the extent referred to in the Limited Offering Memoranda, conform in all material respects to the Series 2021 Bonds, the Financing Documents, the Ancillary Agreements and the Series 2021 Project, respectively;

(g) The Series 2021 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 2021 Bonds, the Indenture will provide, for the benefit of the holders from time to time of the Series 2021 Bonds, a legally valid and binding pledge of and first lien on the Series 2021 Pledged Revenues. On the Closing Date, all conditions precedent to the issuance of the Series 2021 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 2021 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 2021 Special Assessments or the pledge of and lien on the Series 2021 Pledged Revenues, pursuant to the Indenture; (iii) contesting or affecting specifically as to the District the validity or enforceability of the Act or any action of the District in any respect relating to the authorization for the issuance of the Series 2021 Bonds, or the authorization of the Series 2021 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 2021 Bonds for the purposes set forth in the Limited Offering Memoranda; (iv) contesting the federal tax status of the Series 2021 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 2021 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 2021 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 2021 Bonds; provided, however, that the District shall not be required to execute a general or special consent to service of process or to qualify to do business in connection with any such qualification or determination in any jurisdiction or register as a broker/dealer;

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

(k) If the Limited Offering Memorandum is supplemented or amended pursuant to subsection (1) of this Section 6, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Limited Offering Memorandum as so supplemented or amended will be accurate in all material respects for the purposes for which their use is authorized and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representation is made concerning information contained in the Limited Offering Memoranda under the captions "DESCRIPTION OF THE SERIES 2021 BOND – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer" and "UNDERWRITING";

(l) If between the date of this Purchase Contract and the earlier of (i) the date that is ninety (90) days from the end of the "Underwriting Period" as defined 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 Developer 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, either Series of the Series 2021 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) Except as may be disclosed in the Preliminary Limited Offering Memorandum, the District has never failed to comply with any continuing disclosure obligations undertaken by the District in accordance with the continuing disclosure requirements of the Rule;

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

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

7. **Closing.** At 10:00 a.m. prevailing time on \_\_\_\_\_, 2021 (the "Closing Date") or at such later time as may be mutually agreed upon by the District and the Underwriter, the District will, subject to the terms and conditions hereof, deliver to the Underwriter, the Series 2021 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 2021 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 2021 Bonds as aforesaid shall be made pursuant to the FAST system of delivery of The Depository Trust Company, New York, New York, or at such other place as may be mutually agreed upon by the District and the Underwriter. The Bonds shall be typewritten, shall be prepared and delivered as fully registered bonds in book-entry only form, with one bond for each maturity, registered in the name of Cede & Co. and shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection and packaging, unless otherwise agreed by the District and the Underwriter.

8. **Closing Conditions.** The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the District contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Series 2021 Bonds are conditioned upon the performance by the District of its

obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and are also subject to the following additional conditions:

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

(b) At the time of the Closing, the Bond Resolution, the Assessment Resolutions, the Series 2021 Bonds, the Financing Documents and the Ancillary Agreements shall each be in full force and effect in accordance with their respective terms and the Bond Resolution, the Assessment Resolutions, the Indenture and the Limited Offering Memoranda shall not have been supplemented, amended, modified or repealed, except in any such case as may have been agreed to by the Underwriter;

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

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

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

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

(4) The opinion, dated 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 and addressed to the District, the Underwriter and the Trustee of Straley Robin Vericker P.A., counsel to the District, in the form annexed as Exhibit D hereto or in form and substance otherwise acceptable to the Underwriter and its counsel;



(7) 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 Johnson Pope Bokor Ruppel & Burns, LLP, counsel to the Developer, 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 Developer dated as of the Closing Date, in the form annexed as Exhibit F hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(11) A copy of the Ordinance;

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

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

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

(15) Executed copies of the District's certification as to arbitrage and other matters relative to the tax status of the Series 2021 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 2021 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 2021 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 either Series of the Series 2021 Bonds;

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

(23) A certified copy of the final judgment of the Circuit Court in and for Pasco County, Florida validating the Series 2021 Bonds and appropriate certificate of no-appeal;

(24) A copy of the Master Assessment Methodology for the Series 2021 Assessment Area for Chapel Creek Community Development District dated January 21, 2021, as supplemented by the [Supplemental Assessment Methodology – Series 2021 Assessment Area], dated the date hereof, as the same may be amended and supplemented from time to time, relating to the Series 2021 Bonds;

(25) A copy of the "Chapel Creek Community Development District Report of the District Engineer," dated December 17, 2020;

(26) Acknowledgments in recordable form by all mortgage holders, if any, on lands within the Series 2021 Assessment Area as to the superior lien of the Series 2021 Special Assessments, in form and substance acceptable to the Underwriter and Underwriter's Counsel;

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

(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 2021 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 Developer on or prior to the Closing of all the agreements then to be performed and conditions then to be satisfied by each.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2021 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 2021 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 2021 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 2021 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 either Series of the Series 2021 Bonds) or the interest thereon, or any tax exemption granted or authorized by the State or, which in the reasonable opinion of the Underwriter, affects materially and adversely the market for either Series of the Series 2021 Bonds, or the market price generally of obligations of the general character of the Series 2021 Bonds; (ii) the District or the Developer have, without the prior written consent of the Underwriter, offered or issued any bonds, notes or other obligations for borrowed money, or incurred any material liabilities, direct or contingent, or there has been an adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District or the Developer, other than in the ordinary course of their respective business; (iii) any event shall have occurred or shall exist which, in the reasonable opinion of the Underwriter, would or might cause the information contained in the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (iv) the District fails to adopt the Assessment Resolutions or fails to perform any action to be performed by it in connection with the levy of either Series of the Series 2021 Special Assessments.

#### **10. Expenses.**

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

Purchase Contract. It is anticipated that such expenses shall be paid from the proceeds of the Series 2021 Bonds. The District shall submit for recording all documents required to be provided in recordable form hereunder within three business days after the Closing Date, which obligation shall survive the Closing.

(b) The Underwriter agrees to pay all advertising expenses in connection with the Series 2021 Bonds, if any.

**11. No Advisory or Fiduciary Role.** The District acknowledges and agrees that (i) the purchase and sale of the Series 2021 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 2021 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 2021 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, Orlando, 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 2021 Bonds, regardless of: (i) any investigations made by or on behalf of the Underwriter and (ii) delivery of and payment for the Series 2021 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 \_\_\_\_\_, 2021.

**CHAPEL CREEK COMMUNITY  
DEVELOPMENT DISTRICT**

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

## **EXHIBIT A**

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

\_\_\_\_\_, 2021

Chapel Creek Community Development District  
Pasco County, Florida

Re: \$\_\_\_\_\_ Chapel Creek Community Development District Special Assessment  
Bonds, Series 2021 (Series 2021 Project) (the "Bonds")

Dear Ladies and Gentlemen:

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 2021 Bonds pursuant to a Bond Purchase Contract dated \_\_\_\_\_, 2021 (the "Bond Purchase Contract"), by and between the Underwriter and Chapel Creek Community Development District (the "District"), furnishes the following information in connection with the limited offering and sale of the Series 2021 Bonds. Capitalized terms used and not defined herein shall have the meanings 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 2021 Bonds is approximately \$\_\_\_\_ per \$\_\_\_\_\_ or \$\_\_\_\_\_.
2. There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Series 2021 Bonds.
3. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2021 Bonds are set forth in Schedule I attached hereto.
4. 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 2021 Bonds to any person not regularly employed or retained by the Underwriter in connection with the Series 2021 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 2021 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 2021 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 2021 Project, (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 Bonds. This debt or obligation is expected to be repaid over a period of approximately \_\_\_\_\_ ( ) years and \_\_\_\_\_ ( ) months. At a net interest cost of approximately \_\_\_\_\_ % for the Series 2021 Bonds, total interest paid over the life of the Series 2021 Bonds will be \$\_\_\_\_\_.

The source of repayment for the Series 2021 Bonds is the Series 2021 Special Assessments, imposed and collected by the District. Based solely upon the assumptions set forth in the paragraph above, the issuance of the Series 2021 Bonds will result in approximately \$\_\_\_\_\_ (representing the average annual debt service payments due on the Series 2021 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; provided however, that in the event that the Series 2021 Bonds were not issued, the District would not be entitled to impose and collect the Series 2021 Special Assessments in the amount of the principal of and interest to be paid on the Series 2021 Bonds.

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Sincerely,

**FMSBONDS, INC.**

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 2021 Bonds, [plus/less net original issue premium/discount of \$\_\_\_\_\_ and] less an underwriter's discount of \$\_\_\_\_\_).
2. **Principal Amounts, Maturities, Interest Rates, Yields and Prices:**

<u>Series 2021 Bonds</u>			
<u>Amount</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Price</u>

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

4. **Redemption Provisions:**

#### **Optional Redemption**

The Series 2021 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 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

#### **Mandatory Sinking Fund Redemption**

The Series 2021 Bonds maturing on [May 1, 20\_\_\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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>
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\*

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\*Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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>
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\*

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\*Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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>
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\*Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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>
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\*Maturity

Upon any redemption of Series 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2021 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2021 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2021 Bonds in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a mandatory sinking fund redemption amount 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 2021 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole or in part, on any date (other than in the case of clause (i) below, which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2021 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account following the payment in whole or in part of Series 2021 Special Assessments on any assessable property within the District in accordance with the provisions of the Third Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2021 Reserve Account to the Series 2021 Prepayment Subaccount as a result of such Series 2021 Prepayment and pursuant to the Third Supplemental Indenture. If such redemption shall be in part, the District shall select such principal

amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level;

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

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account in accordance with the provisions set forth in the Third Supplemental Indenture, not otherwise reserved to complete the Series 2021 Project and transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. If such redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

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

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## **EXHIBIT C**

### **BOND COUNSEL'S SUPPLEMENTAL OPINION**

\_\_\_\_\_, 2021

Chapel Creek Community Development District  
Pasco County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

Re: \$\_\_\_\_\_ Chapel Creek Community Development District (Pasco County,  
Florida) Special Assessment Bonds, Series 2021 (Series 2021 Project)

Ladies and Gentlemen:

We have acted as Bond Counsel to the Chapel Creek 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 \$\_\_\_\_\_ aggregate principal amount of Special Assessment Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 Bonds"). In such capacity, we have rendered our final approving opinion (the "Opinion") of even date herewith relating to the Series 2021 Bonds. The Series 2021 Bonds are secured pursuant to that certain Master Trust Indenture, dated as of September 1, 2006 (the "Master Indenture"), as supplemented by that certain Third Supplemental Trust Indenture, dated as of [April 1], 2021 (the "Third Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee").

In connection with the rendering of the Opinion, we have reviewed records of the actions taken by the District in connection with the authorization, sale and issuance of the Series 2021 Bonds, were present at various meetings and participated in various discussions in connection therewith and have reviewed such other documents, records and other instruments as we deem necessary to deliver this opinion.

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

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

1. The sale of the Series 2021 Bonds by the District is not subject to the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the exemption provided in Section 3(a)(2) of the Securities Act.

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

3. The information in the Limited Offering Memorandum under the captions "INTRODUCTION," "DESCRIPTION OF THE SERIES 2021 BONDS," and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS" insofar as such statements constitute descriptions of the Series 2021 Bonds or the 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 2021 BOND - Book-Entry Only System," and any other information in the Limited Offering Memorandum 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 2021 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 addressees hereto. This letter is not intended to, and may not be, relied upon by holders of the Series 2021 Bonds.

Respectfully submitted,

**EXHIBIT D**

**ISSUER'S COUNSEL'S OPINION**

\_\_\_\_\_, 2021

Chapel Creek Community Development District  
Pasco County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

U.S. Bank, National Association  
Orlando, Florida

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

GrayRobinson, P.A.  
Tampa, Florida

Re:     \$ \_\_\_\_\_ Chapel Creek Community Development District Special Assessment  
          Bonds, Series 2021 (Series 2021 Project)

Ladies and Gentlemen:

[Customary introduction/qualifications]

In our capacity as counsel to the District, we have examined such documents and have made such examination of law 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 Manager, the District assessment consultant, the Underwriter, Bond Counsel, counsel for the Underwriter, the Developer, counsel for the Developer, and the District Engineer relative to the Limited Offering Memoranda (as defined herein) and the related documents described as follows:

the Bond Purchase Contract, the Indenture, the DTC Letter of Representations, and the Continuing Disclosure Agreement (collectively, the "**Financing Documents**");

the Development Acquisition Agreement dated as of \_\_\_\_\_, 2021 (the "**Acquisition Agreement**") by and between the District and Clayton Properties Group, Inc., a Tennessee corporation (the "**Developer**"), the Agreement to Convey or Dedicate dated as of the Closing Date by and between the District and the Developer (the "**Conveyance Agreement**"), the Collateral Assignment and Assumption of Development Rights Relating to the 2021 Project dated as of the Closing Date and in recordable form by and between the District and the Developer (the "**Collateral Assignment**"), the Funding and

Completion Agreement dated as of the Closing Date by and between the District and the Developer (the "**Completion Agreement**"), and the True-Up Agreement between the District and the Developer, dated as of the Closing Date in recordable form (the "**True-Up Agreement**" and collectively with the Acquisition Agreement, Conveyance Agreement, Collateral Assignment, and Completion Agreement referred to herein as the "**Ancillary Agreements**");

Resolutions Nos. 2006-09 and 2021-[10] adopted by the Board of Supervisors of the District (the "**Board**") on January 26, 2006 and [April 6], 2021, respectively (collectively, the "**Bond Resolutions**"); and

Resolution Nos. 2021-\_\_\_\_, 2021-\_\_\_\_, and 2021-\_\_\_\_, adopted by the Board on \_\_\_\_\_, 2021, \_\_\_\_\_, 2021, and \_\_\_\_\_, 2021, respectively (collectively, the "**Assessment Resolutions**").

Based on the foregoing, we are of the opinion that:

1. The District has been established and validly exists as a community development district, independent local unit of special purpose government and political subdivision under applicable Florida law.
2. The Financing Documents, the Ancillary Agreements, and the use of the uniform method for the collection of non-ad valorem assessments pursuant to Section 197.3632, Florida Statutes, as amended, and the Series 2021 Bonds have been duly authorized, executed, and delivered by the District.
3. Assuming due execution by the other party(ies) thereto, if applicable, the Financing Documents, the Ancillary Agreements, the Series 2021 Bonds, the Bond Resolutions, and the Assessment Resolutions constitute legal, valid and binding obligations of the District, enforceable in accordance with their respective terms, except to the extent that the enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency, and similar laws affecting creditors' rights generally and general principles of equity.
4. There is no litigation or other proceeding now pending of which the District or its registered agent has received notice or service of process, or to our best knowledge, threatened against the District: (a) contesting the existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (b) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2021 Bonds or the application of the proceeds of the sale thereof for the purposes described in the Limited Offering Memoranda or the collection of Series 2021 Assessments or the pledge of and lien on the Series 2021 Pledged Revenues pursuant to the Indenture; (c) contesting or affecting specifically as to the District the validity or enforceability of the Act or any action of the District relating to authorization for the issuance of the Series 2021 Bonds or the authorization of the 2021 Project, the Bond Resolutions, the Assessment Resolutions, the Financing Documents, the Ancillary Agreements, or the application of the proceeds of the Series 2021 Bonds for the

purposes set forth in the Limited Offering Memoranda; (d) specifically contesting the federal or state tax status of the Series 2021 Bonds; or (e) contesting the completeness or accuracy of the Limited Offering Memoranda (except for permitted omissions with respect to the Preliminary Limited Offering Memorandum as defined herein) or any supplement or amendment thereto.

5. The District has duly authorized and delivered the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 (the "**Preliminary Limited Offering Memorandum**"), and duly authorized, execute and delivered the Limited Offering Memorandum dated \_\_\_\_\_, 2021 (the "**Limited Offering Memorandum**" and, together with the Preliminary Limited Offering Memorandum, collectively, the "**Limited Offering Memoranda**").
6. Based upon our representation of the District as its Counsel and our limited participation in the preparation of the Limited Offering Memoranda, we have no reason to believe that the statements and information contained in the Limited Offering Memoranda under the captions (including all subcaptions thereunder unless hereinafter excluded) "INTRODUCTION," "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS," "ENFORCEMENT OF ASSESSMENT COLLECTIONS," "THE DISTRICT" (excluding the subcaption "The District Manager and Other Consultants"), "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS," "THE DEVELOPMENT – Developer Agreements" (solely as it relates to a description of such agreements with the District), "AGREEMENT BY THE STATE," "LITIGATION – The District," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE," "VALIDATION," and "AUTHORIZATION AND APPROVAL" are not true and accurate and as of their respective dates did not, and as of the date of Closing do not, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.
7. The District is not, in any manner material to the issuance of the Series 2021 Bonds, in breach of or default under any applicable provision of the Act or constitutional provision, statute, or administrative regulation of the State or the United States, or to the best of our knowledge, any applicable judgment or decree, any loan agreement, indenture, bond, note, resolution, agreement, or any other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of our knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the District under any such instrument; provided, however, that no opinion is expressed as to compliance with any state or federal tax laws or with any state "Blue Sky" or other securities laws, as may be applicable.
8. The execution and delivery of the Series 2021 Bonds, the Financing Documents, the Ancillary Agreements, to which the District is a party, and the adoption of the Bond Resolutions and the Assessment Resolutions and compliance with the provisions on the District's part contained therein will not conflict with or constitute a breach of or default



under any applicable constitutional provision or law, or to the best of our knowledge, under any administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as expressly provided by the Series 2021 Bonds and the Indenture. To the best of our knowledge after due inquiry, the District has taken no action which, with the lapse of time or the giving of notice, or both would constitute a material default or event of default by the District under the Series 2021 Bonds, the Financing Documents or the Ancillary Agreements.

9. To the best of our knowledge after investigation, all consents, permits or licenses, and all notices to or filings with governmental authorities necessary for the consummation by the District of the transactions described in the Limited Offering Memoranda and contemplated by the Indenture required to be obtained or made, have been obtained or made or there is no reason to believe they will not be obtained or made when required, provided that no opinion is expressed as to the applicability of or compliance with tax laws, state "Blue Sky" laws or other securities laws.
10. The District has the right and authority under the Act and other state law to adopt the Bond Resolutions and the Assessment Resolutions, to issue the Series 2021 Bonds, to undertake the 2021 Project, to levy the Series 2021 Assessments that will secure the Series 2021 Bonds, and has duly adopted the Bond Resolutions and the Assessment Resolutions.
11. All proceedings undertaken by the District with respect to the Series 2021 Assessments securing the Series 2021 Bonds, including adoption of the Assessment Resolutions, were undertaken in accordance with Florida law, and the District has taken all necessary action as of the date hereof to levy and impose the Series 2021 Assessments. The Series 2021 Assessments constitute legal, valid, binding and enforceable first liens upon the property against which such Series 2021 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 (except for federal liens, titles, and claims).
12. The Series 2021 Bonds have been validated by a final judgment of the Circuit Court in and for Pasco County, Florida, of which no timely appeal was filed.
13. The District has the full power and authority to own and operate the Series 2021 Project.
14. All conditions prescribed in the Indenture and the Bond Purchase Contract to be performed by the District as precedent to the issuance of the Series 2021 Bonds have been fulfilled.

Very truly yours,

**EXHIBIT E**

**DEVELOPER'S COUNSEL'S OPINION**

\_\_\_\_\_, 2021

Chapel Creek Community Development District  
Pasco County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

U.S. Bank National Association  
Orlando, Florida

Greenberg Traurig, P.A.  
Miami, Florida

GrayRobinson, P.A.  
Tampa, Florida

Re:     \$ \_\_\_\_\_ Chapel Creek Community Development District Special Assessment  
          Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 Bonds")

Ladies and Gentlemen:

I am counsel to Clayton Properties Group, Inc., a Tennessee corporation (the "Developer"), which is the developer and owner of certain land within the planned community located in the Davenport, Florida, and commonly referred to as "Geneva," as such lands are described in the Limited Offering Memoranda (as hereinafter defined). This opinion is rendered at the request of the Developer in connection with the issuance by the Chapel Creek Community Development District (the "District") of the above-referenced Bonds, as further described in the District's Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 and the District's final Limited Offering Memorandum, dated \_\_\_\_\_, 2021, 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 2021 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 2021 Project, (ii) funding a deposit to the Series 2021 Reserve Account in an amount equal to the Series 2021 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 Bonds.

In my capacity as counsel to the Developer, 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 Developer, 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 Developer dated as of the Closing Date (the "Completion Agreement"), the Agreement Regarding the Acquisition of Real Property by and between the District and the Developer dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2021 Project by and between the District, Developer dated as of the Closing Date (the "Collateral Assignment"), the Agreement Regarding True-Up as to Series 2021 Special Assessments by and between the District and the Developer 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 Developer (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 (i) the Operating Agreement of the Developer dated as of [\_\_\_\_\_, 20\_\_], and the Developer's Articles of Organization filed on [\_\_\_\_\_, 20\_\_], and (ii) certificate of good standing issued by the State of Florida for the Developer on [\_\_\_\_\_, 2021] (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 Developer) 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 Developer, 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 Developer is a corporation, organized and existing under the laws of the State of Tennessee and authorized to conduct business in the State of Florida.
2. The Developer 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 Developer 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 Developer, enforceable in accordance with their respective terms.

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

5. The execution, delivery and performance of the Documents by the Developer do not violate (i) the operating agreements or by-laws of the Developer, (ii) to my knowledge, any agreement, instrument or Federal or Florida law, rule or regulation known to me to which any the Developer is a party or by which any of such entity'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 Developer or its assets.

6. Nothing has come to my attention that would lead me to believe that the Developer is not in compliance in all material respects with all provisions of applicable law in all material matters relating to the Developer as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) I have no knowledge that the Developer has not received all government permits, consents and licenses required in connection with the construction and completion of the development of the Series 2021 Project and the Series 2021 Assessment Area 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 Developer's ability to complete development of the Series 2021 Project and the Series 2021 Assessment Area as described in the Limited Offering Memoranda and all appendices thereto; and (c) I have no knowledge and am not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the development of the Series 2021 Assessment Area as described in the Limited Offering Memoranda will not be obtained in due course as required by the Developer.

7. To the best of my knowledge after due inquiry, the levy of the Series 2021 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 Developer is a party or to which the Developer or any of its properties or assets are subject.

8. To the best of my knowledge after due inquiry, there is no litigation pending which would prevent or prohibit the development of the Series 2021 Project or the Series 2021 Assessment Area 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 respective business, properties, assets or financial condition of the Developer.

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

in bankruptcy, application or proceeding or order for relief or the appointment of a custodian, receiver or any trustee.

10. To the best of my knowledge after due inquiry, the Developer is not 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 2021 Bonds or the development of the Series 2021 Project or the Series 2021 Assessment Area.

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

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

Very truly yours,

## **EXHIBIT F**

### **CERTIFICATE OF DEVELOPER**

CLAYTON PROPERTIES GROUP, INC., a Tennessee corporation (the "Developer"), DOES HEREBY CERTIFY, that:

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

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

3. Representatives of the Developer have provided information to the District to be used in connection with the offering by the District of its Series 2021 Bonds, pursuant to a Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2021, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

4. The Declaration of Consent to Jurisdiction of Chapel Creek Community Development District and to Imposition of Special Assessments dated \_\_\_\_\_, 2021 executed by the Developer and to be recorded in the public records of Pasco County, Florida (the "Declaration of Consent"), constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms.

5. The Developer has reviewed and approved the information contained in the Limited Offering Memoranda under the captions "THE SERIES 2021 PROJECT," "THE DEVELOPMENT," "THE DEVELOPER," "BONDOWNERS' RISKS" (as it relates to the Developer, the Development and non-specific Bondholder risks), "LITIGATION – The Developer" and "CONTINUING DISCLOSURE" (as it relates to the Developer) and warrants and represents that such information did not as of their respective dates, and does not as of the date hereof, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, the Developer is not aware of any other information in the Limited Offering Memoranda that contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

6. The Developer represents and warrants that it has complied with and will continue to comply with 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 Developer which has not been disclosed in the Limited Offering Memoranda.

8. The Developer hereby represents that it owns that the lands in the District that will be subject to the Series 2021 Special Assessments as described in the Limited Offering Memoranda, and the Developer hereby consents to the levy of the Series 2021 Special Assessments on the lands in the District owned by the Developer. The levy of the Series 2021 Special Assessments on the Lands in the District will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which the Developer is a party or to which its property or assets are subject.

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

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

11. To the best of our knowledge, the Developer is not in default under any other resolution, ordinance, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which the Developer is subject or by which the Developer or its 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 Developer (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of Financing Documents, Declaration of Consent and/or Ancillary Documents to which the Company 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 Developer or of the Developer's business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Developer, or (d) that would have a material and adverse effect upon the ability of the Developer to (i) complete the development of lands within the Series 2021 Assessment Area as described in the Limited Offering Memoranda, (ii) pay the Series 2021 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 Developer is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Development as described in the Limited Offering Memoranda, including applying for all necessary permits. Except as otherwise described in the Limited Offering Memoranda, (a) the Development is zoned and properly designated for its intended use; (b) all government permits other than certain permits, which permits are expected to be received as needed, have been received; (c) the Developer is not aware of any default of any zoning condition, permit or development agreement which would adversely affect the Developer's ability to complete or cause the completion of development of the Series 2021 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 2021 Assessment Area as described in the Offering Memoranda will not be obtained as required.

14. The Developer acknowledges that it will have no rights under Chapter 170, Florida Statutes, as amended, to prepay, without interest, the Series 2021 Special Assessments imposed on lands in the District owned by the Developer within thirty (30) days following completion of the Series 2021 Project and acceptance thereof by the District.

15. Except as disclosed in the Limited Offering Memoranda, the Developer has never failed to comply in all material respects with any disclosure obligations pursuant to SEC Rule 15c2-12.

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

Dated: \_\_\_\_\_, 2021.

**CLAYTON PROPERTIES GROUP, INC.,**  
a Tennessee corporation

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

## **APPENDIX G**

### **CERTIFICATE OF ENGINEER**

CERTIFICATE OF STANTEC CONSULTING SERVICES, INC. (the "Engineers"), DOES HEREBY CERTIFY, that:

1. This certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Contract dated \_\_\_\_\_, 2021 (the "Purchase Contract"), by and between Chapel Creek Community Development District (the "District") and FMSbonds, Inc. with respect to the District's \$\_\_\_\_\_ original aggregate principal amount of Chapel Creek Community Development District Special Assessment Bonds, Series 2021 (Series 2021 Project) (the "Assessment Area Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2021, including the appendices attached thereto, relating to the Series 2021 Bonds (collectively, the "Limited Offering Memoranda"), as applicable.

2. The Engineers have been retained by the District as the District Engineer.

3. The plans and specifications for the Series 2021 Project (as described in the Limited Offering Memoranda) were approved by all regulatory bodies required to approve them. All environmental and other regulatory permits or approvals required in connection with the construction of the Series 2021 Project were obtained.

4. The Engineers prepared the report entitled "Chapel Creek Community Development District Report of the District Engineer," dated December 17, 2020 (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 2021 Project are included in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions "THE SERIES 2021 PROJECT" and "THE DEVELOPMENT." The Report and said information are true and complete in all material respects, contain no untrue statement of a material fact, and do not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. The Engineers hereby consent to the inclusion of the 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 2021 Project is being constructed in sound workmanlike manner and in accordance with industry standards.

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

8. To the best of our knowledge, after due inquiry, the Developer is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Developer and the Development as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) all government permits required in connection with the construction of the Development as described in the Limited Offering Memoranda have been received; (b) we are not aware of the any default of any zoning condition, land use permit or development agreement which would adversely affect the ability to complete development of the Series 2021 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 Development (including the Series 2021 Assessment Area) as described in the Limited Offering Memoranda and all appendices thereto will not be obtained in due course as required by the Developer.

9. There is adequate water and sewer service capacity to serve the Series 2021 Assessment Area within the District.

Date: \_\_\_\_\_, 2021

**STANTEC CONSULTING SERVICES,  
INC.**

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

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

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

## **EXHIBIT H**

### **CERTIFICATE OF DISTRICT MANAGER AND METHODOLOGY CONSULTANT**

\_\_\_\_\_, 2021

Chapel Creek Community Development District  
Pasco County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

Re: \$\_\_\_\_\_ Chapel Creek Community Development District Special Assessment  
Bonds, Series 2021 (Series 2021 Project)

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

2. 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 2021 Bonds and has participated in the preparation of the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2021, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

3. In connection with the issuance of the Series 2021 Bonds, we have been retained by the District to prepare the Master Assessment Methodology for the Series 2021 Assessment Area for Chapel Creek Community Development District dated January 21, 2021, as supplemented by the [Supplemental Assessment Methodology – Series 2021 Assessment Area], dated \_\_\_\_\_, 2021 (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 such 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 2021 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 and Registered Agent 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 2021 Bonds, or in any way contesting or affecting the validity of the Series 2021 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 2021 Bonds, or the existence or powers of the District.

8. The Series 2021 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 2021 Bonds through the final maturity thereof.

Dated: \_\_\_\_\_, 2021.

**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 [\_\_\_\_\_, 2021]**

**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 2021 Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes; and, further, interest on the Series 2021 Bonds will not be an item of tax preference for purposes of the alternative minimum tax imposed on individuals. See "TAX MATTERS" herein for a description of certain other federal tax consequences of ownership of the Series 2021 Bonds. Bond Counsel is further of the opinion that the Series 2021 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See "TAX MATTERS" herein.*

**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT  
(PASCO COUNTY, FLORIDA)**

**\$8,430,000\***  
**SPECIAL ASSESSMENT BONDS, SERIES 2021  
(SERIES 2021 PROJECT)**

**Dated: Date of Delivery**

**Due: As described herein**

The Chapel Creek Community Development District Special Assessment Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 Bonds") are being issued by the Chapel Creek 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 2021 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 [\_\_\_\_\_] 1, 2021]. The Series 2021 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 2021 Bonds will be made in book-entry-only form and purchasers of beneficial interests in the Series 2021 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 2021 Bonds will be paid from the sources provided by the Indenture (as defined herein) by U.S. Bank 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 Assessment Area 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 2021 Bond. See "DESCRIPTION OF THE SERIES 2021 BOND – Book-Entry Only System" herein.

The Series 2021 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 2021 Project (as defined herein), (ii) funding a deposit to the Series 2021 Reserve Account in the amount of the Series 2021 Reserve Requirement (as defined herein), (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "APPENDIX B: COPY OF MASTER INDENTURE AND PROPOSED FORM OF THIRD SUPPLEMENTAL INDENTURE" hereto.

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. 05-35, duly enacted by the Board of County Commissioners of Pasco County, Florida (the "County") with an effective date of August 23, 2005 (the "Ordinance"). The Series 2021 Bonds are being issued pursuant to the Act, Resolution No. 2006-09 and Resolution No. 2021-[10] adopted by the Board of Supervisors (the "Board") of the District on January 26, 2006 and [April 6], 2021, respectively (collectively, the "Resolution"), and a Master Trust Indenture dated as of September 1, 2006 (the "Master Indenture"), as supplemented by a Third Supplemental Trust Indenture, dated as of [\_\_\_\_\_] 1, 2021 (the "Third Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

The Series 2021 Bonds are payable from and secured solely by the Series 2021 Pledged Revenues. The Series 2021 Pledged Revenues for the Series 2021 Bonds consist of (a) all revenues received by the District from the Series 2021 Special Assessments (as defined herein) levied and collected on the assessable lands within the Series 2021 Assessment Area, benefitted by the Series 2021 Project, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture, created and established with respect to or for the benefit of the Series 2021 Bonds; provided, however, that the Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund and (C) "special assessments" levied and collected by the District under Section 190.022, Florida Statutes, for maintenance purposes or "maintenance assessments" levied and collected by the District under Section 190.021(3), Florida Statutes (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 2021 BONDS" herein.

The Series 2021 Bonds are subject to optional redemption, mandatory sinking fund and extraordinary mandatory redemption at the times, in the amounts, and at the redemption prices more fully described herein under the caption "DESCRIPTION OF THE SERIES 2021 BONDS — Redemption Provisions."

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

The Series 2021 Bonds involve a degree of risk (see "BONDOWNERS' RISKS" herein) and are not suitable for all investors (see "SUITABILITY FOR INVESTMENT" herein). 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 transfer in any secondary market for the Series 2021 Bonds. The Series 2021 Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the Series 2021 Bonds.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2021 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 2021 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 2021 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida, for the District by its counsel, Straley Robin Vericker P.A., Tampa, Florida, and for the Developer (as defined herein) by its counsel, Johnson Pope Bokor Ruppel & Burns, LLP, Tampa, Florida. It is expected that the Series 2021 Bonds will be delivered in book-entry form through the facilities of DTC on or about \_\_\_\_\_, 2021.

## FMSbonds, Inc.

Dated: \_\_\_\_\_, 2021

\* Preliminary, subject to change.

\*\* The District is not responsible for the 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.

## **CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT**

### **BOARD OF SUPERVISORS**

Brian Walsh, Chair\*  
Milton Andrade, Vice Chair\*  
Timothy Jones, Sr., Assistant Secretary  
Steven Johnson II, Assistant Secretary  
Garret Parkinson, Assistant Secretary\*

\*Affiliated with the Developer or its affiliates

### **DISTRICT MANAGER/METHODOLOGY CONSULTANT**

Governmental Management Services – Central Florida, LLC  
Orlando, Florida

### **DISTRICT ENGINEER**

Stantec Consulting Services, Inc.  
Tampa, Florida

### **DISTRICT COUNSEL**

Straley Robin Vericker P.A.  
Tampa, 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 2021 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2021 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE DEVELOPER (AS HEREINAFTER DEFINED), THE DISTRICT, PUBLIC DOCUMENTS, RECORDS AND OTHER SOURCES, WHICH SOURCES ARE BELIEVED TO BE RELIABLE BUT WHICH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, THE UNDERWRITER NAMED ON THE COVER PAGE OF THIS LIMITED OFFERING MEMORANDUM. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN CONTAINED ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS LIMITED OFFERING MEMORANDUM, NOR ANY SALE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT, THE DEVELOPER OR IN THE STATUS OF THE DEVELOPMENT OR THE SERIES 2021 PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

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

"FORWARD-LOOKING STATEMENTS" ARE USED IN THIS DOCUMENT BY USING FORWARD LOOKING WORDS SUCH AS "MAY," "WILL," "SHOULD," "INTENDS," "EXPECTS," "BELIEVES," "ANTICIPATES," "ESTIMATES," OR OTHERS.

THE READER IS CAUTIONED THAT FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A VARIETY OF UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER FROM THE PROJECTED RESULTS. THOSE RISKS AND UNCERTAINTIES INCLUDE GENERAL ECONOMIC AND BUSINESS CONDITIONS, CONDITIONS IN THE FINANCIAL MARKETS AND REAL ESTATE MARKET, THE DISTRICT'S COLLECTION OF ASSESSMENTS, AND VARIOUS OTHER FACTORS WHICH MAY BE BEYOND THE DISTRICT'S, THE DEVELOPER'S CONTROL. BECAUSE THE DISTRICT, THE DEVELOPER CANNOT PREDICT ALL FACTORS THAT MAY AFFECT FUTURE DECISIONS, ACTIONS, EVENTS, OR FINANCIAL CIRCUMSTANCES, WHAT ACTUALLY HAPPENS MAY BE DIFFERENT FROM WHAT IS INCLUDED IN FORWARD-LOOKING STATEMENTS.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT, THE DEVELOPER DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS 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 IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: [WWW.MUNIOS.COM](http://WWW.MUNIOS.COM) AND [WWW.EMMA.MSRB.ORG](http://WWW.EMMA.MSRB.ORG). THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS PRINTED IN ITS ENTIRETY DIRECTLY FROM EITHER OF SUCH WEBSITES.

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



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**LIMITED OFFERING MEMORANDUM**  
**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT**  
**(PASCO COUNTY, FLORIDA)**

**\$8,430,000\***  
**SPECIAL ASSESSMENT BONDS, SERIES 2021**  
**(SERIES 2021 PROJECT)**

**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 Chapel Creek Community Development District (the "District" or the "Issuer") of its \$8,430,000\* aggregate principal amount of Special Assessment Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 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 2021 BONDS. THE SERIES 2021 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2021 BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF CHAPTER 517, FLORIDA STATUTES, AND THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES PROMULGATED THEREUNDER. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFER IN ANY SECONDARY MARKET FOR THE SERIES 2021 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. 05-35, duly enacted by the Board of County Commissioners of Pasco County, Florida (the "County") with an effective date of August 23, 2005 (the "Ordinance"). The District was established for the purpose of financing the acquisition and construction of and managing the maintenance and operation of certain community development services and facilities within and without its boundaries. The Act authorizes the District to issue bonds for purposes, among others, of financing and refinancing the costs of planning, financing, acquisition, design construction, reconstruction, equipping and installation of potable water and wastewater facilities.

The District encompasses approximately 350 gross acres of land (the "District Lands") located within an unincorporated area of the County known as Zephyrhills. For more complete information about the District, its Board of Supervisors and the District Manager, see "THE

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\* Preliminary, subject to change.

DISTRICT" herein. The District Lands are being developed as a residential community known as "Chapel Creek" (the "Development"), which at buildout is expected to consist of approximately [ ] single-family homes, recreation and amenity areas, parks and associated infrastructure. See "THE DEVELOPMENT" herein for more information.

The District previously issued its Series 2006 Bonds (as defined herein) to finance certain public infrastructure improvements associated with the Development. In [ ], the prior developer of the District Lands failed to pay the special assessments that secured the Series 2006 Bonds, and the Series 2006 Bonds went into default. The District thereafter foreclosed on the land in the District and engaged [Lerner & Associates] to complete certain portions of the Development and sell off certain parcels of land. [Of the \_\_ planned lots in the Development, \_\_ lots have been developed and contain homes closed with end users, and \_\_ lots are undeveloped.] See "THE DISTRICT – Outstanding Bonds and Prior and Existing Defaults" herein for more information.

In [ ], Clayton Properties Group, Inc., a Tennessee corporation doing business as Highland Homes and a wholly owned subsidiary of Berkshire Hathaway (the "Developer") acquired approximately [ ] acres of undeveloped District Lands that is referred to Phases 7 and 8 of the Development, which are planned for development to contain 390 single-family lots (the "Series 2021 Assessment Area"). The Developer is serving as the developer and homebuilder for the Series 2021 Assessment Area. See "THE DEVELOPER" herein for more information regarding the Developer and "THE DEVELOPMENT" herein for more information regarding the Series 2021 Assessment Area.

The Series 2021 Bonds will finance a portion of the public infrastructure improvements associated with the development of the Series 2021 Assessment Area (as further defined herein, the "Series 2021 Project"). See "THE SERIES 2021 PROJECT" herein and "APPENDIX A: ENGINEER'S REPORT" hereto for more information. The Series 2021 Bonds will be secured by the Series 2021 Special Assessments (as defined herein), which will initially be levied on the approximately [ ] gross acres within the Series 2021 Assessment Area. As lots are platted within the Series 2021 Assessment Area, the Series 2021 Special Assessments will be assigned to the platted lots within the Series 2021 Assessment Area on a first platted, first assigned basis, as set forth in the Assessment Methodology. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto for more information.

The Series 2021 Bonds are being issued pursuant to the Act, Resolution No. 2006-09 and Resolution No. 2021-[10] adopted by the Board of Supervisors (the "Board") of the District on January 26, 2006 and [April 6], 2021, respectively (collectively, the "Resolution"), and a Master Trust Indenture dated as of September 1, 2006 (the "Master Indenture"), as supplemented by a Third Supplemental Trust Indenture, dated as [ ] 1, 2021 (the "Third Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

The Series 2021 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 2021 Project, (ii) funding a deposit to the Series 2021 Reserve Account

in the amount of the Series 2021 Reserve Requirement (as defined herein), (iii) paying a portion of the interest coming due on the Series 2021 Bonds, and (iv) paying the costs of issuance of the Series 2021 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "APPENDIX B: COPY OF MASTER INDENTURE AND PROPOSED FORM OF THIRD SUPPLEMENTAL INDENTURE" hereto.

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

Set forth herein are brief descriptions of the District, the Series 2021 Assessment Area, the Series 2021 Project, the Developer and the Development, together with summaries of terms of the Series 2021 Bonds, the Indenture, and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and the Act and all references to the Series 2021 Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. A copy of the Master Indenture and the proposed form of the Third 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 2021 BONDS**

### **General Description**

The Series 2021 Bonds will be dated, 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 2021 Bonds will be payable semi-annually on each May 1 and November 1, commencing [\_\_\_\_\_] 1, 2021], until maturity or prior redemption. U.S. Bank National Association is the initial Trustee, Paying Agent and Registrar for the Series 2021 Bonds.



The Series 2021 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 2021 Bonds will initially be offered only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, as amended, and the rules of the Florida Department of Financial Services promulgated thereunder; provided, however, the limitation of the initial offering to Accredited Investors does not denote restrictions on transfer in any secondary market for the Series 2021 Bonds. See "SUITABILITY FOR INVESTMENT" herein.

Upon initial issuance, the Series 2021 Bonds shall be issued as one fully registered bond for each maturity of Series 2021 Bonds and deposited with The Depository Trust Company ("DTC"), New York, New York, which is responsible for establishing and maintaining records of ownership for its participants. As long as the Series 2021 Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes of the Indenture. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2021 Bonds ("Beneficial Owners"). Principal and interest on the Series 2021 Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC nor its nominee, the Trustee or the District. During the period for which Cede & Co. is registered owner of the Series 2021 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to DTC Participants and DTC Participants shall be responsible for notices to Indirect Participants, and DTC Participants and Indirect Participants shall be responsible for notices to Beneficial Owners. In the event DTC, any successor of DTC or the District, but only in accordance with the procedures of DTC, elects to discontinue the book-entry only system for the Series 2021 Bonds, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor, and after such time the Series 2021 Bonds may be exchanged for an equal aggregate principal amount of such Series 2021 Bonds in other Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee. See "– Book-Entry Only System" herein.

## **Redemption Provisions**

### **Optional Redemption**

The Series 2021 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 2021 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account. If such optional redemption shall be in part, the District shall select such

principal amount of Series 2021 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

### **Mandatory Sinking Fund Redemption**

The Series 2021 Bonds maturing on [May 1, 20\_\_\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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>
	\$
*	

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\*Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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>
	\$
*	

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\*Maturity

The Series 2021 Bonds maturing on [May 1, 20\_\_\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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 2021 Bonds maturing on [May 1, 20\_\_\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 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 2021 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2021 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2021 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2021 Bonds in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a mandatory sinking fund redemption amount 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 2021 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole or in part, on any date (other than in the case of clause (i) below, which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2021 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2021 Prepayment Principal deposited into the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account following the payment in whole or in part of Series 2021 Special Assessments on any assessable property within the District in accordance with the provisions of the Third Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2021 Reserve Account to the Series 2021 Prepayment Subaccount as a result of such Series 2021 Prepayment and pursuant to the Third Supplemental Indenture. If such redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level;

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

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

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account in accordance with the provisions set forth in the Third Supplemental Indenture, not otherwise reserved to complete the Series 2021 Project and transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account. If such redemption shall be in part, the District shall select such principal amount of Series 2021 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2021 Bonds is substantially level.

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

### **Notice of Redemption**

[When required to redeem Series 2021 Bonds under the Indenture or when directed to do so by the District, the Trustee shall cause notice of the redemption, either in whole or in part, to be mailed at least thirty (30) but not more than sixty (60) days prior to the redemption date to all Owners of Series 2021 Bonds to be redeemed (as such Owners appear on the Bond Register on the fifth (5<sup>th</sup>) day prior to such mailing), at their registered address, 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 of the Series 2021 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 2021 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, 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 2021 Bonds. The Series 2021 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2021 Bond certificate will be issued for each maturity of the Series 2021 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade

settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

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

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

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

may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2021 Bonds 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 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2021 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 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the 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 2021 Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Series 2021 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2021 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Series 2021 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2021 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2021 Bonds to the Trustee's DTC account.

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

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository) 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 2021 BONDS**

### **General**

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

The Series 2021 Bonds are payable from and secured solely by the Series 2021 Pledged Revenues. The Series 2021 Pledged Revenues for the Series 2021 Bonds consist of (a) all revenues received by the District from the Series 2021 Special Assessments (as defined herein) levied and collected on the assessable lands within the Series 2021 Assessment Area, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2021 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2021 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture, created and established with respect to or for the benefit of the Series 2021 Bonds; provided, however, that the Series 2021 Pledged Revenues shall not include (A) any moneys transferred to the Series 2021 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2021 Costs of Issuance Account of the Acquisition and Construction Fund and (C) "special assessments" levied and collected by the District under Section 190.022, Florida Statutes, for maintenance purposes or "maintenance assessments" levied and collected by the District under Section 190.021(3), Florida Statutes (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 2021 Special Assessments" consist of the non-ad valorem special assessments imposed and levied by the District against the assessable lands within the Series 2021 Assessment Area specially benefited by the Series 2021 Project, or any portions thereof, pursuant to Section 190.022 of the Act, 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 are a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution.

The Series 2021 Special Assessments will constitute a lien against the land as to which the Series 2021 Special Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Series 2021 Special Assessments are levied in an amount corresponding to the debt service on the Series 2021 Bonds on the basis of benefit received by the lands within the District as a result of the Series 2021 Project. The Assessment Methodology (as hereinafter defined), which describes the methodology for allocating the Series 2021 Special Assessments to the assessable lands within the Series 2021 Assessment Area, is included as APPENDIX D attached hereto.

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

### **Prepayment of Series 2021 Special Assessments**

[The Assessment Proceedings provide that an owner of property subject to the Series 2021 Special Assessments may prepay the entire remaining balance of such Series 2021 Special Assessment at any time, or a portion of the remaining balance of such Series 2021 Special Assessments one time, if there is also paid, in addition to the prepaid principal balance of the Series 2021 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 2021 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 2021 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 2021 Special Assessments may pay the entire balance of the Series 2021 Special Assessments remaining due, without interest, within thirty (30) days after the Series 2021 Project has been completed or acquired by the District, and the Board has adopted a resolution accepting the Series 2021 Project pursuant to Chapter 170.09, Florida Statutes. The Developer, as the sole owner of the assessable property within the Series 2021 Assessment Area, will covenant to waive this right on behalf of itself and its respective successors and assigns in connection with the issuance of the Series 2021 Bonds. See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein.]

The Series 2021 Bonds are subject to extraordinary redemption as indicated under "DESCRIPTION OF THE SERIES 2021 BOND – Redemption Provisions – Extraordinary

Mandatory Redemption" from optional and required prepayments of Series 2021 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 2021 Special Assessments. In addition, the District will covenant not to issue any other Bonds or debt obligations for capital projects, secured by Special Assessments levied on the lands within the District that are subject to the Series 2021 Special Assessments, until the Series 2021 Special Assessments are Substantially Absorbed. "Substantially Absorbed" means the date at least seventy-five percent (75%) of the principal portion of the Series 2021 Special Assessments have been assigned to residential units within the Series 2021 Assessment Area that have received certificates of occupancy. The District shall present the Trustee with a certification that the Series 2021 Special Assessments have been Substantially Absorbed and the Trustee may conclusively rely upon such certification and shall have no duty to verify if the Series 2021 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to assume that the Series 2021 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 2021 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 2021 Project.

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

### **Covenant Against Sale or Encumbrance**

In the Master Indenture, the District has covenanted that (a) except for those improvements comprising the Projects that are to be conveyed or dedicated by the District to the County, the State Department of Transportation or another governmental entity and (b) except as otherwise permitted in the Master Indenture, it will not sell, lease or otherwise dispose of or encumber any Projects or any part thereof. See "APPENDIX B: COPY OF MASTER INDENTURE AND PROPOSED FORM OF THIRD SUPPLEMENTAL INDENTURE" herein.

### **Acquisition and Construction Account**

The Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2021 Acquisition and Construction Account." Net proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Acquisition and Construction Account in the amount set forth in the Third Supplemental Indenture, together with any moneys transferred or deposited thereto, and such moneys shall be applied as set forth in the Indenture and the

Acquisition Agreement (as defined in the Indenture). Funds on deposit in the Series 2021 Acquisition and Construction Account shall only be applied to the Costs of the Series 2021 Project, as requested by the District.

After the Completion Date for the Series 2021 Project, any moneys remaining in the Series 2021 Acquisition and Construction Account after retaining costs to complete the Series 2021 Project, shall be transferred to the Series 2021 General Redemption Subaccount, as directed in writing by the District or the District Manager, on behalf of the District to the Trustee. Except as provided the Third Supplemental Indenture, only upon presentment to the Trustee of a properly signed requisition in substantially the form attached as an exhibit to the Third Supplemental Indenture, shall the Trustee withdraw moneys from the Series 2021 Acquisition and Construction Account. After no funds remain therein, the Series 2021 Acquisition and Construction Account shall be closed. The Trustee shall not be responsible for determining the amounts in the Series 2021 Acquisition and Construction Account allocable to the respective components of the Series 2021 Project.

The Trustee shall make no transfers from the Series 2021 Acquisition and Construction Account to the Series 2021 General Redemption Subaccount if an Event of Default exists with respect to the Series 2021 Bonds of which the Trustee has notice as described in the Master Indenture or of which the Trustee has actual knowledge as described in the Master Indenture. Except as provided in the Third Supplemental Indenture, only upon presentment to the Trustee of a properly signed requisition in substantially the form attached thereto, shall the Trustee withdraw moneys from the Series 2021 Acquisition and Construction Account.

### **Reserve Account**

The Indenture establishes an Series 2021 Reserve Account within the Debt Service Reserve Fund solely for the benefit of the Series 2021 Bonds. Net proceeds of the Series 2021 Bonds in the amount of the Series 2021 Reserve Requirement will be deposited into the Series 2021 Reserve Account.

"Series 2021 Reserve Requirement" or "Reserve Requirement" shall be an amount equal to the fifty percent (50%) of the maximum annual debt service on the Series 2021 Bonds as calculated from time to time. For the purpose of calculating the Series 2021 Reserve Requirement, fifty percent (50%) of maximum annual debt service shall be calculated as of the date of the original issuance and delivery and recalculated in connection with each extraordinary mandatory redemption of the Series 2021 Bonds, as described in the Indenture (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the Series 2021 Reserve Account and transferred to the Series 2021 Prepayment Subaccount in accordance with the provisions set forth in the Third Supplemental Indenture. Amounts on deposit in the Series 2021 Reserve Account may, upon final maturity or redemption of all Outstanding Bonds of the Series 2021 Bonds, be used to pay principal of and interest on the Series 2021 Bonds, at that time. Initially, the Series 2021 Reserve Requirement shall be equal to \$\_\_\_\_\_.

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 2021 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 2021 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 2021 Reserve Account and transfer any excess therein above the Reserve Requirement for the Series 2021 Bonds caused by investment earnings to Series 2021 Revenue Account in accordance with the Indenture.

In the event of a prepayment of Series 2021 Special Assessments in accordance with the Indenture, forty-five (45) days before the next Quarterly Redemption Date, the Trustee, after receiving the written direction of the District as described in the Indenture, shall recalculate the Series 2021 Reserve Requirement, taking into account the amount of the Series 2021 Bonds that will be outstanding as a result of such prepayment of the Series 2021 Special Assessments, and cause the amount on deposit in the Series 2021 Reserve Account in excess of the Series 2021 Reserve Requirement, resulting from Series 2021 Prepayment Principal, to be transferred to the Series 2021 Prepayment Subaccount to be applied toward the extraordinary mandatory redemption of the Series 2021 Bonds in accordance with the Indenture, as a credit against the Series 2021 Prepayment Principal otherwise required to be made by the owner of such property subject to the Series 2021 Special Assessments.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2021 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by a majority of the Holders of the Series 2021 Bonds, to the Series 2021 General Redemption Subaccount, 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 2021 Special Assessments and applied to redeem a portion of the Series 2021 Bonds is less than the principal amount of Series 2021 Bonds indebtedness attributable to such lands.

It shall be an event of default under the Indenture if at any time the amount in the Series 2021 Reserve Account is less than the Reserve Requirement therefor as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement for the Series 2021 Bonds and such amount has not been restored within ninety (90) days of such withdrawal.

### **Deposit and Application of the Pledged Revenues**

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

FIRST, upon receipt but no later than the Business Day next preceding each Interest Payment Date, commencing [\_\_\_\_\_, 1, 2021], to the Series 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds becoming due on the next

succeeding Interest Payment Date, less any amount on deposit in the Series 2021 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each [ ] 1, commencing [ ] 1, 20 ], to the Series 2021 Sinking Fund Account, an amount equal to the principal amount of Series 2021 Bonds subject to sinking fund redemption on such [ ] 1, less any amount on deposit in the Series 2021 Sinking Fund Account not previously credited;

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

FOURTH, notwithstanding the foregoing, at any time the Series 2021 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 2021 Interest Account, the amount necessary to pay interest on the Series 2021 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 2021 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 2021 Bonds and next, any balance in the Series 2021 Revenue Account shall remain on deposit in the Series 2021 Revenue Account, unless needed for the purposes of rounding the principal amount of a Series 2021 Bond subject to extraordinary mandatory redemption pursuant to the Third Supplemental Indenture to an Authorized Denomination, or unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2021 Rebate Fund, in which case, the District shall direct the Trustee to make such deposit thereto.

Notwithstanding the foregoing, in the event of redemption of Series 2021 Bonds from Prepayments on deposit in the Series 2021 Prepayment Subaccount, the Trustee is further authorized, upon written direction from the District, to transfer from the Series 2021 Revenue Account to the Series 2021 Prepayment Subaccount, sufficient funds to cause the redemption of the next closest Authorized Denomination of Series 2021 Bonds, as provided in the 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 Government Obligations and certain specified types of Investment Securities (as defined in the Master Indenture). The Trustee shall, as directed by the District in writing, invest moneys held in the Series 2021 Reserve Account of the 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 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, except as provided in the Master Indenture. If net proceeds from the sale of securities held in any Fund or Account shall be less than the amount invested and, as a result, the amount on deposit in such Fund or Account is less than the amount required to be on deposit in such Fund or Account, the amount of such deficit shall be transferred to such Fund or Account from the related Series Account of the Revenue Fund. The Trustee shall not be liable or responsible for any loss or entitled to any gain resulting from any investment or sale upon the investment instructions of the District or otherwise. See "APPENDIX B: COPY OF MASTER INDENTURE AND PROPOSED FORM OF THIRD SUPPLEMENTAL INDENTURE" attached hereto.

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

[For purposes the following, (a) the Series 2021 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 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 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 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 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 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) to the extent permitted by law, the Trustee shall have the right, but is not obligated to, (i) vote in any such Proceeding any and all claims of the District, or (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the District, including without limitation, motions seeking relief from the automatic stay, dismissal 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 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 and Related Risks" herein.]

### **Events of Default and Remedies**

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

- (a) if payment of any installment of interest on any Series 2021 Bond is not made when it becomes due and payable; or
- (b) if payment of the principal or Redemption Price of any Series 2021 Bond is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or
- (c) if the District, for any reason, is rendered incapable of fulfilling its obligations under the Indenture or under the Act; or

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

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

(f) [if at any time the amount in the Series 2021 Reserve Account is less than the Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement on the Series 2021 Bonds and such amount has not been restored within ninety (90) days of such withdrawal; or

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

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

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

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

(b) bring suit upon the Series 2021 Bonds;

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

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

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

If any proceeding taken by the Trustee on account of any Event of Default with respect to the Series 2021 Bonds is discontinued or is determined adversely to the Trustee, then the District, the Trustee, the Paying Agent and the Bondholders of the Series 2021 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 Holders of a majority in aggregate principal amount of the Outstanding Series 2021 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 2021 Bonds is the Series 2021 Special Assessments imposed on lands in the Series 2021 Assessment Area specially benefited by the Series 2021 Project, pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto.

The determination, order, levy, and collection of Series 2021 Special Assessments must be done in compliance with procedural requirements and guidelines provided by State law. Failure by the District, the Pasco County Tax Collector (the "Tax Collector") or the Pasco County Property Appraiser (the "Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2021 Special Assessments during any year. Such delays in the collection of Series 2021 Special Assessments, or complete inability to collect the Series 2021 Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2021 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2021 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2021 Bonds.

For the Series 2021 Special Assessments to be valid, the Series 2021 Special Assessments must meet two requirements: (1) the benefit from the Series 2021 Project to the lands subject to the Series 2021 Special Assessments must exceed or equal the amount of the Series 2021 Special Assessments, and (2) the Series 2021 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 2021 Special Assessments.

Pursuant to the Act and the Assessment Proceedings, the District may collect the Series 2021 Special Assessments through a variety of methods. See "BONDOWNERS' RISKS." Initially, the District will directly issue annual bills to landowners requiring payment of the Series 2021 Special Assessments for lands that have not yet been platted, and will enforce that bill through foreclosure proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto. As lands within the Series 2021 Assessment Area are platted, the Series 2021 Special Assessments will be added to the Pasco County tax roll and collected pursuant to the Uniform Method (as described below). 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, in certain circumstances the District shall directly levy, collect and enforce the Series 2021 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 2021 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 2021 Special Assessments and the ability to foreclose the lien of such Series 2021 Special Assessments upon the failure to pay such Series 2021 Special Assessments may not be readily available or may be limited 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 2021 Special Assessments. See "BONDOWNERS' RISKS."

### **Uniform Method Procedure**

Subject to certain conditions, and for platted lands (as described above), the District may alternatively elect to collect the Series 2021 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 2021 Special Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2021 Special Assessments will be collected together with County, school, special district, and other ad valorem taxes and non-ad valorem assessments (together, "Taxes and Assessments"), all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of Taxes and Assessments provide that such Taxes and Assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector, and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes and assessments – including the Series 2021 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 2021 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 2021 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2021 Special Assessments to not be collected to that extent, which could have a significant adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2021 Bonds.

Under the Uniform Method, if the Series 2021 Special Assessments are paid during November when due or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. All unpaid Taxes and Assessments become delinquent on April 1 of the year following assessment.

The Tax Collector is required to collect the 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 2021 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2021 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2021 Special Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable 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 2021 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2021 Special Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Series 2021 Special Assessments due. 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 2021 Special Assessments), interest, costs and charges on the real property described in the certificate.

Any tax certificate in the hands of a person other than the County may be redeemed and canceled, in whole or in part (under certain circumstances), at any time before a tax deed is issued (unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees), at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, and charges due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of 5%, unless the rate borne by the certificates is zero percent. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the tax certificate such proceeds less service charges, and the certificate is canceled. Redemption of tax certificates held by the County is effected by purchase of such certificates from the County, as described above.

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 Commission that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three years from the date the property was offered for sale, unsold lands escheat to the County in which they are located, free and clear, and all tax certificates and liens against the property, including the Series 2021 Special Assessments, 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 2021 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 2021 Special Assessments, which is the primary source of payment of the Series 2021 Bonds. Additionally, legal proceedings under Federal bankruptcy law brought by or against a

landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates. See "BONDOWNERS' RISKS."

## **BONDOWNERS' RISKS**

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

### **Concentration of Land Ownership**

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

### **Bankruptcy and Related Risks**

In the event of the institution of bankruptcy or similar proceedings with respect to the Developer or any other owner of benefited property, delays could occur in the payment of debt service on the Series 2021 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Developer and any other landowner to pay the Series 2021 Special Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2021 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2021 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2021 Bonds under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Indenture and the Series 2021 Bonds, including, without limitation, enforcement of the obligation to pay Series 2021 Special Assessments and the ability of the District to foreclose the lien of the Series 2021 Special Assessments if not being collected pursuant to the Uniform Method, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2021 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy,

reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the Series 2021 Bonds could have a material adverse impact on the interest of the Owners thereof.

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

### **Series 2021 Special Assessments Are Non-Recourse**

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

## **Regulatory and Environmental Risks**

The development of the District Lands, including the Series 2021 Assessment Area, 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 Series 2021 Assessment Area. 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 Series 2021 Assessment Area and the likelihood of timely payment of principal and interest on the Series 2021 Bonds could be affected by environmental factors with respect to the land in the District. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the land in the District, which could materially and adversely affect the success of the development of the lands within the District and the likelihood of the timely payment of the Series 2021 Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received. Nevertheless, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the Series 2021 Assessment Area. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the lands in the Series 2021 Assessment Area.

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

## **Economic Conditions and Changes in Development Plans**

The successful development of the Series 2021 Assessment Area and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Developer. Moreover, the Developer has the right to modify or change plans for development of the Series 2021 Assessment Area from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and

number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of the District.

### **Other Taxes and Assessments**

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

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

### **Limited Secondary Market for Series 2021 Bonds**

The Series 2021 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2021 Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2021 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2021 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2021 Bonds, depending on the progress of development of the Series 2021 Assessment Area, 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 2021 Special Assessments, may not adversely affect the timely payment



of debt service on the Series 2021 Bonds because of the Series 2021 Reserve Account. The ability of the Series 2021 Reserve Account to fund deficiencies caused by delinquencies in the Series 2021 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys in such Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2021 Special Assessments, the Series 2021 Reserve Account would be rapidly depleted and the ability of the District to pay debt service on the Series 2021 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Reserve Account and such other Funds, Accounts and subaccounts created under the Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Reserve Account is accessed for any purpose, the District does not have a designated revenue source for replenishing such account. Moreover, the District may not be permitted to re-assess real property then burdened by the Series 2021 Special Assessments in order to provide for the replenishment of the Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Series 2021 Reserve Account" herein for more information about the Series 2021 Reserve Account.

### **Legal Delays**

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

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

The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. In 2016, the IRS concluded its lengthy examination of certain issues of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District (the "Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local government body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes. Village Center CDD received a second TAM dated June 17, 2015, which granted relief to Village Center CDD from retroactive application of the IRS's conclusion regarding its failure to qualify as a political subdivision. Prior to the conclusion of the audits, the

Audited Bonds were all refunded with taxable bonds. The audit of the Audited Bonds that were issued for utility improvements were closed without change to the tax exempt status of those Audited Bonds on April 25, 2016, and the audit of the remainder of the Audited Bonds (which funded recreational amenity acquisitions from entities related to the principal landowner in the Village Center CDD) was closed on July 14, 2016, without the IRS making a final determination that the interest on the Audited Bonds in question was required to be included in gross income. However, the IRS letter to the Village Center CDD with respect to this second set of Audited Bonds noted that the IRS found that the Village Center CDD was not a "proper issuer of tax-exempt bonds" and that those Audited Bonds were private-activity bonds that did not fall in any of the categories that qualify for tax-exemption. Although the TAMs and the letters to the Village Center CDD from the IRS referred to above are addressed to, and binding only on, the IRS and Village Center CDD in connection with the Audited Bonds, they reflect the audit position of the IRS, and there can be no assurance that the IRS would not commence additional audits of bonds issued by other community development districts raising issues similar to the issues raised in the case of the Audited Bonds based on the analysis set forth in the first TAM or on the related concerns addressed in the July 14, 2016 letter to the Village Center CDD.

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

It has been reported that the IRS has closed audits of other community development districts in Florida with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within the timeframe established by the applicable state law or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. [Currently, [three] of the members of the Board of the District were elected by the landowners and [two] were elected by qualified electors.] The Developer will certify as to its expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act, and its expectations as to compliance with the Act by any members of the Board that it elects. Such certification by the Developer does not ensure that such

certification shall be determinative of, or may influence the outcome of any audit by the IRS, or any appeal from such audit, that may result in an adverse ruling that the District is not a political subdivision for purposes of Section 103(a) of the Code. Further, there can be no assurance that an audit by the IRS of the Series 2021 Bonds will not be commenced. The District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable state or federal law.

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

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

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

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

## **Federal Tax Reform**

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

## **State Tax Reform**

It is impossible to predict what new proposals may be presented regarding tax reform and/or community development districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. On October 31, 2014, the Auditor General of the State released a 31-page report which requests legislative action to establish parameters on the amount of bonds a community development district may issue and provide additional oversight for community development district bonds. This report renews requests made by the Auditor General in 2011 that led to the Governor of the State issuing an Executive Order on January 11, 2012 (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor ("OPB") to examine the role of special districts in the State. As of the date hereof, the OPB has not made any recommendations pursuant to the Executive Order nor has the Florida legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for the Series 2021 Bonds. It should be noted that Section 190.16(14) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under the Act that it will not limit or alter the rights of the district to levy and collect the ... assessments... and to fulfill the terms of any agreement made with the holders of such bonds ... and that it will not impair the rights or remedies of such holders."

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

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

Although the Developer will agree to fund or cause to be funded the completion of the Series 2021 Project regardless of the insufficiency of proceeds from the Series 2021 Bonds and will enter into a completion agreement with the District as evidence thereof, there can be no assurance that the Developer will have sufficient resources to do so. Such obligation of the Developer is an unsecured obligation. See "THE DEVELOPER" herein for more information.

Further, even if development of the Series 2021 Assessment Area is completed, there are no assurances that homes will be constructed and sold within the Series 2021 Assessment Area. See "THE DEVELOPER" herein for more information.

### **COVID-19 and Related Matters**

In addition to the general economic conditions discussed above, the timely and successful completion of the Series 2021 Assessment Area and the construction and sale to end users of residential units may be adversely impacted by the continued spread of the novel strain of coronavirus called COVID-19 or by other highly contagious or epidemic or pandemic diseases. The United States, the State and the County have all imposed certain health and public safety restrictions in response to COVID-19. The District cannot predict the duration of these restrictions or whether additional or new actions may be taken by government authorities including the State and/or the County, to contain or otherwise address the impact of the COVID-19 or similar outbreak.

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

### **Cybersecurity**

The District relies on a technological environment to conduct its operations. The District, its agents and other third parties the District does business with or otherwise relies upon are subject to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to such parties' digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. No assurances can be given that any such attack(s) will not materially impact the operations or finances of the District, which could impact the timely payment of debt service on the Series 2021 Bonds.

## **Prepayment and Redemption Risk**

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

## **Payment of Series 2021 Special Assessments after Bank Foreclosure**

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

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## ESTIMATED SOURCES AND USES OF FUNDS

The table that follows summarizes the estimated sources and uses of proceeds of the Series 2021 Bonds:

	Total Series 2021 Bonds
Sources of Funds:	
Principal Amount	\$ _____
[Less Original Issue Discount]	_____
Total Sources	<u>\$ _____</u>
Use of Funds:	
Deposit to Series 2021 Acquisition and Construction Account	\$ _____
Deposit to Series 2021 Interest Account <sup>(1)</sup>	_____
Deposit to Series 2021 Reserve Account	_____
Costs of Issuance <sup>(2)</sup>	<u>_____</u>
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 2021 Bonds.

[Remainder of page intentionally left blank]

## DEBT SERVICE REQUIREMENTS

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

Period Ending November 1	Series 2021 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 of the State created in accordance with the Act by the Ordinance (described below). The District encompasses approximately 350 gross acres of land, located within an unincorporated portion of Pasco County, Florida. The Development is located approximately 4 miles west of the U.S. Highway 301 and State Road 54 interchange and about 10 miles east of Interstate 75. The District was established under County Ordinance No. 05-35, duly enacted by the Board of County Commissioners of Pasco County, Florida with an effective date of August 23, 2005 (the "Ordinance"). The District Lands are being developed as a residential community known as "Chapel Creek" (the "Development"). For more information, see "THE DEVELOPMENT" herein.

### **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 a Supervisor for the remainder of the unexpired term.

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

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be elected by qualified electors in the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

The Act provides that it shall not be an impermissible conflict of interest under 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:

<b><u>Name</u></b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
Brian Walsh *	Chair	November 2022
Milton Andrade*	Vice-Chair	November 2024
Steven Johnson II	Assistant Secretary	November 2024
Timothy Jones, Sr.	Assistant Secretary	November 2024
Garret Parkinson*	Assistant Secretary	November 2022

[\* Affiliated with the Developer 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.

### **Powers and Authority**

As a special district, the District has only those powers specifically delegated to it by the Act and the Ordinance, or necessarily implied from powers specifically delegated to it. The Act provides that the District has the power to issue general obligation, revenue and special assessment bonds in any combination to pay all or part of the cost of infrastructure improvements authorized under the Act. The Act further provides that the District has the power to levy and assess taxes on all taxable real and tangible personal property, and to levy Special Assessments on specially benefited lands, within its boundaries to pay the principal of and interest on bonds issued and to provide for any sinking or other funds established in connection with any such bond issues. The Act also authorizes the District to impose assessments to maintain assets of the District and to pay operating expenses of the District. The District may also impose user fees, rates and charges and may enter into agreements with property owner associations within and without the boundaries of the District in order to defray its administrative, maintenance and operating expenses.

Among other provisions, the Act gives the District the right (i) to hold, control, and acquire by donation, purchase, condemnation, or dispose of, any public easements, dedications to public use, platted reservations for public purposes, or any reservations for those purposes authorized by the Act and to make use of such easements, dedications, or reservations for any of the purposes authorized by the Act, (ii) to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for various basic infrastructures, including District roads equal to or exceeding the specifications of the County in which such district roads are located, facilities for indoor and outdoor recreational, cultural and educational uses, and any other project within or without the boundaries of the District when a local government has issued a development order approving or expressly requiring the

construction or funding of the project by the District, or when the project is the subject of an agreement between the District and a governmental entity and is consistent with the local government comprehensive plan of the local government within which the project is to be located, (iii) to borrow money and issue bonds of the District, and (iv) 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(1), 190.012(2)(a) and (d) of the Act and 190.012(3) of the Act. Such special powers include the right to (i) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain systems, facilities, and basic infrastructures for (a) water management and control for the lands within the District and to connect some or any of such facilities with roads and bridges, (b) water supply, sewer, and wastewater management, reclamation, and reuse or any combination thereof, and to construct and operate connecting intercepting or outlet sewers and sewer mains and pipes and water mains, conduits or pipelines, in along, and under any street, alley, highway or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system, (c) bridges or culverts that may be needed across any drain, ditch, canal, floodway, holding basin, excavation, public highway, tract, grade, fill, or cut and roadways over levees and embankments, and to construct any and all of such works and improvements across, through, or over any public right-of-way, highway, grade, fill or cut, (d) District roads equal to or exceeding the specifications of the County in which such District roads are located, and street lights, (e) buses, trolleys, transit shelters, ridesharing facilities and services, parking improvements, and related signage, (f) investigation and remediation costs associated with the cleanup of actual or perceived environmental contamination within the District under the supervision or direction of a competent governmental authority unless the covered costs benefit any person who is a landowner within the District and who caused or contributed to the contamination, (g) conservation areas, mitigation areas, and wildlife habitat, including the maintenance of any plant or animal species, and any related interest in real or personal property, and (h) any other project within or without the boundaries of the District when a local government issued a development order approving or expressly requiring the construction or funding of the project by the District, or when the project is the subject of an agreement between the District and a governmental entity and is consistent with the local government comprehensive plan of the local government within which the project is to be located, (ii) parks and facilities for indoor and outdoor recreational and cultural uses, (iii) security, including, but not limited to, guardhouses, fences and gates, electronic intrusion detection systems, and patrol cars, or industrial waste, and (iv) adopt and enforce appropriate rules in connection with the provision of one or more services through the District's systems and facilities.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances, and the Act does not empower the District to grant building permits; these functions are performed by the County acting through its Commission and department of government.

The Act exempts all property of the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any owner of bonds of the District to pursue any remedy for enforcement of any lien or pledge of the District in connection with such bonds, including the Series 2021 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 Straley Robin Vericker P.A., Tampa, Florida, as District Counsel; Greenberg Traurig, P.A., Miami, Florida, as Bond Counsel. Governmental Management Services – Central Florida, LLC, also serves as Methodology Consultant for the Series 2021 Bonds.

## **Outstanding Bonds and Prior and Existing Defaults**

On September 21, 2006, the District issued its \$16,095,000 Special Assessment Bonds, Series 2006A (the "Series 2006A Bonds"), its \$7,325,000 Special Assessment Bonds, Series 2006B Bonds (the "Series 2006B Bonds") and its \$4,090,000 Special Assessment Bonds, Series 2006B1 (the "Series 2006B1 Bonds" and together with the Series 2006A Bonds and the Series 2006B Bonds, the "Series 2006 Bonds").

[Default history to come.]

In April 2012, the Trustee distributed all monies held by the Trustee with regard to the Series 2006B Bonds and the Series 2006B1 Bonds to the holders thereof, and the Series 2006B Bonds and the Series 2006B1 Bonds were thereafter cancelled. The Series 2006A Bonds remain outstanding in the principal amount of \$\_\_\_\_\_, as of [\_\_\_\_\_, 2021], and continue to be secured by the Series 2006A Special Assessments. Prior to the issuance of the Series 2021 Bonds, the Developer will prepay all of the Series 2006A Special Assessments levied on the land within the Series 2021 Assessment Area in a total amount of \$\_\_\_\_\_, resulting in the redemption of a corresponding principal amount of Series 2006A Bonds. Following such prepayment and redemption, the remaining Series 2006A Special Assessments will be levied only on lands that are separate and distinct from the Series 2021 Special Assessments securing the Series 2021 Bonds.

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## THE SERIES 2021 PROJECT

Stantec Consulting Services, Inc. (the "District Engineer") prepared the report entitled "Chapel Creek Community Development District Report of the District Engineer," dated December 17, 2020 (the "Engineer's Report"), which sets forth certain public improvements necessary for the development of the 390 single-family residential lots planned for Phase 7 and 8 of the Development (the "Series 2021 Project").

The District previously issued its Series 2006 Bonds to finance certain public infrastructure improvements associated with the Development. [Is the 2006 Project complete? All master infrastructure complete?]

The Series 2021 Bonds will finance a portion of the improvements associated with the Series 2021 Project and will be secured by the Series 2021 Special Assessments, which will initially be levied on the approximately [ ] acres comprised within Phases 7 and 8 of the Development (the "Series 2021 Assessment Area"). As lots are platted, the Series 2021 Special Assessments are expected to be assigned to the 390 units planned for the Series 2021 Assessment Area 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 and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto for more information.

The District Engineer estimates the total cost of the Series 2021 Project to be \$15,685,000, as more particularly described below.

<b>Series 2021 Project Description</b>	<b>Estimated Costs</b>
Water Management & Control	\$ 7,780,000
Sewer & Wastewater Management	1,008,000
Water Supply	1,872,000
Roads	2,325,000
Amenity/Walls/Landscaping	1,000,000
Professional Fees & Permitting	950,000
Undergrounding of Electric	<u>750,000</u>
<b>TOTAL</b>	<b>\$15,685,000</b>

Land development associated with the Series 2021 Assessment Area [commenced / is expected to commence] in April 2021 and will be phased, with final completion expected by [ ]. The net proceeds of the Series 2021 Bonds available to fund costs of the Series 2021 Project will be approximately \$7.4 million\* and such proceeds will be used by the District towards the funding and/or acquisition of a portion of the Series 2021 Project. The Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the Series 2021 Project not funded with proceeds of the Series 2021 Bonds. See "BONDOWNERS' RISKS

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\* Preliminary, subject to change.

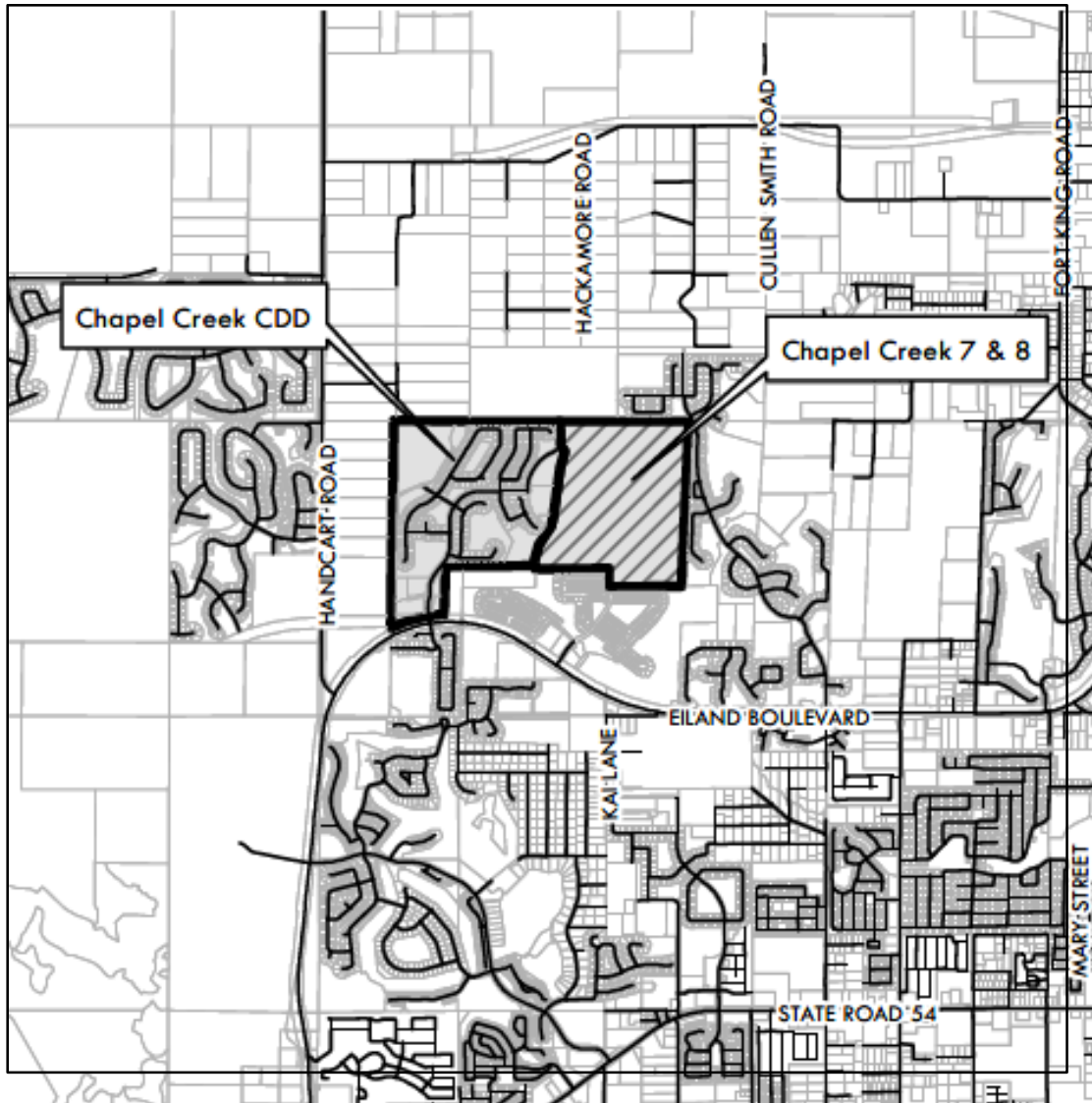
– Insufficient Resources or Other Factors Causing Failure to Complete the Series 2021 Project or the Construction of Homes within the Series 2021 Assessment Area" herein.

The District Engineer has indicated that all engineering permits necessary to construct the Series 2021 Project have been obtained or are anticipated to be received in due course. In addition to the Engineer's Report, see "THE DEVELOPMENT – Development Approvals" herein for a more detailed description of the entitlement and permitting status of the Series 2021 Assessment Area.

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 overall District boundaries, and the location of the Series 2021 Assessment Area, which corresponds to Phases 7 and 8 of the Development.



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## ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

The Master Assessment Methodology for the Series 2021 Assessment Area for Chapel Creek Community Development District dated January 21, 2021, as supplemented by the [Supplemental Assessment Methodology – The Series 2021 Assessment Area], dated [\_\_\_\_\_, 2021] (collectively, the "Assessment Methodology"), which allocates the Series 2021 Special Assessments to the lands within the Series 2021 Assessment Area, has been prepared by Governmental Management Services – Central Florida, LLC, Orlando, Florida (the "Methodology Consultant"). See "EXPERTS" herein for more information. The Assessment Methodology is included herein as APPENDIX D. Once the final terms of the Series 2021 Bonds are determined, the Assessment Methodology will be supplemented to reflect such final terms. Once levied and imposed, the Series 2021 Special Assessments are a first lien on the assessed lands within the Series 2021 Assessment Area 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 2021 Bonds are payable from and secured by a pledge of the Series 2021 Pledged Revenues, which consist primarily of the revenues received by the District from the Series 2021 Special Assessments levied on the assessed lands within the Series 2021 Assessment Area. The Series 2021 Assessment Area, which corresponds to Phases 7 and 8 of the Development, consists of approximately [\_\_\_] gross acres planned for 390 single-family homes. The District will initially impose the Series 2021 Special Assessments across all of the lands within the Series 2021 Assessment Area on an equal per acre basis. As parcels are platted within the Series 2021 Assessment Area, 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 Series 2021 Assessment Area, the estimated Series 2021 Special Assessments levied and allocated to platted units to pay debt service on the Series 2021 Bonds and the estimated Series 2021 Bond par per unit are expected to be as follows:

<b>Product Type</b>	<b>No. of Units</b>	<b>Annual Series 2021 Assessments Per Unit*</b>	<b>Series 2021 Bonds Par Per Unit*</b>
Single-Family	390	\$1,250	\$21,615

\* 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.

The District anticipates levying assessments to cover its operation and administrative costs that are initially expected not to exceed \$[\_\_\_] per single-family unit annually, but such 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. These taxes would be payable in addition to the Series 2021 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School Board of Pasco 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.

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*The information appearing below under the captions "THE DEVELOPMENT" and "THE DEVELOPER" has been furnished by the Developer for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has not been independently verified by Bond Counsel, the District or its counsel, or the Underwriter or its counsel, and no persons other than the Developer make any representation or warranty as to the accuracy or completeness of such information supplied by them. The following information is provided by the Developer as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the Development. The Developer is not guaranteeing payment of the Series 2021 Bonds or the Series 2021 Special Assessments.*

## **THE DEVELOPMENT**

### **General**

The District Lands encompass approximately 350 gross acres located in an unincorporated portion of Pasco County known as Zephyrhills and are being developed to contain a residential community known as "Chapel Creek" (the "Development"). At buildout, the Development is expected to contain approximately [\_\_\_\_] residential units. The Development is located approximately 4 miles west of the U.S. Highway 301 and State Road 54 interchange and about 10 miles east of Interstate 75. More specifically, the Development is located on the north side of Eiland Boulevard, just east of Handcart Road.

The District previously issued its Series 2006 Bonds to finance certain public infrastructure improvements associated with the Development. In [\_\_\_\_], [\_\_\_\_\_] (the "Prior Developer") failed to pay the special assessments that secured the Series 2006 Bonds, and the Series 2006 Bonds went into default. The District foreclosed on the land in the District and engaged [Lerner & Associates] to complete certain portions of the Development and sell off certain parcels of land. [Of the \_\_\_\_ planned lots in the Development, \_\_\_\_ lots have been developed and contain homes closed with end users, and \_\_\_\_ lots are undeveloped. The undeveloped lots are located within the Series 2021 Assessment Area.] See "THE DISTRICT – Outstanding Bonds and Prior and Existing Defaults" herein for more information.

The Series 2021 Bonds will finance a portion of the improvements associated with Phases 7 and 8 of the Development (the "Series 2021 Project") and will be secured by the Series 2021 Special Assessments. The Series 2021 Special Assessments will initially be levied on the approximately [\_\_\_\_] acres within the Series 2021 Assessment Area, which corresponds to Phases 7 and 8 of the Development. The Series 2021 Assessment Area is planned to contain 390 lots. As lots are platted within the Series 2021 Assessment Area, the Series 2021 Special Assessments will be assigned to the platted lots within the Series 2021 Assessment Area on a first platted, first assigned basis, as set forth in the Assessment Methodology. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto for more information.

Clayton Properties Group, Inc., a Tennessee corporation doing business as Highland Homes and a wholly owned subsidiary of Berkshire Hathaway (the "Developer"), is the landowner and developer for Phases 7 and 8 and plans to install the infrastructure and construct and market single-family homes for sale to end users. See "THE DEVELOPER" herein for more information.

Homes in the Series 2021 Assessment Area are expected to range in size from approximately [ ] square feet to approximately [ ] square feet, and starting price points will range from approximately [\$ ] to [\$ ]. Homes are expected to be marketed to retirees, first-time homebuyers and move-up buyers. See "–Residential Product Offerings" herein for more information.

### **Land Acquisition and Finance Plan**

The Developer acquired the land comprising the Series 2021 Assessment Area from the District on [ ] for the purchase price of [\$ ]. [There are currently no mortgages on the lands comprising the Series 2021 Assessment Area.]

The Developer estimates the total land development costs associated with the Series 2021 Assessment Area will be approximately [\$ ], consisting of hard and soft costs. Development costs will be funded by the proceeds of the Series 2021 Bonds in the amount of approximately \$7.4 million\* and the remaining costs will be funded with Developer equity. The Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the Series 2021 Project not funded with proceeds of the Series 2021 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2021 Project or the Construction of Homes within the Series 2021 Assessment Area" herein.

### **Development Plan and Status**

Land development associated with the Series 2021 Assessment Area [commenced / is expected to commence] in April 2021 and will be phased. [The entire site will be mass graded and ponds will be excavated in ].]

Phase 7 is planned for [ ] single-family lots. Land development associated with Phase 7 [commenced / is expected to commence] in April 2021 and is expected to be completed by [ ].

Phase 8 is planned for [ ] single-family lots. Land development associated with Phase 8 is expected to commence in [ ] and be completed by [ ].

Marketing of residential units is expected to commence by [ ], with vertical construction expected to commence by [ ] 2021. The Developer expects to construct [ ] model homes, which are estimated to be completed by [ ] 2021].

The Developer anticipates closing [ ] homes per annum within the Series 2021 Assessment Area, commencing in the [ ] calendar quarter of 20 ], until buildout. This anticipated absorption is based upon estimates and assumptions made by the Developer that are inherently uncertain, though considered reasonable by the Developer, and are subject to significant business, economic, and competitive uncertainties and contingencies, all of which are difficult to

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\* Preliminary, subject to change.



predict and many of which are beyond the control of the Developer. As a result, there can be no assurance such absorption rate will occur or be realized in the time frame anticipated.

### **Residential Product Offerings**

Homes will be marketed to retirees, first-time homebuyers, and move-up buyers. Below is a summary of the expected types of units and price points for units in the Series 2021 Assessment Area.

<b>Product Type</b>	<b>Square Footage</b>	<b>Beds/Baths</b>	<b>Starting Price Points</b>
Single-Family	_____ – _____	___ Bedrooms / ___ Baths	\$ _____

### **Development Approvals**

The land within the District, including, without limitation, the land therein subject to the Series 2021 Special Assessments, is zoned to allow for the contemplated residential uses described herein. [To be updated as needed based upon review of permits received.] The District Engineer has indicated that all engineering permits necessary to construct the Series 2021 Project have been obtained or are anticipated to be received in due course. For more information regarding the permitting status of the Series 2021 Assessment Area, see "THE SERIES 2021 PROJECT" herein and "APPENDIX A: ENGINEER'S REPORT" hereto. See also "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein.

### **Environmental**

The Developer has obtained a Phase I Environmental Site Assessment dated May 8, 2020 (the "ESA"), covering the land in the Series 2021 Assessment Area. The ESA revealed no recognized environmental conditions. See "BONDOWNERS' RISK – Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

### **Amenities**

The Development [contains] an amenity site which includes [passive parks and walking trails, an all-purpose field, and tot lot] (collectively, the "Amenity"). Construction of the Amenity is [complete] at a total approximate cost of \$ \_\_\_\_\_. [Is there an existing amenity in the Development? If so, has it been completed and when? [Please describe additional park planned within the 20201 Project Area.]

### **Utilities**

Electric power is expected to be provided by Tampa Electric Company ("TECO"). Potable water, sanitary sewer, and irrigation reuse water will be provided by Pasco County Public Utilities.

## Taxes, Fees and Assessments

As set forth in the Assessment Methodology, the Series 2021 Special Assessments will initially be levied on the approximately [ ] gross acres within the Series 2021 Assessment Area on an equal pro-rata gross acre basis. Once platting of the Series 2021 Assessment Area begins, the Series 2021 Special Assessments will be assigned to platted lots therein on a first-platted, first-assigned basis, in accordance with the Assessment Methodology. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto. Upon full platting of the Series 2021 Assessment Area into residential lots, the estimated Series 2021 Special Assessments levied and allocated to platted units to pay debt service on the Series 2021 Bonds and the Series 2021 Bond estimated par per unit are expected to be as follows.

<b>Product Type</b>	<b>No. of Units</b>	<b>Annual Series 2021 Assessments Per Unit*</b>	<b>Series 2021 Bonds Par Per Unit*</b>
Single-Family	390	\$1,250	\$21,615

\* Preliminary, subject to change. When collected via the Uninform Method, annual Series 2021 Special Assessment amounts will be grossed up to include costs of collection and early payment discount allowance.

The District will continue to levy assessments to cover its operation and maintenance costs that will be approximately [\$ ] per residential unit annually for the lots within the Series 2021 Assessment Area, which amount is subject to change over time and is dependent on level of service. In addition, residents will be required to pay homeowners' association fees, which are currently an estimated average of [\$ ] per year per residential unit, which amount is also subject to change over time and with levels of service. The land within the District has been and is expected to continue to be subject to taxes and assessments imposed by taxing authorities other than the District. The total millage rate imposed on taxable properties in the District in the 2020 tax year was approximately 15.9548 mills, which is subject to change in future tax years. These taxes and assessments would be payable in addition to the Series 2021 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School District of Pasco County, Florida may each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. See "BONDOWNERS' RISKS – Other Taxes and Assessments" herein.

## Education

Children residing in the Development are expected to attend [ ] Elementary School, [ ] Middle School and [ ] High School, which are located within [ ] miles, [ ] miles and [ ] miles from the Development, respectively, and which received grades of ["\_", "\_," and "\_,"] respectively, from the State in 2019, which is the most recent year for which such grades are available. The Pasco 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 that are closest to the Development.

## **Competition**

Due to their proximity to the Development, price ranges and product types, the Developer believes the following communities will pose the primary competition to the Development: Hidden Creek, Avalon Park, Preserve at South Branch and Epperson. The information under this heading does not purport to summarize all of the existing or planned communities in the area of the Development, but rather those that the Developer feels pose primary competition to the Development.

## **Developer Agreements**

As previously noted, the Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the Series 2021 Project not funded with proceeds of the Series 2021 Bonds.

In addition, the Developer will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment"), pursuant to which the Developer will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Developer, development rights relating to the Series 2021 Project. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2021 Special Assessments as a result of a Developer's or subsequent landowners' failure to pay such assessments, there is a risk that the District will not have all permits and entitlements necessary to complete the Series 2021 Project or the development of the lands in the Series 2021 Assessment Area sufficiently to absorb the allocation of the Series 2021 Special Assessments.

Finally, the Developer will also enter into a True-Up Agreement in connection with its obligations to pay true-up payments in the event that debt levels remaining on unplatted lands in the Series 2021 Assessment Area increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism."

The foregoing obligations of the Developer are unsecured obligations. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2021 Project or the Construction of Homes within the Series 2021 Assessment Area" and "THE DEVELOPER" herein for more information regarding the Developer.

## **THE DEVELOPER**

Clayton Properties Group, Inc., a Tennessee corporation doing business as Highland Homes and a wholly owned subsidiary of Berkshire Hathaway (the "Developer"), owns all of the land in Phases 7 and 8 and is serving as land developer and homebuilder for the Series 2021 Assessment Area.

According to its website, the Developer has been in the business of building homes since 1956, and its network of builders built over 4,200 homes in 2018. Clayton Properties builds under the following names: Chaflin Communities, Goodall Homes, Summit Homes, Oakwood Homes, Harris Doyle Homes, Brohn Homes, Arbor Homes, Mungo Homes, and Highland Homes. Homes

in the Series 2021 Assessment Area will be built under the name of Highland Homes. The Developer acquired the Highland Homes name in May 2019 from Highland Holdings, Inc., a Florida corporation, which was founded in 1996 in Lakeland, Florida, by Robert J. Adams and D. Timothy Jones, Sr., who remain involved in the development operations of the Developer. Highland Homes has built more than 10,000 homes in Florida and is currently building in [eight] counties, encompassing some [38] communities throughout the Central Florida region. Its primary focus is on the first-time homebuyer, with a secondary focus on first- and second-time move up buyers that it addresses in most of its markets. [Highland Homes closed approximately \_\_\_\_\_ homes in 2020, and the Developer closed approximately \_\_\_\_\_ homes in 2020 across all of its brands].

Clayton Properties is wholly owned by Berkshire Hathaway, Inc. ("Berkshire Hathaway"). Berkshire Hathaway stock trade on the New York Stock Exchange under the symbols BRK.A and BRK.B. Berkshire Hathaway is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The file number for Berkshire Hathaway is No-1-14905. 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 Berkshire Hathaway pursuant to the requirements of the Exchange Act after the date of the Limited Offering Memorandum will be available for inspection in the same manner as described above.

*Neither the Developer nor any of the other persons or entities listed above are guaranteeing payment of the Series 2021 Bonds or the Series 2021 Special Assessments. None of the entities listed herein, other than the Developer, has entered into any agreements in connection with the issuance of the Series 2021 Bonds.*

## **TAX MATTERS**

### **General**

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

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications and continuing compliance by the District with the tax covenants referred to above, under existing statutes, regulations, rulings, and court decisions, the interest on the Series 2021 Bonds is excludable from gross income of the holders thereof for federal income tax purposes; and, further, interest on the Series 2021 Bonds is not an item of tax preference for

purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is further of the opinion that the Series 2021 Bonds and the income thereon are not subject to taxation under the laws of the State, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income, or profits on debt obligations owned by corporations as defined in said Chapter 220. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their own tax advisors as to the status of interest on the Series 2021 Bonds under the tax laws of any state other than the State.

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

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2021 Bonds, or the ownership or disposition of the Series 2021 Bonds. Prospective purchasers of Series 2021 Bonds should be aware that the ownership of Series 2021 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2021 Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2021 Bonds, (iii) the inclusion of the interest on the Series 2021 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the Series 2021 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (v) the inclusion of interest on the Series 2021 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their own tax advisors as to the impact of these other tax consequences.

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

## Original Issue Discount and Premium

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

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

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

## Changes in Federal and State Tax Law

From time to time, there are legislative proposals suggested, debated, introduced, or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters, or state tax matters, respectively, described above including, without limitation, the excludability from gross income of interest on the Series 2021 Bonds, or adversely affect the market price or marketability of the Series 2021 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be

predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would affect the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation.

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

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

### **AGREEMENT BY THE STATE**

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

### **LEGALITY FOR INVESTMENT**

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

### **SUITABILITY FOR INVESTMENT**

In accordance with applicable provisions of Florida law, the Series 2021 Bonds may initially be sold by the District only to "accredited investors" within the meaning of Chapter 517,



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

## **ENFORCEABILITY OF REMEDIES**

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

## **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 ended [September 30, 2020]. Attached hereto as APPENDIX F is a copy of the District's audited financial statements for the District's fiscal year ended September 30, 2018 and September 30, 2019, as well as the District's unaudited monthly financial statements for the period ended [\_\_\_\_\_, 2021]. Two years of audited financial statements have been included as required by Florida Administrative Rule 69W-400.003(h) due to the District's previous default on the payment of principal and interest on its Series 2006 Bonds. See "THE DISTRICT – Outstanding Bonds and Existing and Prior Defaults" for more information regarding such defaults. Such financial statements, including the auditor's report included within the audited financial statements, have been included in this Limited Offering Memorandum as public documents and consent from the auditor was not requested. Further, the auditors have not performed any services related to, and therefore are not associated with, the preparation of this Limited Offering Memorandum. The Series 2021 Bonds are not general obligation bonds of the District and are payable solely from the Series 2021 Pledged Revenues.

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

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

### **The Developer**

The Developer has represented to the District that there is no litigation of any nature now pending or, to the knowledge of such entity, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Developer to complete the development of the lands within the Series 2021 Assessment Area, as described herein, materially and adversely affect the ability of such entity to pay the Series 2021 Special Assessments imposed against the land within the Series 2021 Assessment Area owned by the Developer or materially and adversely affect the ability of the Developer to perform its various obligations described in this Limited Offering Memorandum.

## **NO RATING**

No application for a rating of the Series 2021 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 2021 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 Developer will enter into the Continuing Disclosure Agreement (the "Disclosure Agreement") in the proposed form of APPENDIX E, for the benefit of the Series 2021 Bondholders (including owners of beneficial interests in such Series 2021 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 Developer to

comply with their respective obligations under the Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement would allow the Series 2021 Bondholders (including owners of beneficial interests in such Series 2021 Bonds) to bring an action for specific performance.

[District and Developer review to come.]

## **UNDERWRITING**

FMSbonds, Inc. (the "Underwriter"), has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2021 Bonds from the District at a purchase price of \$\_\_\_\_\_ (par amount of the Series 2021 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 2021 Bonds if any Series 2021 Bonds are purchased.

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

## **CONTINGENT FEES**

The District has retained Bond Counsel, District Counsel, the Consulting Engineer, the District Manager/Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (which has retained Trustee's counsel), with respect to the authorization, sale, execution and delivery of the Series 2021 Bonds. Except for the payment of certain fees to District Counsel, the Consulting Engineer and the District Manager, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2021 Bonds.

## **EXPERTS**

Stantec Consulting Services, 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 District Manager, 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 2021 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 Sixth Judicial Circuit Court of Florida in and for Pasco and Pinellas Counties, Florida, issued on March 28, 2006. The period of time during which an appeal can be taken from such judgment has expired without an appeal having been taken.

## **LEGAL MATTERS**

Certain legal matters related to the authorization, sale and delivery of the Series 2021 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, Straley Robin Vericker P.A., Tampa, Florida. Certain legal matters will be passed upon for the Developer by their counsel, Johnson Pope Bokor Ruppel & Burns, LLP, Tampa, Florida. Certain legal matters will be passed upon for the Trustee by their counsel, Greenberg Traurig, P.A., Miami, Florida, and Greenberg Traurig, P.A. also represents the Trustee with respect to certain matters pertaining to the Series 2006 Bonds.

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

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

[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 Chapel Creek Community Development District.

### **CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT**

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

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

**APPENDIX B**

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



## **APPENDIX C**

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

**APPENDIX D**  
**ASSESSMENT METHODOLOGY**

## **APPENDIX E**

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

**APPENDIX F**  
**DISTRICT'S FINANCIAL STATEMENTS**

**EXHIBIT D**

**FORM OF RULE 15c2-12 CERTIFICATE**

§ \_\_\_\_\_ \*

**Chapel Creek Community Development District  
Special Assessment Bonds, Series 2021 (Series 2021 Project)**

The undersigned hereby certifies and represents to FMSbonds, Inc. ("Underwriter") that he is the Chairperson of the Board of Supervisors of Chapel Creek 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 2021 Bonds").

2. In connection with the offering and sale of the Series 2021 Bonds, there has been prepared a Preliminary Limited Offering Memorandum, dated the date hereof, setting forth information concerning the Series 2021 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 2021 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 hand this \_\_\_\_ day of \_\_\_\_\_, 2021.

**CHAPEL CREEK  
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 \_\_\_\_\_, 2021 is executed and delivered by the Chapel Creek Community Development District (the "Issuer" or the "District"), Clayton Properties Group, Inc., a Tennessee corporation (the "Developer"), 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 2021 (Series 2021 Project) (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of September 1, 2006 (the "Master Indenture") and a First Supplemental Trust Indenture dated as of [\_\_\_\_\_] 1], 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each entered into by and between the Issuer and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Orlando, Florida, as trustee (the "Trustee"). The Issuer, the Developer and the Dissemination Agent covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer, the Developer and the Dissemination Agent for the benefit of the Beneficial Owners (as defined herein) of the Bonds and to assist the Participating Underwriter (as defined herein) of the Bonds in complying with the Rule (as defined herein). The Issuer has no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction, a governmental regulatory agency, or an attorney specializing in federal securities law, that the Rule requires the Issuer or other Obligated Person (as defined herein) to provide additional information, the Issuer and each Obligated Person agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

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

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

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

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



"Assessment Area" shall mean that portion of the District lands subject to Assessments, referred to in the final Limited Offering Memorandum as the Series 2021 Assessment Area.

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

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

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

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

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

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

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Person(s)" shall mean, with respect to the Bonds, those person(s) who either generally or through an enterprise fund or account of such persons are committed by contract or other arrangement to support payment of all or a part of the obligations on such Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the Issuer, and for the purposes of this Disclosure Agreement, the Developer for so long as such Developer or its affiliates, successors or assigns (excluding residential homebuyers who are end users) are the owners of District Lands responsible for payment of at least 20% of the Assessments.

"Participating Underwriter" shall mean FMSbonds, Inc.

"Quarterly Filing Date" shall mean for the quarter ending: (i) March 31, each May 1; (ii) June 30, each August 1; (iii) September 30, each November 1; and (iv) December 31, each February 1 of the following year. The first Quarterly Filing Date shall be [\_\_\_\_\_ 1, 2021].

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

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

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

"SEC" means the Securities and Exchange Commission.

"State" shall mean the State of Florida.

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

### 3. **Provision of Annual Reports.**

(a) Subject to the following sentence, the Issuer shall provide the Annual Report to the Dissemination Agent no later than March 31st following the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ending September 30, 2021. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided that* the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report, and may be submitted in accordance with State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the Issuer's Fiscal Year (the "Audited Financial Statements Filing Date"). [The Issuer shall file its Audited Financial Statements for the Fiscal Year ended September 30, 2020 on or before June 30, 2021.] The Issuer shall, or shall cause the Dissemination Agent to, provide to the Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty (30) days after same becomes available, but in no event later than the Annual Filing Date or Audited Financial Statements Filing Date, if applicable. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 6.

(b) If on the fifteenth (15<sup>th</sup>) day prior to each Annual Filing Date or the Audited Financial Statements Filing Date, as applicable, the Dissemination Agent has not received a copy of the Annual Report or Audited Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be via email) to remind the Issuer of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or the Audited Financial Statements, as applicable, in accordance with Section 3(a) above, or (ii) advise the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the times required under this Disclosure Agreement, state the date by which the Annual Report or the Audited Financial Statements for such year, as applicable, will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 6(a)(xvii) has occurred and to immediately send a notice to the Repository in substantially the form attached hereto as Exhibit A.

(c) If the Dissemination Agent has not received an Annual Report by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Annual Filing Date for the Annual Report or the Audited Financial Statements by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Audited Financial Statements Filing Date for the Audited Financial Statements, then a Listed Event as described in Section 6(a)(xvii) shall have occurred and the Dissemination Agent shall immediately send a notice to the Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

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

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Issuer stating that the Annual Report or Audited Financial Statement has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing all Repositories with which it was filed.

(e) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an EMMA Compliant Format.

#### 4. **Content of Annual Reports.**

(a) Each Annual Report shall 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 Developer 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 fifteen (15) days prior to the Quarterly Filing Date. Promptly upon receipt of an electronic copy of the Quarterly Report, but in any event no later than the applicable Quarterly Filing Date, the Dissemination Agent shall provide a Quarterly Report to the Repository.

(b) Each Quarterly Report shall be 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 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 an Assessment Area (a "Transferor Obligated Person") to a third party (a "Transferee"), which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "Transfer"), the Transferor Obligated Person hereby agrees to use its best efforts to contractually obligate such Transferee to agree to comply with the disclosure obligations of an

Obligated Person hereunder for so long as such Transferee is an Obligated Person hereunder, to the same extent as if such Transferee were a party to this Disclosure Agreement (an "Assignment"). The Transferor Obligated Person shall notify the District and the Dissemination Agent in writing of any Transfer within five (5) Business Days of the occurrence thereof. Nothing herein shall be construed to relieve the Developer from its obligations hereunder except to the extent a written Assignment from a Transferee is obtained and delivered to the Dissemination Agent and then only to the extent of such Assignment.

6. **Reporting of Listed Events.**

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

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

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



law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person);

(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 Disclosure Dissemination Agent

to disseminate the information (provided that such date is in compliance within the filing dates provided within this Section 6(b)).

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

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

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

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

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment and/or waiver in the next Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the 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.

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 Developer and such Dissemination Agent. The Dissemination Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. The District, each Obligated Person and the Disclosure Representative covenant that they will supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The District, the Developer and the Disclosure Representative acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, Obligated Person(s), the Disclosure Representative and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, any Obligated Person or the Disclosure Representative as thereafter disseminated by the Dissemination Agent. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format.

13. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Developer, the Dissemination Agent, the Trustee, the Participating Underwriter and the Owners of the Bonds (the Dissemination Agent, the Trustee, Participating Underwriter and Owners of the Bonds being hereby deemed express third party beneficiaries of this Disclosure Agreement), and shall create no rights in any other person or entity.

14. **Tax Roll and Budget.** Upon the request of the Dissemination Agent, the Trustee or any Bondholder, the Issuer, through its District Manager, if applicable, agrees to provide such party with a certified copy of its most recent tax roll provided to the Pasco 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 Pasco County, Florida.

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

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

18. **Binding Effect.** This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the Developer or any assignee or successor thereto that becomes an Obligated Person pursuant to the terms of this Disclosure Agreement, only successor or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**CHAPEL CREEK COMMUNITY  
DEVELOPMENT DISTRICT, AS ISSUER**

[SEAL]

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

ATTEST:

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

**CLAYTON PROPERTIES GROUP, INC, AS  
DEVELOPER**

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 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: Chapel Creek Community Development District

Name of Bond Issue: \$\_\_\_\_\_ original aggregate principal amount of Special  
Assessment Bonds, Series 2021 (Series 2021 Project)

Obligated Person(s): Chapel Creek Community Development District;  
\_\_\_\_\_.

Original Date of Issuance: \_\_\_\_\_, 2021

CUSIP Numbers: \_\_\_\_\_

NOTICE IS HEREBY GIVEN that the [Issuer][Obligated Person] has not provided an [Annual Report] [Audited Financial Statements] [Quarterly Report] with respect to the above-named Bonds as required by [Section 3] [Section 5] of the Continuing Disclosure Agreement dated \_\_\_\_\_, 2021, by and between the Issuer, the Developer and the Dissemination Agent named therein. The [Issuer][Obligated Person] has advised the undersigned that it anticipates that the [Annual Report] [Audited Financial Statements] [Quarterly Report] will be filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_

\_\_\_\_\_, as Dissemination Agent

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

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

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

cc: Issuer  
Trustee



## **SCHEDULE A**

### **FORM OF DISTRICT'S ANNUAL REPORT (Due 3/31)**

#### **1. Fund Balances**

<b>Combined Trust Estate Assets</b>	<b><u>Quarter Ended – 12/31</u></b>
Acquisition and Construction Fund	
Revenue Fund	
Reserve Fund	
Prepayment Fund	
Other	
<b>Total Bonds Outstanding</b>	
<b>TOTAL</b>	

#### **2. Assessment Certification and Collection Information**

1. For the Current District Fiscal Year – Manner in which Assessments are collected (On Roll vs. Off Roll)

	<b><u>\$ Certified</u></b>
On Roll	\$ _____
Off Roll	\$ _____
<b>TOTAL</b>	\$ _____

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**

<b><u>Total Levy</u></b>	<b><u>\$ Levied</u></b>	<b><u>\$ Collected</u></b>	<b><u>% Collected</u></b>	<b><u>% Delinquent</u></b>
On Roll	\$ _____	\$ _____	____%	____%
Off Roll	\$ _____	\$ _____	____%	____%
<b>TOTAL</b>				

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**

**Chapel Creek Community Development District**

**Date of Quarterly Report** \_\_\_\_\_

Bond Series \_\_\_\_\_ 2021

Area/Project \_\_\_\_\_ Series 2021 Project

#### **1. Unit Mix For Land Subject To Assessments**

<u><b>Type</b></u>	<u><b>Number of Lots/Units</b></u>	<u><b>Ownership Information</b></u>		
		<u><b>Developer Owned</b></u>	<u><b>Builder Owned</b></u>	<u><b>Homeowner Owned</b></u>

Total

#### **2. For Lots owned by Obligated Person (if applicable)**

<u><b>Type</b></u>	<u><b># of Lots Owned by Obligated Person</b></u>	<u><b># of Lots Under Contract With Builders (NOT CLOSED)</b></u>	<u><b># of Lots NOT Under Contract</b></u>	<u><b>Name of Builder</b></u>	<u><b>Expected Takedown Date(s)</b></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. Any bulk sales of land within the District to other developers or builders?
2. Any material changes to the number or type of lots planned to be developed in the Assessment Area?
3. Any materially adverse changes or determinations to permits/approvals for the Assessment Area which necessitate changes to the development plans?
4. Incurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area (amount, rate, and term)?
5. 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 VI

# SECTION A

RETURN TO:  
Tracy J. Robin, Esq.  
Straley Robin Vericker  
1510 West Cleveland Street  
Tampa, Florida 33606

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## **AGREEMENT TO CONVEY OR DEDICATE**

This Agreement to Convey or Dedicate (this “**Agreement**”) is dated as of April [REDACTED], 2021, between **Clayton Properties Group, Inc. d/b/a Highland Homes**, a Tennessee corporation (the “**Developer**”) and the **Chapel Creek Community Development District**, a local unit of special purpose government organized and existing in accordance with Chapter 190, Florida Statutes (the “**District**”).

### **Background and Purpose**

Concurrently herewith, the District is issuing its \$ [REDACTED] **Special Assessment Revenue Bonds**, Series 2021 (the “**Series 2021 Bonds**”) to finance the acquisition and construction of the public infrastructure improvements described in the Report of District Engineer Capital Improvement Revenue Bonds Series 2021, dated December 17, 2020 (the “**2021 Project**”) that will benefit certain lands owned by the Developer. To induce the District to issue the Series 2021 Bonds, the Developer has agreed to convey or dedicate to the District such easements, tracts of land, structures, and improvements that constitute or are necessary for the construction, operation, and maintenance of the 2021 Project financed with the proceeds of the Series 2021 Bonds, as determined by the District in its commercially reasonable discretion. The foregoing easements, tracts, structures and improvements are collectively referred to as the “**Project Lands and Improvements**”.

### **Operative Provisions**

**NOW THEREFORE**, in consideration of the mutual covenants herein contained, and for Ten Dollars (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, and subject to the terms and conditions hereof, the parties agree as follows:

1. **Dedication or Conveyance.** The Developer agrees, for itself, its legal representatives, successors, and assigns, that upon the filing of any plat or re-plat for all or any portion of those certain lands described in the attached **Exhibit A**, to dedicate to the District on such plat or re-plat, all Project Lands and Improvements located upon or under such platted lands.

In the event certain Project Lands and Improvements are not described or depicted on a filed plat or re-plat, but such Project Lands and Improvements are necessary for the construction, operation and maintenance of those portions of the Project Lands and Improvements servicing the platted lands as determined by the District in its commercially reasonable discretion, and to the extent such Project Lands and Improvements are owned in fee title by the Developer, such Project Lands and Improvements shall be conveyed to

the District by special warranty deed, in recordable form, for those Project Lands and Improvements which are realty, and by absolute bill of sale or written assignment for those Project Lands and Improvements which are tangible or intangible personalty. All such instruments of conveyance or assignment shall be in form reasonably acceptable to the District and the Developer.

2. **Acceptance of Dedication or Conveyance.** The District agrees that upon (i) presentation by the Developer of a proposed plat or re-plat meeting all requirements of state and local law respecting property within the land described in the attached **Exhibit A** and containing a dedication required by paragraph 1 above, (ii) the District determining, in its reasonable discretion, that all Project Lands and Improvements within the areas to be dedicated have been installed and constructed in substantial conformity with the District's plans, specifications, standards, and requirements, in accordance with the certification procedures outlined in Section 6 of the Development Acquisition Agreement between the Developer and the District dated [REDACTED], 2021 and (iii) the District being provided with sufficient title evidence (in the form of an ownership and encumbrance report or title commitment issued by a national title insurance underwriter) showing that the dedicated property is free and clear of liens and encumbrances other than those required for the operation and maintenance of the Project Lands and Improvements (e.g. utility easements and road rights of way), the District shall accept such dedication by acknowledgment to be executed on the face of the proposed plat or re-plat. By the District executing on the face of the plat, all platted lots intended for single-family use shall be deemed automatically released from this Agreement upon recording of such plat without the need for any further instrument to be recorded in the public records of Pasco County, Florida.

In regard to the Project Lands and Improvements which are described in paragraph 1 above, the District agrees that upon (i) delivery by the Developer of a special warranty deed, absolute bill of sale or written assignment for the Project Lands and Improvements in form reasonably acceptable to the District and the Developer, free and clear of all liens and encumbrances, except as otherwise set forth in this Agreement; and (ii) the District determining, in its reasonable discretion, that the Project Lands and Improvements being conveyed have been installed and constructed in substantial conformity with the District's plans, specifications, standards and requirements, the District shall accept such conveyance.

3. **Recording.** The District shall cause this Agreement to be recorded in the public records of Pasco County, Florida. Notwithstanding anything herein to the contrary, this Agreement is not intended to apply to, and shall be deemed released from, any conveyance of a platted lot to an unaffiliated homebuilder or end-user but only as to such portion transferred, from time to time.
4. **Enforcement of Agreement.** In the event of an uncured default by either party under this Agreement, this Agreement shall entitle the other party to all remedies available at law or in equity. In the event that either the District or the Developer is required to enforce this Agreement by court proceedings or otherwise, then the 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. The trustee of the Series 2021

Bonds (the “Trustee”), on behalf of the bondholders, shall be a direct third party beneficiary of the terms and conditions of this Agreement and entitled to enforce the Developer’s obligations hereunder. The Trustee has not assumed any obligations by virtue of or under this Agreement.

5. **Applicable Law and Venue.** This Agreement shall be governed by the laws of the State of Florida with venue in Pasco County, Florida.
6. **Amendments.** This Agreement may be modified in writing only by the mutual agreement of all parties hereto. Only for amendments having a material effect on the District’s ability to pay debt service on the Series 2021 Bonds, the prior written consent of the Trustee, acting at the direction of the bondholders owning a majority of the aggregate principal amount of the Series 2021 Bonds then outstanding, must be obtained.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first above-written.

**Witnesses:**

**Clayton Properties Group, Inc. d/b/a  
Highland Homes**  
a Tennessee corporation

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

\_\_\_\_\_  
Joel Adams  
Vice President

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

STATE OF FLORIDA  
COUNTY OF PASCO

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of April, 2021, by Joel Adams, as Vice President of Clayton Properties Group, Inc. d/b/a Highland Homes, a Tennessee corporation, on behalf of the corporation. He is personally known to me or has produced \_\_\_\_\_ as identification.

[Notary Seal]

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Name typed, printed or stamped  
My Commission Expires: \_\_\_\_\_



**Witnesses:**

**Chapel Creek  
Community Development District**

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

\_\_\_\_\_  
Brian Walsh  
Chair of the Board of Supervisors

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

STATE OF FLORIDA  
COUNTY OF PASCO

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of April, 2021, by Brian Walsh, as Chair of the Board of Supervisors of Chapel Creek Community Development District. He is personally known to me or has produced \_\_\_\_\_ as identification.

[Notary Seal]

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Name typed, printed or stamped  
My Commission Expires: \_\_\_\_\_

## SECTION B

## FUNDING AND COMPLETION AGREEMENT

This Funding and Completion Agreement (this “**Agreement**”) is made and entered into as of April \_\_\_\_, 2021, by and between **Clayton Properties Group**, d/b/a Highland Homes, a Tennessee corporation (the “**Developer**”), and the **Chapel Creek Community Development District**, a local unit of special purpose government organized and existing under Chapter 190, Florida Statutes (the “**District**”).

### Recitals

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

**WHEREAS**, the District anticipates issuing its Special Assessment Revenue Bonds, Series 2021 (the “**Series 2021 Bonds**”), in the approximate amount of \$8,430,000, for the purpose of financing certain public improvements in the District, as described in the Report of District Engineer Capital Improvement Revenue Bonds Series 2021, dated December 17, 2020 (the “**Engineer’s Report**”);

**WHEREAS**, the proceeds of the Series 2021 Bonds will be used toward the construction, acquisition and completion of certain financeable public improvements within the District that are related to the planned development described in the Engineer’s Report (the “**2021 Project**”);

**WHEREAS**, the proceeds of the Series 2021 Bonds may not be sufficient to complete the 2021 Project;

**WHEREAS**, the 2021 Project will benefit the 390 residential units planned for development within the District, as set forth in the Master Assessment Methodology for the Series 2021 Assessment Area for Chapel Creek Community Development District, dated January 21 2021;

**WHEREAS**, the District and the Developer desire to commence construction and installation of the 2021 Project prior to issuance of the Series 2021 Bonds; and

**WHEREAS**, as a condition for commencement of the 2021 Project and issuance of the Series 2021 Bonds, the District requires the Developer to fund the shortfall between the actual cost of construction, acquisition and completion of 2021 project and the proceeds from the Series 2021 Bonds, and otherwise cause the completion of the 2021 Project for the benefit of the District, subject to the terms and conditions of this Agreement.

### Operative Provisions

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, and for \$10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Funding and Completion.** The Developer hereby agrees that it will, promptly upon receipt of the District's written notice, pay to or on behalf of the District, as directed in writing by the District, any and all costs of acquiring, constructing or installing the 2021 Project including, without limitation, stormwater management facilities, roadway improvements, water and wastewater facilities, landscaping, hardscaping, and irrigation all as described in the Engineer’s Report (or in lieu thereof at

the direction of the District, the Developer will construct certain components of the 2021 Project and convey such completed lien free improvements to the District), which are not funded with the proceeds of the Series 2021 Bonds.

2. **Other Conditions and Acknowledgments.**

The District and the Developer agree and acknowledge that the exact location, size, configuration and composition of the 2021 Project may change from that described in the Engineer's Report, depending upon final design of the development, permitting or other regulatory requirements over time, or other factors. Changes to the 2021 Project shall be made by a written amendment to the Engineer's Report, which shall include an estimate of the cost of the changes. Changes to the 2021 Project shall require the prior written consent of the Developer and the District.

The District and the Developer agree and acknowledge that any and all portions of the 2021 Project which are constructed, or caused to be constructed, by the Developer for the benefit of the District, shall be conveyed to the District. All conveyances to the District shall be in accordance with an agreement or agreements governing conveyances between the Developer and the District.

Payment and performance by the Developer of its funding and completion obligations hereunder shall be subject to, dependent and conditioned upon the scope, configuration, size and/or composition of the 2021 Project remaining unchanged without prior written consent of the Developer; provided, however, that no such Developer consent shall be required, nor shall Developer's funding and completion obligations be altered or mitigated in the event material changes in the scope, configuration, size and/or composition of the 2021 Project are required or imposed by any governmental authority having jurisdiction over the 2021 Project. Issuance of the District's Series 2021 Bonds shall not be a condition precedent for compliance with Developer obligations hereunder.

3. **Default; Enforcement.** In the event of any default by a party in satisfying its obligations as and when required by the terms of this Agreement, then the non-defaulting party shall notify the defaulting party in writing of such default, and the defaulting party shall have a period of sixty (60) days to cure such default. If the Developer fails to cure such default within such 60-day period, then the non-defaulting party shall be entitled to all remedies available at law or in equity, including without limitation the right to (a) satisfy such obligations and in the event the District is the non-defaulting party, to levy additional special assessments on the lands then owned by Developer within the District for the amount of the costs incurred by the District in satisfying such defaulted obligations, which assessments shall constitute a lien in favor of the District, enforceable pursuant to Chapters 170 and 190, *Florida Statutes*, (b) sue for actual damages, and, in any event, without any right to consequential, punitive or special damages, and/or (c) seek specific performance.

4. **Third Party Beneficiaries.** The trustee for the Series 2021 Bonds (the "Trustee"), on behalf of the bondholders of the Series 2021 Bonds, shall be a direct third party beneficiary of the terms and conditions of this Agreement and entitled to enforce the Developer's obligations hereunder. This Agreement is solely for the benefit of the parties set forth in this Section, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any other third party. The Trustee shall not be deemed to have assumed any obligations or duties under this Agreement.

5. **Attorneys' Fees.** In the event litigation is required by any party to enforce the terms of this Agreement, the prevailing party in such action shall, in addition to all other relief granted or awarded

by the court, be entitled to judgment for reasonable attorneys' and legal assistants' fees incurred by reason of such action and all costs of suit and those incurred in preparation thereof at both the trial and appellate levels, in arbitration or bankruptcy proceedings, and post-judgment collection proceedings.

6. **Force Majeure.** If any party hereto shall be delayed in, hindered in or prevented from performing any of its obligations under this Agreement by reason of labor disputes, inability to obtain any necessary materials or services, acts of God, weather conditions that are unusually severe or exceed average conditions for that time of year, persistent inclement weather, pandemic, war, terrorist acts, insurrection, delays caused by governmental permitting or regulations, the time for performance of such obligation shall be automatically extended (on a day for day basis) for a period equal to the period of such delay.

7. **Waivers.** The failure of any party hereto to enforce any provision of this Agreement shall not be construed to be a waiver of such or any other provision, nor in any way to affect the validity of all or any part of this Agreement or the right of such party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

8. **Amendment.** If the 2021 Project is not completed, this Agreement shall not be terminated. This Agreement may be modified in writing only by the mutual agreement of all parties hereto. Only for amendments having a material effect on the District's ability to pay debt service on the Series 2021 Bonds, the prior written consent of the Trustee, acting at the direction of the bondholders owning a majority of the aggregate principal amount of the Series 2021 Bonds then outstanding, must be obtained.

9. **Assignment.** This Agreement may not be assigned without the consent of the District and the Trustee acting at the direction of the bondholders owning a majority of the aggregate principal amount of all Series 2021 Bonds then outstanding except in connection with the sale of all or substantially all of the Property owned by the Developer within the District in a single transaction.

10. **Applicable Law; Venue.** This Agreement is made and shall be construed under the laws of the State of Florida with venue in Pasco County, Florida.

11. **Recitals.** The Recitals set forth above are true and correct and are incorporated into this Agreement by this reference.

[Intentionally left blank]

12. **Counterparts.** This Agreement may be executed in separate counterparts, all of which, when taken together, shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first written above.

**Clayton Properties Group, Inc.**  
*d/b/a Highland Homes*  
a Tennessee corporation

**Chapel Creek  
Community Development District**

---

Joel Adams  
Vice President

---

Brian Walsh  
Chair of the Board of Supervisors

## SECTION C



## DEVELOPMENT ACQUISITION AGREEMENT

This Development Acquisition Agreement, dated as of the [REDACTED] day of April, 2021, is between **Clayton Properties Group, Inc. d/b/a Highland Homes** (“**Developer**”) and the **Chapel Creek Community Development District**, a local unit of special purpose government organized and existing under Chapter 190, Florida Statutes (the “**District**”).

### Recitals

**WHEREAS**, the District has previously determined that it is in the best interests of the present and future landowners within the District to finance, construct and/or deliver certain community development services and facilities within the District (such facilities, systems, and improvements are more specifically described in the plans and specifications on file at the registered office of the District); and

**WHEREAS**, the District intends to issue its Special Assessment Revenue Bonds Series 2021 (the “**Series 2021 Bonds**”), to finance the acquisition and construction of a portion of the capital improvements project described in the Report of District Engineer Capital Improvement Revenue Bonds Series 2021, dated December 17, 2020 (the “**2021 Project**”); and

**WHEREAS**, contingent upon the closing on the sale of the Series 2021 Bonds and subject to the terms and conditions hereof, the District is willing to acquire portions of the 2021 Project from the Developer, and the Developer has agreed to convey the portions of the 2021 Project constructed by the Developer from time to time, to the District, for the lesser of the actual cost of those assets or the fair market value of those assets; and

**WHEREAS**, in order to acquire, construct, operate and maintain the 2021 Project, the District will require the Developer to (i) convey all of Developer’s right, title, and interest in the 2021 Project to the District, (ii) assign or otherwise convey to the District, from time to time, all existing reservations made or held by the Developer for conservation tracts, maintenance buffer easements, lake maintenance easements, water management tracts, drainage easements, ingress and egress easements, and like easements within the District to the extent constituting a portion of the 2021 Project and/or financed with the proceeds of the Series 2021 Bonds (collectively, the “**Reservations**”), and (iii) convey or dedicate to the District, from time to time, all non-exclusive easements, tracts of land, structures, and improvements that in the future shall constitute or be necessary to construct, operate, and maintain the 2021 Project.

### Operative Provisions

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, and for \$10.00 and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

1. **Conveyance of the 2021 Project.** From time to time as legally appropriate to effect a transfer to the District of fee title or non-exclusive easement estate in land owned, acquired or otherwise controlled by Developer (as the case may be) and relating to the 2021 Project, and to the extent permitted by applicable laws and regulations, the Developer shall convey to the District such legal interest in and to the 2021 Project, subject to non-exclusive easements as reasonably

requested by Developer, free and clear of all liens and encumbrances except matters of record and current taxes. The Developer shall, at its expense, furnish the District an ownership and encumbrance report or other title evidence reasonably satisfactory to the District confirming that the Developer has fee simple title to those portions of the 2021 Project (if any) that are realty, free and clear of liens and encumbrances except matters of record and current taxes. The conveyances shall be made by special warranty deed or non-exclusive easement (as appropriate), in recordable form, or by appropriate dedications upon recorded subdivision plats for the portions of the 2021 Project which are realty and by absolute bill of sale or written assignment for those portions of the 2021 Project which are tangible or intangible personalty. All such instruments of conveyance or assignment shall be in a form reasonably acceptable to the District and the Developer, and shall be executed and delivered to the District from time to time hereafter as requested by the District.

2. **Conveyances of Reservations.** From time to time as reasonably requested by the District, but no later than the recordation of a plat for any portion of the 2021 Project, and subject to applicable laws pertaining to such matters, the Developer shall transfer and assign all Reservations to the District.

3. **Agreement to Convey or Dedicate.** On or before the closing on the sale of the Series 2021 Bonds, the Developer shall execute and deliver to the District, in recordable form, an Agreement to Convey or Dedicate to the District all future easements, tracts, structures, and improvements (collectively, the “**Project Lands and Improvements**”), that constitute the 2021 Project and/or are necessary to construct, operate, and maintain the 2021 Project on the lands within the District owned by Developer and subject to the terms of this Agreement.

4. **Plan and Specifications.** The Developer shall provide the District with three sets of any and all plans and specifications relating to the portion of the 2021 Project developed by Developer.

5. **Purchase Price.** From available proceeds from the closing on the sale of the Series 2021 Bonds, and thereafter from time to time, and in accordance with the terms hereof and the terms of the indentures pursuant to which the Series 2021 Bonds are issued, the District shall, to the extent there are sufficient funds in the construction account, pay the Developer, in one or more installments, the lesser of the actual cost or the fair market value of the portions of the 2021 Project constructed by the Developer, as determined by the District Engineer. Such payments shall be made as soon as the Developer has satisfied the conditions precedent set forth in this Agreement by transferring the completed portion of the 2021 Project to the District. The District is under no obligation to issue the Series 2021 Bonds at any time, and the Developer shall have no right to compel the District to issue Series 2021 Bonds or to pay such principal from any other source of funds.

6. **Engineer's Certification.** Before any payment by the District as provided in paragraph 5 above, the District shall obtain from the District Engineer a certificate, signed by the District Engineer, certifying that: (i) the amount to be paid to the Developer is equal to the lesser of the fair market value or the actual cost of the portion of the 2021 Project being acquired and (ii) the portion of the 2021 Project being acquired is in substantial conformity with the plans and specifications and all applicable laws governing the installation or construction thereof.

7. **Warranty.** The Developer shall assign to the District all or any remaining portion of the contractor's standard warranty for the contractor's work on the 2021 Project against defects in materials, equipment, or construction. Notwithstanding such assignment, the Developer shall cause any contractors to warrant their work on the 2021 Project is free of defects in materials, equipment, and construction for a period of one year after completion on the 2021 Project.

8. **Damage to 2021 Project.** During construction, if the Developer or any of its agents damages the 2021 Project or any other property of the District, the Developer shall, at its sole cost and expense, immediately repair such damage.

9. **Maintenance Rights.** Developer shall have the right, but not the obligation, to enter upon, repair or maintain any part of the 2021 Project, Reservations, and Project Lands and Improvements for no consideration, if the same are not properly or adequately maintained by the District after conveyance thereof to the District, in accordance with operation and maintenance standards to be established at the time of conveyance to the District.

10. **Closing Expenses and Tax Proration.** The Developer shall pay any and all Florida documentary stamps that may be due in connection with the conveyances hereunder of the 2021 Project.

11. **Further Assurances.** From and after the date hereof, the Developer shall undertake any and all action necessary or required to (i) convey, transfer, assign, and confirm any and all of Developer's rights or interest in the 2021 Project Lands and Improvements that are intended or legally required to be acquired by or conveyed to the District pursuant to this Agreement and the indentures governing the Series 2021 Bonds to be executed by the District in connection with the sale of the Series 2021 Bonds, (ii) enable the District to own, operate and maintain the 2021 Project, and (iii) permit the District to obtain any deed, easement, conveyance, assignment, interest, or dedication of all real property or interest therein necessary for the construction, maintenance, and operation of the 2021 Project.

12. **Specific Enforcement.** The parties acknowledge that the District and the Developer will be irreparably damaged (and that damages at law would be an inadequate remedy) if the covenants and agreements of the other party contained herein are not specifically enforced. Therefore, in the event that either party fails to comply with any covenant or agreement contained herein, and after delivering to the defaulting party written notice thereof and the defaulting party failing to remedy the same within sixty (60) days, the non-defaulting party shall be entitled to a decree for specific performance, in addition to all other rights and remedies, without being required to show any actual damage or to post any bond or other security; provided, however, that in no event shall either party be liable for punitive, consequential or other special damages.

13. **Attorneys' Fees.** In the event of any dispute, action or proceeding between the Developer and the District to enforce any provision of this Agreement, the prevailing party shall be entitled to recover all reasonable attorneys' fees, costs, and expenses incurred in such action or proceeding and in any appeal or bankruptcy in connection therewith from the non-prevailing party.

14. **Applicable Law.** This Agreement is made and shall be construed under the laws of the State of Florida with venue in Pasco County, Florida.

15. **Survival.** The terms and conditions hereof shall survive the closing of the transactions contemplated hereby.

16. **Third Party Beneficiaries.** The trustee for the Series 2021 Bonds (the “**Trustee**”), on behalf of the bondholders, shall be a direct third party beneficiary of the terms and conditions of this Agreement entitled to enforce the Developer’s obligations hereunder acting at the written direction of the bondholders owning a majority of the aggregate principal amount of all Series 2021 Bonds then-outstanding. This Agreement is solely for the benefit of the parties set forth in this Section, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any other third party. The Trustee shall not be deemed to have assumed any obligations or duties under this Agreement.

17. **Amendments.** This Agreement may not be altered, changed, amended, or terminated except by an instrument in writing, signed by both parties hereto.

18. **Successors and Assigns.** The Developer shall have the right to assign, in whole or part, its rights and obligations under this Agreement to a successor developer, provided that the Developer delivers to the District a written assignment and assumption instrument evidencing such assignment.

19. **Counterparts.** This Agreement may be executed in multiple counterparts, which, when taken together, shall constitute one and the same instrument.

20. **Entire Agreement.** This Agreement contains the entire agreement and neither party is to rely upon any oral representations made by the other party, except as set forth in this Agreement. This Agreement shall supersede and subsume any prior agreements.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date first written above.

**Clayton Properties Group, Inc. d/b/a  
Highland Homes**  
a Tennessee corporation

**Chapel Creek Community  
Development District**

\_\_\_\_\_  
Joel Adams  
Vice President, Highland Homes

\_\_\_\_\_  
Brian Walsh  
Chair of the Board of Supervisors

## SECTION D

RETURN TO:  
Tracy J. Robin, Esq.  
Straley Robin Vericker  
1510 West Cleveland Street  
Tampa, Florida 33606

---

## **TRUE-UP AGREEMENT**

This True-Up Agreement (this “**Agreement**”) is made and entered into as of April [REDACTED], 2021, by and between the **Chapel Creek Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, (the “**District**”), and **Clayton Properties Group, Inc. d/b/a Highland Homes**, a Tennessee corporation (the “**Developer**”).

## **RECITALS**

**WHEREAS**, the District is a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, and by an ordinance duly enacted by the Board of County Commissioners of Pasco County, Florida (the “**County**”);

**WHEREAS**, Developer is currently the owner of certain lands located within the District, as more particularly described in **Exhibit A** attached hereto (“**Property**”);

**WHEREAS**, the District is issuing its \$ [REDACTED] Special Assessment Revenue Bonds, Series 2021 (the “**Series 2021 Bonds**”) to finance the construction and acquisition of certain public infrastructure improvements and facilities more particularly described in the Report of District Engineer Capital Improvement Revenue Bonds Series 2021, dated December 17, 2020 (the “**2021 Project**”);

**WHEREAS**, the allocation of costs and benefits for the infrastructure improvements comprising the 2021 Project and the methodology employed for the levy of the Series 2021 Special Assessments (defined below) on each lot benefited by the 2021 Project is set forth in the Master Assessment Methodology for the Series 2021 Assessment Area for Chapel Creek Community Development District, dated January 21, 2021 (the “**Assessment Report**”) prepared by Governmental Management Services – Central Florida, LLC (“**District Manager**”), copies of which are on file with the District;

**WHEREAS**, to repay the Series 2021 Bonds, the District levied non-ad valorem special assessments (the “**Series 2021 Special Assessments**”) to be secured initially by all of the Property, and then allocated to the platted or re-platted and fully developed lots (“**2021 Projected Assessment Units**”) to be developed and constructed within the Property in accordance with the allocation methodology described in the Assessment Report;

**WHEREAS**, the District is relying upon and will use the true-up analysis set forth in the Assessment Report (the “**True-Up Analysis**”) to ensure that, among other things, the revenues

received from the Series 2021 Special Assessments will be sufficient to pay the debt service on the Series 2021 Bonds, even if the actual number of total assessable units is less than the 2021 Projected Assessment Units; and

**WHEREAS**, the District and Developer desire to enter into an agreement to confirm Developer's intentions and obligations to make true-up payments if the same become due pursuant to the True-Up Analysis and the Assessment Report.

**NOW, THEREFORE**, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which is hereby acknowledged, the parties agree as follows:

**Section 1. RECITALS; EXHIBITS.** The recitals so stated are true and correct and, together with all exhibits attached hereby, by this reference are incorporated into and form a material part of this Agreement.

**Section 2. DEVELOPER REPRESENTATION AND COVENANTS.**

(a) Developer has represented to the District that, as of the date hereof, the number of 2021 Projected Assessment Units described in the Assessment Report is accurate.

(b) Following the County's final approval of any subdivision plat or re-plat of any of the lots proposed to constitute all or any portion the development on the Property, Developer shall submit such proposed plat or re-plat to the District for the District Manager to conduct a True-Up Analysis with respect thereto.

(c) If the District Manager determines that, as a result of any True-Up Analysis, a true-up obligation exists pursuant to requirements of the Assessment Report (the "**True-Up Obligation**"), then Developer shall make payment in the amount of such True-Up Obligation to the trustee for the Series 2021 Bonds (the "**Trustee**") for deposit into the appropriate account at the earlier of (i) approval and acceptance by the County of the plat or re-plat, and (ii) the next interest payment date for the Series 2021 Bonds (provided such True-Up payment shall include accrued interest to the next interest payment date for the Series 2021 Bonds, unless such interest payment date is within 45 days of the True-Up payment, then to the next succeeding interest payment date).

(d) Developer shall not transfer any portion of the Property to any third party other than (i) platted and fully developed lots to homebuilders and/or homebuyers, or (ii) portions of the Property exempt from assessments by County, the District, or other governmental agencies, except in accordance with Section 2(e) below. Any transfer of any portion of the Property permitted pursuant to this Section 2(d) shall terminate this Agreement as to such portion of the Property and constitute an automatic release of such portion of the Property from the scope and effect of this Agreement.

(e) Developer shall not transfer any portion of the Property to any third party, except as permitted by Section 2(d) above, without satisfying any True-Up Obligation that results from a True-Up Analysis that will be performed by the District Manager prior and as a condition

to such transfer (“**Transfer Condition**”). Any transfer that is consummated pursuant to this Subsection 2(e) shall operate as a release of Developer from its obligations under this Agreement as to such portion of the Property only arising from and after the date of such transfer and satisfaction of the Transfer Condition and the transferee shall be deemed to have assumed Developer’s obligations in accordance herewith and shall be deemed the “Developer” from and after such transfer for all purposes as to such portion of the Property so transferred. Any violation of this provision by Developer shall constitute a default by Developer under this Agreement.

**Section 3. DISTRICT COVENANTS.**

(a) After the District’s receipt of approved plats or re-plats from Developer and pursuant to the schedule in the Assessment Report, the District shall deliver such subdivision plats or re-plats to the District Manager and shall cause the District Manager to conduct a True-Up Analysis in accordance with the methodology set forth in the Assessment Report, reallocating the Series 2021 Special Assessments to the lots being platted or re-platted and the remaining unplatted Property.

(b) Upon completion of each True-Up Analysis, the District shall promptly deliver the District Manager’s conclusions to the Trustee and Developer, including the amount of any True-Up Obligation.

**Section 4. VALIDITY OF ASSESSMENTS.** Developer agrees that the Series 2021 Special Assessments are legal, valid and binding liens on the Property from the date of imposition thereof until paid, coequal with the lien of State, County, municipal and school board taxes. Developer hereby waives and relinquishes any right it may have to challenge, object to or otherwise fail to make or delay payment of such Series 2021 Special Assessments.

**Section 5. COMPLETE UNDERSTANDING.** This Agreement, together with the other documents referenced herein or executed concurrent herewith, embodies the complete understanding of the parties with respect to the specific subject matter hereof and supersedes all other agreements, verbal or otherwise.

**Section 6. ENFORCEMENT; THIRD PARTY BENEFICIARIES.** A default by Developer under this Agreement shall entitle the District to all rights and remedies available at law or in equity, including actual damages, injunctive relief, and specific performance, but excluding consequential and punitive damages. The Trustee, on behalf of the bondholders of the Series 2021 Bonds, shall be a direct third party beneficiary of the terms and conditions of this Agreement and entitled to enforce the Developer’s obligations hereunder. This Agreement is solely for the benefit of the parties set forth in this Section, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any other third party. The Trustee shall not be deemed to have assumed any obligations or duties hereunder.

**Section 7. RECOVERY OF COSTS AND FEES.** In the event any party is required to enforce this Agreement by court proceedings or otherwise, then, if the District or Trustee is the prevailing party, as determined by the applicable court or other dispute resolution provider, as applicable, shall be entitled to recover from the other party all fees and costs incurred, including reasonable attorneys’ fees and costs incurred prior to or during any litigation or other dispute



resolution and including all fees and costs incurred in appellate proceedings. This provision shall survive any termination of this Agreement.

**Section 8. NOTICE.** All notices, requests, consents and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, telecopied or hand delivered to the parties, at their addresses on file. Except as otherwise provided herein, Notices shall be deemed received only upon actual delivery at the address or telecopy number set forth herein. If mailed as provided above, Notices shall be deemed delivered on the third business day unless actually received earlier. Notices hand 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 Notices 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 Notices on behalf of the parties. 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, address or telecopy number to which Notices shall be sent by providing the same on five (5) days' written notice to the parties and addressees set forth herein. Notwithstanding the foregoing, to the extent Florida law requires notice to enforce the collection of assessments placed on property by the District, then the provision of such notice shall be in lieu of any additional notice required by this Agreement.

**Section 9. ASSIGNMENT.** Developer may not assign its duties or obligations under this Agreement except in accordance with the terms of Section 2(d) and (e) above. Subject to the foregoing limitations, this Agreement shall constitute a covenant running with title to the Property, binding upon Developer and its successors and assigns as to the Property or portions thereof then-owned by Developer, and any transferee of any portion of the Property as set forth in Section 2(e) above, but shall not be binding upon any transferee permitted by Section 2(d) above.

**Section 10. AMENDMENT.** This Agreement may be modified in writing only by the mutual agreement of all parties hereto. Only for amendments having a material effect on the District's ability to pay debt service on the Series 2021 Bonds, the prior written consent of the Trustee, acting at the direction of the bondholders owning a majority of the aggregate principal amount of the Series 2021 Bonds then outstanding, must be obtained.

**Section 11. SEVERABILITY.** The parties agree that if any part, term or provision of this Agreement is held to be illegal or in conflict with any law of the State of Florida or with any federal law or regulation, such provision shall be severable, with all other provisions remaining valid and enforceable.

**Section 12. AUTHORITY.** 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 Agreement.

**Section 13. TERMINATION.** This Agreement shall continue in effect until it is rescinded in writing by the mutual assent of each party hereto but only after all obligations hereunder have been fully performed as determined by the District Manager; provided, however,

that this Agreement shall be deemed terminated automatically as to, and applicable portions of the Property shall be released from the effect of this Agreement to the extent expressly provided in Subsection 2(d) above.

**Section 14. NEGOTIATION AT ARM'S LENGTH.** This Agreement has been negotiated fully between the parties as an arm's length transaction. All parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, all parties are deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against either party.

**Section 15. LIMITATIONS ON GOVERNMENTAL LIABILITY.** Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, Florida Statutes or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

**Section 16. APPLICABLE LAW AND VENUE.** This Agreement shall be governed by the laws of the State of Florida with venue in Pasco County, Florida.

**Section 17. EXECUTION IN COUNTERPARTS.** This instrument may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

**Section 18. EFFECTIVE DATE.** This Agreement shall become effective after execution by the parties hereto on the date reflected above.

**Section 19. DISTRICT MANAGER.** In the event District Manager resigns or is replaced, then such replacement entity shall constitute the "District Manager" for all purposes under this Agreement.

*[Signature pages to follow.]*

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

**Chapel Creek  
Community Development District**

\_\_\_\_\_  
Brian Walsh  
Chair of the Board of Supervisors

STATE OF FLORIDA  
COUNTY OF PASCO

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of April, 2021, by Brian Walsh, as Chair of the Board of Supervisors of Chapel Creek Community Development District. He is personally known to me or has produced \_\_\_\_\_ as identification.

[Notary Seal]

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Name typed, printed or stamped  
My Commission Expires: \_\_\_\_\_

**Witnesses:**

**Clayton Properties Group, Inc. *d/b/a***  
**Highland Homes**  
a Tennessee corporation

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

\_\_\_\_\_  
Joel Adams  
Vice President

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

STATE OF FLORIDA  
COUNTY OF PASCO

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of April, 2021, by Joel Adams, as Vice President of Clayton Properties Group, Inc. *d/b/a* Highland Homes, a Tennessee corporation, on behalf of the corporation. He is personally known to me or has produced \_\_\_\_\_ as identification.

[Notary Seal]

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Name typed, printed or stamped  
My Commission Expires: \_\_\_\_\_

# SECTION E

RETURN TO:  
Tracy J. Robin, Esq.  
Straley Robin Vericker  
1510 West Cleveland Street  
Tampa, Florida 33606

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## COLLATERAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT RIGHTS RELATING TO THE 2021 PROJECT

This Collateral Assignment and Assumption of Development Rights Relating to the 2021 Project (this “**Assignment**”) is made as of **April**, 2021, by **Clayton Properties Group, Inc. d/b/a Highland Homes**, a Tennessee corporation, together with its successors and assigns (the “**Developer**”), in favor of the **Chapel Creek Community Development District**, a local unit of special purpose government organized and created under the laws of the State of Florida, located in Pasco County, Florida (the “**District**”).

### RECITALS

**WHEREAS**, Developer is the owner of the real property within the District, as more particularly described in **Exhibit A** attached hereto (“**Property**”);

**WHEREAS**, the District proposes to issue its \$ \_\_\_\_\_ Special Assessment Revenue Bonds, Series 2021 (“**Series 2021 Bonds**”) to finance certain public improvements which will provide special benefits to the Property;

**WHEREAS**, among the security for the repayment of the Series 2021 Bonds are the special assessments (“**Series 2021 Special Assessments**”) levied against the Property, or portions thereof;

**WHEREAS**, the Developer intends that a portion of the Property will be platted and developed into a total of 390 residential lots (“**Lots**”), which shall ultimately be sold to homebuyers within the Property (“**Development Completion**”) as contemplated by the Master Assessment Methodology for the Series 2021 Assessment Area for Chapel Creek Community Development District, dated January 21, 2021;

**WHEREAS**, the public capital improvements plan of the District which is being partially financed with the proceeds of the Series 2021 Bonds is described in the Report of District Engineer Capital Improvement Revenue Bonds, Series 2021, dated December 17, 2020, and is referred to as the “**2021 Project**”;

**WHEREAS**, in the event of default by Developer in the payment of the Series 2021 Special Assessments securing the Series 2021 Bonds or in the payment of a True-Up Obligation (as defined in the True-Up Agreement between the District and Developer being entered into concurrent herewith) or in the event of any other Event of Default by Developer (as defined herein), the District requires, in addition to the remedies afforded the District under the **Master Trust Indenture** dated **April**, 2021 (the “**Master Indenture**”), as supplemented by the **First Supplemental Trust Indenture** dated **April**, 2021 (the “**First Supplemental Indenture**” and together with the Master Indenture, the “**Indenture**”), pursuant to which the Series 2021 Bonds are being issued,

and the other agreements being entered into by Developer concurrent herewith with respect to the Series 2021 Bonds and the Series 2021 Special Assessments (the Indenture and agreements being referred to collectively as the “**Bond Documents**”), certain remedies with respect to the Development Rights (defined below) in order to complete or enable a third party to complete the 2021 Project.

**NOW, THEREFORE**, in consideration of the above recitals and other good and valuable consideration, the sufficiency of which is acknowledged, Developer and District agree as follows:

1. **Recitals; Exhibits.** The foregoing recitals are true and correct and, together with the exhibits attached hereto, are hereby incorporated herein by this reference.
2. **Collateral Assignment.**
  - a. Subject to the terms and conditions of this Assignment, Developer hereby collaterally assigns to the District, to the extent assignable, all of Developer’s development rights, permits, and entitlements relating solely to the 2021 Project, and Developer’s rights as declarant of any property owner or homeowner association with respect to the 2021 Project (collectively, the “**Development Rights**”) as security for Developer’s payment and performance of all of its obligations arising under the Bond Documents, including, without limitation, payment of the Series 2021 Special Assessments levied against the Property owned by Developer from time to time, and any True-Up Obligation. The Development Rights shall include, without limitation, the items listed in subsections (i) through (vii) below as they pertain solely to development of the 2021 Project, but shall specifically exclude any portion of the Development Rights which relate solely to (x) Lots which have been or are conveyed to unaffiliated homebuilders or homebuyers effective as of such conveyance, (y) any portion of the Property which has been transferred, dedicated and/or conveyed, or is in the future conveyed, to Pasco County, Florida, the District, any utility provider, governmental or quasi-governmental entity, any homeowner’s or property owner’s association or other governing entity or association as may be required by applicable permits, approvals, plats or entitlements or regulations affecting the District, if any, in each case effective as of such transfer, conveyance and/or dedication, as applicable, or (z) lands outside of the District not relating or necessary to development of the 2021 Project:
    - i. Zoning approvals, density approvals and entitlements, concurrency and capacity certificates, and development agreements;
    - ii. Engineering and construction plans and specifications for grading, roadways, site drainage, storm water drainage, signage, water distribution, waste water collection, recreational facilities and other improvements;
    - iii. Preliminary and final site plans and plats;

- iv. Architectural plans and specifications for public buildings and other public improvements to the assessable property within the District, but not otherwise;
  - v. Permits, approvals, resolutions, variances, licenses, and franchises granted by governmental authorities, or any of their respective agencies, for or affecting the development of the 2021 Project or construction of improvements thereon or off-site to the extent such off-site improvements are reasonably necessary or required to complete the 2021 Project;
  - vi. Contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the development of the 2021 Project; and
  - vii. All future creations, changes, extensions, revisions, modifications, substitutions, and replacements of any of the foregoing.
- b. This Assignment is not intended to and shall not impair or interfere with the development of the Property, including, without limitation, Developer's contracts with homebuilders, if any, and homebuyers (collectively, "**Sales Contracts**"), and shall only be inchoate and shall become an effective and absolute assignment and assumption of the Development Rights, from time to time, only upon the District's exercise of its rights hereunder upon a failure of Developer to pay the Series 2021 Special Assessments levied against the portion of Property owned by the Developer, from time to time, failure of Developer to satisfy a True-Up Obligation, or any other Event of Default hereunder or under the Bond Documents by Developer. The District shall not be deemed to have assumed any obligations associated with the Development Rights unless and until the District exercises its rights under this Assignment, and then only to the extent of such exercise.
- c. If this Assignment has not become absolute, it shall automatically terminate upon the earliest to occur of the following events: (i) payment in full of the principal and interest associated with the Series 2021 Bonds; (ii) completion of the 2021 Project and Development Completion; (iii) transfer of any Development Rights to Pasco County, the State, the District, any utility provider, any other governmental or quasi-governmental entity, or any homeowners' or property owner's association as may be required by applicable permits, approvals, plats or entitlements or regulations affecting the District, if any, but only to the extent of such transfer; or (iv) transfer of any portion of platted and developed Lots to an unaffiliated homebuilder or homebuyer, whether by Developer or Developer's successor in interest, but only as to such Lots transferred.
3. **Warranties by Developer.** Developer represents and warrants to the District that, subject to the Sales Contracts:
- a. Developer is not prohibited under any agreement with any other person or under any judgment or decree from the execution, delivery and performance of this Assignment.



- b. No action has been brought or threatened, to the Developer's knowledge, which would in any way interfere with the right of Developer to execute this Assignment and perform all of Developer's obligations herein contained.
  - c. Any transfer, conveyance or sale of the Property shall subject any and all affiliated entities or successors-in-interest of the Developer as to the Property or any portion thereof, to this Assignment to the extent of the portion of the Property so conveyed, except to the extent described in Section 2 above.
- 4. **Covenants.** Developer covenants with the District that for so long as this Assignment shall remain in effect pursuant to the terms as to Developer hereof:
  - a. Developer will use reasonable, good faith efforts to (i) fulfill, perform, and observe each and every material condition and covenant of Developer relating to the Development Rights, and (ii) give notice to District following an Event of Default with respect to any of the Development Rights.
  - b. The Development Rights include all of Developer's rights to modify the Development Rights, to terminate the Development Rights, and to waive or release the performance or observance of any obligation or condition of the Development Rights; provided, however, that this Assignment does not and shall not (i) pertain to lands outside of the District not relating or necessary to development of the 2021 Project, or (ii) limit Developer's right, from time to time, to modify, waive or release the Development Rights, subject to Section 4(c) below and Developer's obligations under the Bond Documents.
  - c. Developer agrees not to take any action that would materially decrease the development entitlements to a level below the amount necessary to support the then-outstanding Series 2021 Special Assessments or would materially impair or impede the ability to achieve Development Completion.
- 5. **Events of Default.** Any breach of the Developer's warranties contained in Section 3 hereof, any breach of covenants contained in Section 4 hereof which is not cured within sixty (60) days after receipt of written notice thereof, or any breach of Developer under any of the Bond Documents, which default is not cured within any applicable cure period, will constitute an "Event of Default" under this Assignment. Provided, however, if such breach is not susceptible of cure within sixty (60) days from receipt of written notice, but Developer has diligently commenced to cure such breach, reasonable time will be afforded to Developer to cure the Event of Default.
- 6. **Remedies Upon Default.** Upon an Event of Default, or the transfer of title to any portion of the Property owned by Developer to the District or its designee pursuant to a judgment of foreclosure entered by a court of competent jurisdiction or a deed in lieu of foreclosure to the District or its designee or the acquisition of title to such property through the sale of tax certificates, the District may take any or all of the following actions, at the District's option:

- a. Perform or cause to be performed any and all obligations of Developer relating to the Development Rights and exercise or cause to be exercised any and all rights of Developer therein as fully as Developer could;
  - b. Initiate, appear in, or defend any action arising out of or affecting the Development Rights; and,
  - c. Further assign any and all of the Development Rights to a third-party acquiring title to the Property or any portion thereof from the District or at a District foreclosure sale.
7. **Authorization.** In the Event of Default, Developer does hereby authorize and shall direct any party to any agreement relating to the Development Rights to tender performance thereunder to the District or its designee upon written notice and request from the District or its designee. Any such performance in favor of the District shall constitute a full release and discharge to the extent of such performance as fully as though made directly to Developer. Notwithstanding the foregoing or anything to the contrary set forth in this Assignment, no exercise by the District or the District's rights under this Assignment shall operate to release the Developer from its obligations under this Assignment.
8. **Third Party Beneficiaries.** The parties hereto agree that the trustee under the Indenture ("Trustee"), on behalf of the bondholders, shall be a direct third party beneficiary of the terms and conditions of this Assignment and entitled to enforce the Developer's obligations hereunder at the direction of the bondholders owning a majority of the aggregate principal amount of the Series 2021 Bonds then-outstanding. The Trustee shall not be deemed by virtue of this Assignment to have assumed any obligations or duties. This Assignment is solely for the benefit of the parties set forth in this Section, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any other third party.
9. **Amendment.** This Assignment may be modified in writing only by the mutual agreement of all parties hereto. Only for amendments having a material effect on the District's ability to pay debt service on the Series 2021 Bonds, the prior written consent of the Trustee, acting at the direction of the bondholders owning a majority of the aggregate principal amount of the Series 2021 Bonds then outstanding, must be obtained.
10. **Miscellaneous.** Unless the context requires otherwise, whenever used herein, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. The terms "person" and "party" shall include individuals, firms, associations, joint ventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups and combinations. Titles of paragraphs contained herein are inserted only as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope of this Assignment or the intent of any provisions hereunder. This Assignment shall be construed under Florida law.
11. **Counterparts.** This instrument may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment

pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

[SIGNATURE PAGES TO FOLLOW]

**IN WITNESS WHEREOF**, Developer and District have caused this Assignment to be executed and delivered on the day and year first written above.

**Witnesses:**

**Clayton Properties Group, Inc. *d/b/a***  
**Highland Homes**  
a Tennessee corporation

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

\_\_\_\_\_  
Joel Adams  
Vice President

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

STATE OF FLORIDA  
COUNTY OF PASCO

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of April, 2021, by Joel Adams, as Vice President of Clayton Properties Group, Inc. d/b/a Highland Homes, a Tennessee corporation, on behalf of the corporation. He is personally known to me or has produced \_\_\_\_\_ as identification.

[Notary Seal]

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Name typed, printed or stamped  
My Commission Expires: \_\_\_\_\_

**Witnesses:**

**Chapel Creek  
Community Development District**

\_\_\_\_\_

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

\_\_\_\_\_  
Brian Walsh

Chair of the Board of Supervisors

\_\_\_\_\_

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

STATE OF FLORIDA  
COUNTY OF PASCO

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of April, 2021, by Brian Walsh, as Chair of the Board of Supervisors of Chapel Creek Community Development District. He is personally known to me or has produced \_\_\_\_\_ as identification.

[Notary Seal]

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Name typed, printed or stamped

My Commission Expires: \_\_\_\_\_

## SECTION VII

## **PARTIAL ASSIGNMENT AND ASSUMPTION OF SITE DEVELOPMENT AGREEMENT (VILLAGES 7 & 8)**

This Partial Assignment and Assumption of Site Development Agreement (Villages 7 & 8) (the “**Assignment**”) is made as of the 6th day of April, 2021, by and between **Clayton Properties Group, Inc.**, a Tennessee corporation, *d/b/a* Highland Homes (“**Owner**”), **Q.G.S. Development, Inc.**, a/k/a QGS Development, Inc., a Florida corporation, (“**Contractor**”), and the Chapel Creek Community Development District (the “**District**”).

### **Background Information**

Owner and Contractor entered into an EJCDC Standard Form Agreement Between Owner And Contractor For Construction Contract (Stipulated Price) (“**Standard Form**”), which includes Standard General Conditions of the Construction Contract (“**General Conditions**”), Supplementary Conditions, Land Development Specifications, Bid Proposal, Schedule of Construction, Plans and Specifications (collectively, the “**Agreement**”), dated as of February 22, 2021, 2021, for the site development and infrastructure on Chapel Creek Villages 7 & 8 located on Owner’s property, a true and correct copy of which is attached hereto as **Exhibit “A”**, together with any amendments and change orders thereto, if any. The Project (defined therein) includes, but is not limited to, construction of certain portions of the District’s infrastructure improvements plan for master and subdivision public improvements and community facilities (“**Infrastructure Improvements**”) described in the Report of District Engineer Capitol Improvement Revenue Bonds Series 2021, dated December 17, 2021, attached hereto as **Exhibit “B”**. Owner and Contractor desire to bifurcate and assign the portion of the Agreement relating to construction of the Infrastructure Improvements to the District, and the District desires to acquire and assume from Owner that portion of the Agreement relating to the Infrastructure Improvements, pursuant to the terms and conditions set forth in the Agreement and this Assignment.

**Now therefore** for \$10.00 and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Background Information and Exhibits.** The foregoing Background Information is hereby incorporated into this Assignment.
2. **Partial Assignment of the Agreement.** Owner hereby assigns and conveys to the District all of Owner’s right, title, interest and obligations in, to and under the Agreement as the same relates to construction of the District’s Infrastructure Improvements. This Assignment expressly excludes any part of the Project or the Work which is not a part of the Infrastructure Improvements, and all such other and excluded Work shall remain the sole obligation of Owner pursuant to the Agreement. Contractor joins in this Assignment for purposes of (i) consenting to bifurcation and partial assignment of the Agreement to the District, and (ii) modifying the terms of the Agreement, all as provided for in this Assignment.
3. **Partial Assumption of the Agreement.** The District hereby accepts partial assignment of the Agreement and assumes all of Owner’s obligations thereunder relating to the Infrastructure Improvements, subject to the terms and conditions set forth herein.

4. **Definitions.** Capitalized terms in this Assignment which are not otherwise defined or amended herein shall have the meaning defined in the Agreement, provided, however,
- a. Capitalized terms herein shall be read and construed solely in reference to the Infrastructure Improvements, whenever appropriate. For example, terms such as, but not limited to, the Project, Project Manual, Work, and Application for Payment are limited in application solely to the Infrastructure Improvements.
  - b. The terms “District” or “CDD” as used in the Agreement shall mean the Chapel Creek Community Development District.
  - c. The term “Builder” as used in the Agreement shall mean the Owner.
  - d. The term “Owner” as used in the Agreement shall mean the District.
  - e. The term “Engineer” as used in the Agreement shall include both (i) Clearview Land Design, P.L. (the “**Project Engineer**”), whose address is shown in Article 3, Section 1.01 of the Standard Form, and (ii) Stantec Consulting Services, Inc. (the “**District Engineer**”), whose address is 777 S. Harbor Island Boulevard, Suite 600, Tampa, Florida 33602.
5. **Shared Role of Project Engineer and District Engineer.** The Project Engineer shall share the role of Project Engineer with the District Engineer in the manner contemplated by the General Conditions, including but not limited to those duties described in Sections 3, 4, 6, 10, 13, and 14 thereof, with the Project Engineer approving modifications and completing the initial review(s) and/or inspection(s) etc. required by such sections and the District Engineer having final review and final approval of any action taken or response to be sent by Project Engineer to Contractor. As a condition for any payment due under Section 14 of the General Conditions, once Contractor has submitted any application(s) for payment to the Project Engineer, the Project Engineer shall review the application(s) for payment and promptly submit the same to the District Engineer, who shall have final approval and issue the certificate for payment for each phase of Work, including the final certificates for payment and completion.
6. **Payment and Retainage.** Article 6, Section 6.02(1), of the Standard Form is hereby deleted and replaced with the following:
- Contractor shall submit applications for payment to the District on a monthly basis. Based upon the applications for payment submitted by Contractor each month and certificates for payment approved by the District Engineer, the District shall make progress payments on account of the compensation due Contractor for the Infrastructure Improvements, for the period ending on the 25th day of each month. The District shall, not later than 45 days following the receipt of proper applications and certificates for payment, pay the Contractor the portion of the compensation properly allocable to labor, materials and equipment incorporated in the Work for the period covered by the application for payment, less retainage of ten percent (10%) until 50-percent completion of the Work, as determined by the Engineer, and following 50-percent completion, the retainage shall be reduced to five percent (5%), in accordance with Sections 218.375 and 255.078, Florida Statutes.



7. **Funding and Completion of Public Improvements.** The District anticipates issuing approximately \$8,430,000 of Special Assessment Revenue Bonds, Series 2021, (the “**Series 2021 Bonds**”), which are expected will generate construction funds in the approximate amount of \$7,405,300 (the “**Bond Proceeds**”) for payment of all or a substantial portion of the costs of the Infrastructure Improvements. The costs paid with Bond Proceeds shall not exceed the fair market value of such Infrastructure Improvements as determined by the District Engineer. Subject to the payment provisions of the Assignment, the Agreement, and the terms of the Master Indenture and the Supplemental Indenture for the Series 2021 Bonds, the District shall utilize the Bond Proceeds to make all payments due for the Infrastructure Improvements until the Bond Proceeds available for such purposes are exhausted. To the extent the Bond Proceeds are insufficient to pay for the Infrastructure Improvements described herein and in the Agreement, Owner (defined in the opening paragraph above) has executed and delivered a Funding and Completion Agreement, dated as of April 6, 2021, and attached hereto as **Exhibit “C”** (“**Owner Funding Agreement**”), to the District for the express purpose of ensuring payment to Contractor for any shortfall (“**Shortfall**”) between the available Bond Proceeds and the amount owed under the Agreement for the Infrastructure Improvements.
8. **Owner Responsibility for Payment of the Shortfall Exceeding Bond Proceeds.** Owner shall at all pertinent times have a continuing obligation under the Agreement and this Assignment to pay or fund the payment of any Shortfall to Contractor, whether such payment is made directly or pursuant to the Owner Funding Agreement; provided, however, that payment for any Shortfall relating to direct purchases made pursuant to Section 11 below, shall be made directly to the District. In consideration of the Owner Funding Agreement and to the extent the Bond Proceeds are insufficient to pay the total amount owed under the Agreement, Contractor agrees that (i) the District shall not be liable or otherwise obligated for payment of any part of the Shortfall, (ii) in the event of a default on payment relating to the Shortfall, Contractor shall look solely to Owner for payment, and (iii) the District is hereby released from liability for payment of any Shortfall. This Assignment shall not operate to release Owner from liability for payments arising from any Shortfall.
9. **Contractor’s Ability to Lien Owner’s Property.** Pursuant to the Agreement, Contractor has obtained and delivered to Owner certain payment and performance bonds (the “**P & P Bonds**”) for the Infrastructure Improvements Work. Contractor and/or Owner hereby transfer and assign their respective interests in the P & P Bonds to the District, and by assignment thereof, declare that the District shall be and is hereby made the sole beneficiary of the P & P Bonds. Owner hereby consents to and acknowledges that to the extent the District does not have sufficient proceeds on hand for any payment due Contractor, and Owner fails to timely provide the requisite funding to the District or directly pay Contractor for any Shortfall, Contractor shall have the right to a statutory and equitable claim of lien against Owner’s abutting private property in the District benefiting from Contractor’s Work. Owner represents that copies of all Notices to Owner and recorded liens received, if any, together with all unpaid monthly statements from Contractor to Owner have been delivered to the

District as of the date of this Assignment; that there are no unpaid amounts owed to Contractor that have not been disclosed to the District. Owner knowingly waives any defense that the Work performed by Contractor did not benefit the abutting private property. It shall not be a defense that any claim of lien against Owner's abutting private property is overstated or fraudulent under section 713.31, Florida Statutes.

**10. Temporary Construction Easement and License.** Owner hereby grants the District and Contractor a temporary non-exclusive easement and license to enter upon Owner's property and perform the Work set forth in the Agreement, wherever such Work is necessary or required. This temporary easement and license shall automatically terminate upon completion of the Infrastructure Improvements subject to the Agreement.

**11. Sales Tax Exemption.** Section 17.11 of the Supplementary Conditions to the Agreement is hereby deleted and replaced with the following:

Contractor acknowledges that the District is exempt from the Florida Sales and Use Tax (the "**Sales Tax**"). Accordingly, to minimize costs to the District, Contractor agrees to cooperate with the District and to allow the District to purchase materials directly in its name in order to avoid the Sales Tax that would otherwise be due on such purchases. Upon issuance of the Notice to Proceed, Contractor and Engineer shall meet and identify all materials the District will purchase directly during the course of the Work. All such purchases shall be from vendors specified by and acceptable to the District, and shall be coordinated with Contractor's Work schedule. All savings realized by the District as a result of such direct purchases shall inure to the benefit of the District, and the Total Bid Price shall be reduced by cost of the materials purchased, together with the Sales Tax savings thereon, because the Total Bid Price was originally computed on the assumption that materials would be subject to Sales Tax. The District shall assume the risk of loss for all materials directly purchased upon acceptance of the same, take title of the materials upon delivery to the job site and acceptance thereof, and shall procure insurance for all materials purchased in the amounts required by Florida law, as applicable.

**12. As-Built Plans.** Within 45 days after substantial completion of the Infrastructure Improvements, Contractor shall provide the District with two (2) physical copies of "as-built" plans for the Infrastructure Improvements, together with an electronic copy of such plans in a CAD or other format compatible with industry standards delivered to the District Engineer.

**13. Venue.** The venue under Article 16 of the General Conditions is amended to read: Pasco County, Florida.

**14. E-Verification.** Pursuant to Section 448.095(2), Florida Statutes,

- a. Contractor represents that Contractor is eligible to contract with the District and is currently in compliance and will remain in compliance, for as long as it has any obligations under this Agreement, with all requirements of the above statute; this

includes, but is not limited to, registering with and using the United States Department of Homeland Security's E-Verify system to verify the work authorization status of all employees hired on or after January 1, 2021.

- b. If the District has a good faith belief that Contractor has knowingly violated Section 448.09(1), Florida Statutes, the District will terminate this Agreement as required by Section 448.095(2)(c), Florida Statutes. If the District has a good faith belief that a subcontractor knowingly violated Section 448.09(1), Florida Statutes, but Contractor otherwise complied with its obligations thereunder, the District shall promptly notify Contractor and Contractor will immediately terminate its contract with the subcontractor.
- c. If this Agreement is terminated in accordance with this section, then Contractor will be liable for any additional costs incurred by the District.

15. **Public Records.** Section 17.08 of the Supplementary Conditions to the Agreement is hereby amended to add the following:

**IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THE AGREEMENT OR THIS ASSIGNMENT, CONTACT THE DISTRICT MANAGER JILL BURNS AT (407) 841-5524, EXT. 115, OR BY EMAIL AT [JBURNS@GMSCFL.COM](mailto:JBURNS@GMSCFL.COM) OR BY REGULAR MAIL DIRECTED TO THE DISTRICT, C/O GOVERNMENT MANAGEMENT SERVICES – CENTRAL FLORIDA, 219 E. LIVINGSTON STREET, ORLANDO, FLORIDA 32801.**

16. **Insurance.** Contractor shall deliver to the District proof of insurance required by the Agreement and naming the District as an "Additional Insured" under such policies.
17. **Indemnification.** Contractor hereby affirms the indemnification provisions of the Agreement shall run to the District, as if the District were originally named as the indemnitee therein, including the limitation provisions expressly stated therein. Contractor further agrees that nothing herein shall constitute or be construed as a waiver of the District's limitations on liability contained in Section 768.28, Florida Statutes, or other statute or law; that any subcontractor retained by the Contractor shall acknowledge the same in writing.
18. **Notice.** Where notice is required to be provided under the Agreement, notice to the District shall be sent to the following:

**To the District:**

Chapel Creek Community Development District  
c/o Government Management Services – Central Florida  
Attn: Jill Burns, District Manager

219 E. Livingston Street  
Orlando, Florida 32801  
[jburns@gmscfl.com](mailto:jburns@gmscfl.com)

**With a copy to:**

Straley Robin Vericker  
1510 W. Cleveland Street  
Tampa, Florida 33634  
Attn: Tracy J. Robin, District Counsel  
[trobin@srvlegal.com](mailto:trobin@srvlegal.com)

- 19. Conflicts.** In the event of any conflict between the terms of the Agreement and this Assignment, the terms of this Assignment shall take priority and be deemed controlling.
- 20. Counterparts.** This Assignment may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute, but one and the same instrument.
- 21. Cancellation of Prior Assignment.** The Partial Assignment and Assumption of Site Development Agreement (Villages 7 & 8), by and between the foregoing parties, dated as of March 18, 2021, is hereby substituted in its entirety and replaced by this Assignment. To the extent there are any conflicting provisions between the two assignments, the parties hereto intend and expressly agree that the terms of this Assignment shall be controlling.

*[signature page to follow]*

**IN WITNESS WHEREOF** the undersigned have executed this Assignment as of the date and year first written above.

**Clayton Properties Group, Inc.**  
d/b/a Highland Homes  
a Tennessee corporation

---

Joel Adams  
Vice President

**Q.G.S. Development, Inc.,**  
a Florida corporation

---

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

**Chapel Creek  
Community Development District**

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Brian Walsh  
Chairman of the Board of Supervisors

**EXHIBIT “A”**

EJCDC Standard Form of Agreement Between Owner and Contractor for Construction Contract  
(Stipulated Price)

## **EXHIBIT “B”**

Chapel Creek Community Development District  
Report of District Engineer Capitol Improvement Revenue Bonds Series 2021,  
dated December 17, 2020, prepared by Stantec Consulting Services, Inc.

**Chapel Creek Community  
Development District**

Report of the District Engineer  
Capital Improvement Revenue Bonds,  
Series 2021



Prepared for:  
Board of Supervisors  
Chapel Creek Community  
Development District

Prepared by:  
Stantec Consulting Services Inc.  
777 S. Harbour Island Boulevard  
Suite 600  
Tampa, FL 33602  
(813) 223-9500

December 17, 2020





## **1.0 INTRODUCTION**

The Chapel Creek Community Development District (the "District") encompasses approximately 350 acres in Pasco County, Florida. The District is located within Sections 5 and 6, Township 26 South, Range 21 East, and more precisely being on the north side of Eiland Boulevard just to the east of Handcart Road.

See Appendix A for a Vicinity Map.

## **2.0 PURPOSE**

Pasco County Board of County Commissioners adopted Resolution 06-119 (effective February 14, 2006) for the purpose of constructing and/or acquiring, maintaining, and operating all or a portion of the public improvements and community facilities within the District. The purpose of this Report of the District Engineer is to provide a description and estimated costs of the public improvements and community facilities within the final phases of the community, Phases 7 and 8.

## **3.0 THE DEVELOPER AND DEVELOPMENT**

The undeveloped land encompassing the District is owned and will be developed by Clayton Properties Group (the "Developer"), and they plan to build 390 detached single-family units within Phases 7 and 8.

See Appendix B for the Phases 7 and 8 Site Plan.

## **4.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES**

The community's master and subdivision public improvements and community facilities are described separately, as follows:

### **4.1 WATER MANAGEMENT AND CONTROL**

The design criteria for the District's water management and control is regulated by Pasco County and the Southwest Florida Water Management District (SWFWMD). The continuing subdivision water management and control plan for the District focuses on utilizing newly constructed ponds within upland areas and on-site wetlands for stormwater treatment and storage.

Any excavated soil from the ponds is anticipated to remain within the development for use in building public infrastructure including roadways and drainage pond bank fill requirements, utility trench backfill, and filling and grading of public property.

The primary objectives of the continuing Subdivision Water Management and Control for the District are:



1. To provide stormwater quality treatment of run-off from the subdivision improvements.
2. To protect the subdivision improvements within the District from regulatory-defined rainfall events.
3. To maintain natural hydroperiods in the wetlands and connecting flow ways.
4. To ensure that adverse stormwater impacts do not occur upstream or downstream as a result of the subdivision improvement during regulatory-defined rainfall events.
5. To satisfactorily accommodate stormwater run-off from adjacent off-site areas which may naturally drain through the District.
6. To preserve the function of the flood plain storage during the 100 year storm event.

The continuing Subdivision Water Management and Control includes the storm sewer systems and stormwater ponds directing and receiving drainage from the continuing subdivision improvements.

Subdivision Water Management and Control have been and will be designed in accordance with Pasco County and SWFWMD technical standards, and the storm sewer systems will be owned and maintained by the District.

## **4.2 DISTRICT ROADS**

Subdivision District Roads include the roadway asphalt, base, and subgrade, roadway curb and gutter, and sidewalks within rights of way abutting common areas associated with the subdivision streets that will be intersecting the community collector roads.

Subdivision Roads have been and will be designed in accordance with Pasco County's Land Development Code and technical standards, and all roads will be owned and maintained by Pasco County.

## **4.3 SEWER AND WASTEWATER MANAGEMENT**

The District is located within the Pasco County Public Utilities service area which will provide sewer and wastewater management service to the community. The continuing Subdivision Sewer and Wastewater Management improvements include 8" gravity sanitary sewer systems within the subdivision roads right of way within Phases 7B, 8A and 8B that will connect to the Master Sewer and Wastewater Management system and the reclaimed water system providing irrigation to the community.

Subdivision Sewer and Wastewater Management Systems have been and will be designed in accordance with Pasco County technical standards and it will be owned and maintained by Pasco County.

## **4.4 WATER SUPPLY**

The District is located within the Pasco County Public Utilities service area which will provide water supply for potable water service and fire protection to the community. The continuing water supply improvements within Phases 7B, 8A and 8B include looped water mains that will connect to the Master Water Supply System.

Subdivision Water Supply systems have been and will be designed in accordance with Pasco County technical standards and will be owned and maintained by Pasco County.



## **4.5 AMENITY/WALLS/LANDSCAPING**

An additional park site will be constructed within Phases 7 and 8 and landscaping, irrigation and buffering/screening walls and or fencing.

## **4.6 UNDERGROUNDING OF ELECTRICAL POWER**

The District lies within the area served by Tampa Electric Company ("TECO") for electrical power service. TECO will provide electric service to the continuing subdivision streets from the Master Electric system, and there are fees to convert this service from overhead to underground. It is anticipated that the District will enter into a Street Lighting Agreement with TECO who will then own and maintain the streetlights.

## **4.7 PROFESSIONAL SERVICES AND PERMITTING FEES**

Pasco County and SWFWMD impose fees for construction permits and plan reviews. These fees vary with the magnitude and size of the development. Additionally, engineering, surveying, and architecture services are needed for the continuing subdivision design, permitting, and construction administration. As well, development/construction management services are required for the project coordination and field management.

Fees associated with performance and warranty financial securities covering Pasco County infrastructure are also required by Pasco County and may be funded through the District.

## **5.0 CONSTRUCTION PERMIT STATUS**

Phases 7 and 8 SWFWMD and Pasco County construction permit applications have been submitted by the Developer.

## **6.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES COSTS**

See Appendix C for the Construction Cost Estimate of the Public Improvements and Community Facilities which includes a small contingency to cover unforeseen field conditions and costs to resolve.

## **7.0 SUMMARY AND CONCLUSION**

The District, as outlined above, is responsible for the functional development of the lands within the District, and, except as noted above in this report, such public improvements and community facilities are located within the boundary of the District.

The planning and design of the District will be in accordance with current governmental regulatory requirements.

Items included in the Construction Cost Estimate are based on our review and analysis of the Phases 7 and 8 Site Plan and information provided by the Developer. It is our professional opinion that the estimated costs provided herein for the development are conservative to complete the



construction of the Public Improvements and Community Facilities described herein. All such infrastructure costs are public improvements or community facilities as set forth in Section 190.012(1) and (2) of the Florida Statutes.

The estimate of the construction costs is only an estimate and not a guaranteed maximum cost. The estimated cost is based on historical unit prices or current prices being experienced for on-going and similar items of work in Pasco County. The labor market, future costs of equipment and materials, and the actual construction process are all beyond our control. Due to this inherent possibility for fluctuation in costs, the total final cost may be more or less than this estimate.

The professional service for establishing the Construction Cost Estimate are consistent with the degree of care and skill exercised by members of the same profession under similar circumstances.

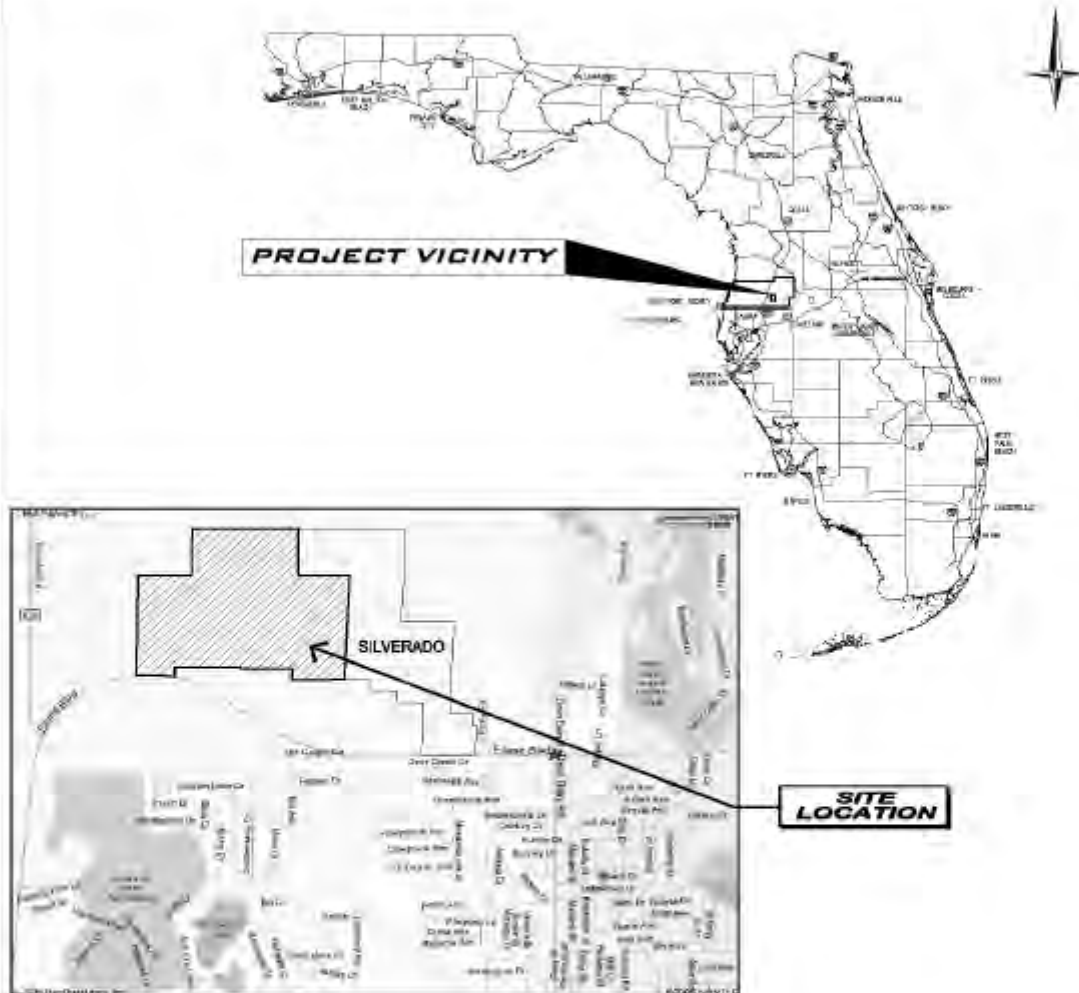
A handwritten signature in blue ink, appearing to read "Tonja L. Stewart", written over a horizontal line.

Tonja L. Stewart, P.E.  
Florida License No. 47704



**Chapel Creek CDD**  
Report of the District Engineer  
December 17, 2020

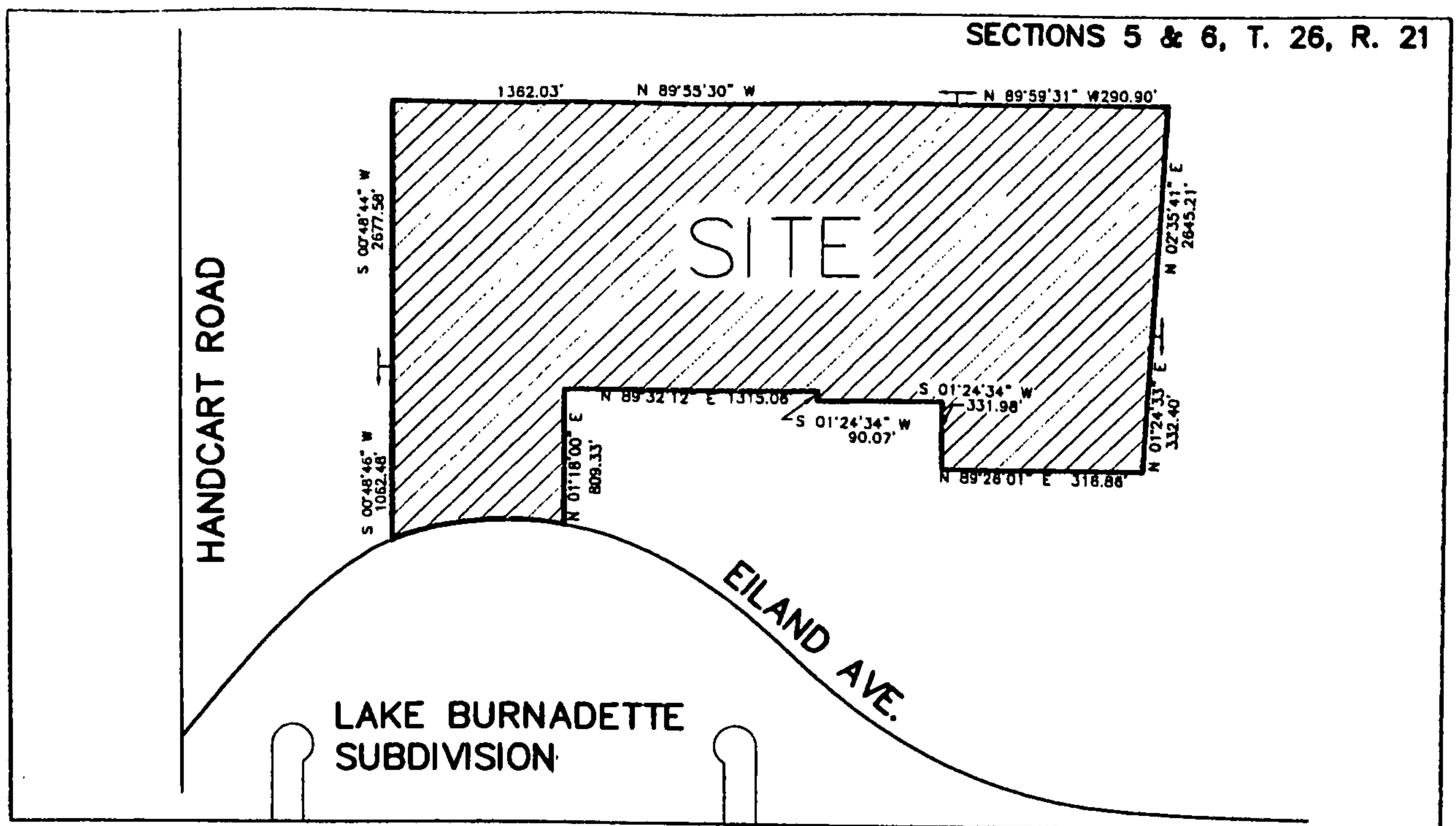
## **Appendix A VICINITY MAP**



SECTION 05 & 06 TOWNSHIP 26 RANGE 21 EAST  
PASCO COUNTY, FLORIDA

**VICINITY & LOCATION MAP**

**FIGURE 1**



THE NORTHWEST  $\frac{1}{4}$  OF THE NORTHWEST  $\frac{1}{4}$  OF SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY FLORIDA;  
AND

TRACTS 3 THROUGH 6, INCLUSIVE; TRACTS 11 THROUGH 14, INCLUSIVE; TRACTS 19 THROUGH 22, INCLUSIVE; TRACTS 27 THROUGH 30, INCLUSIVE; TRACTS 35 THROUGH 46 INCLUSIVE; TRACTS 51 THROUGH 58 INCLUSIVE; TRACTS 59 THROUGH 62, INCLUSIVE; TRACTS 67 AND 68 INCLUSIVE; TRACTS 57 AND 58 LESS THE SOUTH 30 FEET THEREOF, ZEPHYRHILLS COLONY COMPANY LANDS, IN SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 1, PAGE 55, PUBLIC RECORDS OF PASCO COUNTY, FLORIDA;  
AND

THE EAST  $\frac{1}{4}$  OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA;

LESS AND EXCEPT THE FOLLOWING PARCELS:

**PARCEL "A"**

THAT PORTION OF THE EAST  $\frac{1}{8}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, LYING NORTH OF EILAND BOULEVARD, LYING AND BEING IN PASCO COUNTY, FLORIDA.

**PARCEL "B"**

THE SOUTH 58.25 FEET OF THE EAST  $\frac{1}{8}$  OF THE NORTHEAST  $\frac{1}{4}$  OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, LYING AND BEING IN PASCO COUNTY, FLORIDA.

**PARCEL "C"**

THE SOUTH 43.25 FEET OF TRACTS 57 AND 58 OF ZEPHYRHILLS COLONY COMPANY IN SECTION 5, TOWNSHIP 26 SOUTH, RANGE 21 EAST, ACCORDING TO THE MAP OR PLAT THEREOF AS RECORDED IN PLAT BOOK 1, PAGE 55, PUBLIC RECORDS OF PASCO COUNTY, FLORIDA.

**PARCEL "D"**

THAT PART OF THE EAST  $\frac{1}{4}$  OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA, LYING SOUTH OF THE ZEPHYRHILLS BY-PASS WEST (AKA EILAND BOULEVARD).

**"PARCEL E"**

A PORTION OF SECTION 6, TOWNSHIP 26 SOUTH, RANGE 21 EAST, PASCO COUNTY, FLORIDA, BEING FURTHER DESCRIBED AS FOLLOWS:  
COMMENCE AT THE SOUTHEAST CORNER OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 6; THENCE ALONG THE EAST BOUNDARY LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 6, N. 01°27'41" E., A DISTANCE OF 1613.75 FEET FOR A POINT OF BEGINNING; THENCE A DISTANCE OF 1035.93 FEET ALONG THE ARC OF A CURVE TO THE LEFT, SAID CURVE HAVING A RADIUS OF 2270.00 FEET AND A CHORD OF 1026.97 FEET WHICH BEARS S. 81°22'19" W.; THENCE N., 21°42'07" W., A DISTANCE OF 10.00 FEET; THENCE A DISTANCE OF 286.98 FEET ALONG THE ARC OF A CURVE TO THE LEFT TO THE WEST BOUNDARY LINE OF THE EAST  $\frac{1}{4}$  OF SAID SECTION 6, SAID CURVE HAVING A RADIUS OF 2260.00 FEET AND A CHORD OF 286.79 FEET WHICH BEARS S. 64°41'32" W.; THENCE ALONG THE WEST BOUNDARY LINE OF THE EAST  $\frac{1}{4}$  OF SAID SECTION 6, N. 00°48'41" E., A DISTANCE OF 243.07 FEET; THENCE A DISTANCE OF 1319.83 FEET ALONG THE ARC OF A CURVE TO THE RIGHT TO THE EAST BOUNDARY LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 6, SAID CURVE HAVING A RADIUS OF 2494.00 FEET AND A CHORD OF 1304.48 FEET WHICH BEARS N. 79°01'00" E.; THENCE ALONG THE EAST BOUNDARY LINE OF THE SOUTHEAST  $\frac{1}{4}$  OF SAID SECTION 6, S. 01°27'41" W., A DISTANCE OF 224.28 FEET TO THE POINT OF BEGINNING, TOTALING 350.3 ACRES.



**HILLS & ASSOCIATES, INC.**

8406 Benjamin Road, Suite G  
Tampa, Florida 33634  
Phone: 813-887-3130  
FAX: 813-887-3140

Civil Engineering / Surveying / Land Planning

**Location Map**

**CHAPEL CREEK  
COMMUNITY DEVELOPMENT DISTRICT  
Pasco County, Florida**

HAJ#: 04-010

DATE: 9/15/04

EXHIBIT BY: HILLS



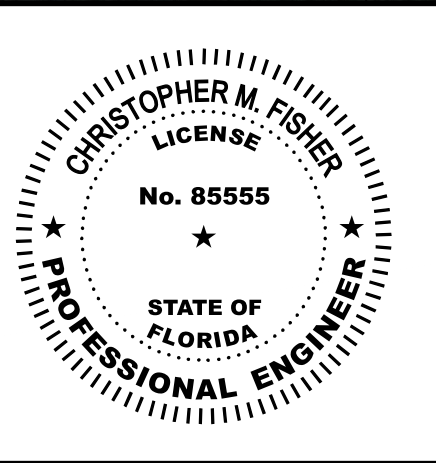
Chapel Creek CDD  
Report of the District Engineer  
December 17, 2020

## **Appendix B   PHASES 7 AND 8 SITE PLAN**





10-23-2020	REVIEW SUBMITTAL	INI
DATE	DESCRIPTION	BY
	REVISIONS	



Clearview  
LAND DESIGN, P.L.  
Engineering Business C.A. No.: 28858  
3010 W Azele St., Suite 150, Tampa, Florida 33609  
Office: 813-223-3919

DATE:  
CHRISTOPHER M. FISHER NO. 85555  
FLORIDA PROFESSIONAL ENGINEER

AERIAL SITE PLAN	
JOB NO. HLH-CC-009	CHAPEL CREEK VILLAGES 7 & 8 PHASES 1 - 3
DESIGN SANDERS	
DRAWN DROOR	PREPARED FOR: HIGHLAND HOMES
DATE 10-23-2020	Elevations based on North American Vertical Datum 1988 (NAVD 88) Conversion from NAVD 88 to NGVD 29 = +0.84 Feet
FILE ASP	SHEET 3 OF 79 SHEETS





Chapel Creek CDD  
Report of the District Engineer  
December 17, 2020

## **Appendix C   CONSTRUCTION COST ESTIMATE**

**Chapel Creek CDD**  
**Construction Cost Estimate**  
Bond Series 2021

<b><u>DESCRIPTION</u></b>	<b><u>ESTIMATE</u></b>
Water Management & Control	\$7,780,000
Sewer & Wastewater Management	\$1,008,000
Water Supply	\$1,872,000
Roads	\$2,325,000
Amenity/Walls/Landscaping	\$1,000,000
Professional Fees & Permitting	\$950,000
Undergrounding of Electric	\$750,000
<b>TOTAL</b>	<b>\$15,685,000</b>

## SECTION VIII

## RESOLUTION 2021-12

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE CHAIR OF THE BOARD OF SUPERVISORS TO ACT AS THE DISTRICT'S PURCHASING AGENT FOR THE PURPOSE OF PROCURING, ACCEPTING, AND MAINTAINING ANY AND ALL CONSTRUCTION MATERIALS NECESSARY FOR THE CONSTRUCTION, INSTALLATION, MAINTENANCE OR COMPLETION OF THE DISTRICT'S 2021 PROJECT; PROVIDING FOR THE APPROVAL OF A WORK AUTHORIZATION; PROVIDING FOR PROCEDURAL REQUIREMENTS FOR THE PURCHASE OF MATERIALS; APPROVING THE FORM OF A PURCHASE REQUISITION REQUEST; APPROVING THE FORM OF A PURCHASE ORDER; APPROVING THE FORM OF A CERTIFICATE OF ENTITLEMENT; AUTHORIZING THE PURCHASE OF INSURANCE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Chapel Creek Community Development District (the “**District**”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*; and

**WHEREAS**, Chapter 190, *Florida Statutes*, authorizes the District to construct, install, operate and/or maintain systems and facilities for certain basic infrastructure; and

**WHEREAS**, the District Board of Supervisors (the “**Board**”), upon recommendation of the District Engineer, has adopted an improvement plan for the construction and installation of certain infrastructure improvements within the District, as more particularly described in the Report of District Engineer Capital Improvement Revenue Bonds Series 2021, dated December 17, 2020 (the “**2021 Project**”); and

**WHEREAS**, the District has or will enter into various construction contracts for the construction and installation of the 2021 Project (the “Construction Contracts”); and

**WHEREAS**, the Construction Contracts allow, or will be amended to allow, for the direct purchase by the District of certain construction materials necessary for those contracts; and

**WHEREAS**, the District has determined that such direct purchase of construction materials will provide a significant construction cost reduction that is in the best interest of the District; and

**WHEREAS**, the District desires to have a District representative who is familiar with the project and who is knowledgeable in the area of procuring and handling construction materials act as its representative.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** The Chair or Vice Chair of the District's Board shall and are hereby appointed as purchasing agent ("**Purchasing Agent**") with full authority of the District to issue purchase orders or enter into purchase agreements on behalf of the District at such times and intervals as the Purchasing Agent determines necessary for the timely receipt of construction materials required by contractors or subcontractors for the prosecution of the 2021 Project.

**SECTION 2.** The Purchasing Agent shall purchase on behalf of the District only those materials identified in the Construction Contracts and in amounts not to exceed the cost amount contained therein and as included in the Construction Contracts.

**SECTION 3.** The Purchasing Agent shall be authorized to purchase on behalf of the District any additional construction materials that are identified in a schedule of values associated with any change order(s) to the Construction Contracts or that of any subcontractor to the Contractor which is approved by the District.

**SECTION 4.** The Purchasing Agent is further authorized to take any other administrative actions that are consistent with his/her duties as the District's Purchasing Agent, including but not limited to, negotiating for lower prices on materials from other suppliers, arranging for the storage, delivery, and protection of purchased materials, and sending and receiving notices and releases as are required by law.

**SECTION 5.** The District Manager is hereby authorized to purchase Builders All Risk Insurance on behalf of the District and with the District as the named insured in such amounts as are necessary to cover the estimated costs of the construction materials pursuant to the Construction Contract.

**SECTION 6.** The procurement procedures and its exhibits, attached hereto as **Composite Exhibit A** and incorporated herein by reference, are hereby approved and shall be used by the Purchasing Agent for the purchase of construction materials on behalf of the District.

**SECTION 7.** If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**SECTION 8.** This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED** this \_\_\_\_ day of April, 2021.

ATTEST:

**CHAPEL CREEK COMMUNITY  
DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Chairperson / Vice Chairperson

## COMPOSITE EXHIBIT A

### PROCUREMENT PROCEDURES FOR CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT (“OWNER”) PURCHASED MATERIAL

1. Purchase Requisition Request Forms. At least ten (10) calendar days prior to CONTRACTOR ordering construction materials, CONTRACTOR shall prepare and forward to OWNER a separate Purchasing Requisition Request Form for each supplier in the form attached hereto as **Attachment 1**, specifically identifying the construction materials which CONTRACTOR plans to order from each supplier so that OWNER may, in its sole discretion, elect to purchase directly such construction materials.

2. Purchase Orders. After receipt of the Purchasing Requisition Request Form, the OWNER shall prepare Purchase Orders in substantially the form attached hereto as **Attachment 2**, or as modified from time to time in the OWNER’s discretion, for construction materials which the OWNER wishes to purchase directly.

Purchase Orders shall require that the supplier provide required shipping and handling insurance. Purchase Orders shall also require the delivery of the Owner Purchased Materials on the delivery dates provided by the CONTRACTOR in the Purchasing Requisition Request Form. Pursuant to the Purchase Order, the supplier will provide the CONTRACTOR the required quantities of construction material at the price established in the supplier's quote less any associated sales tax.

3. Certificate of Entitlement. The purchasing agent for OWNER shall execute a separate Certificate of Entitlement for each Purchase Order in the form attached hereto as **Attachment 3** and furnish a copy of same to the supplier and to the CONTRACTOR in accordance with Section 4. Each Certificate of Entitlement must have attached thereto the corresponding Purchase Order.

Each Certificate of Entitlement shall acknowledge that if the Department of Revenue determines the purchase is not a tax-exempt purchase by a governmental entity, then the governmental entity will be responsible for any tax, penalties and interest determined to be due.

Each Certificate of Entitlement shall affirm that (1) the attached Purchase Order is being issued directly to the vendor supplying the tangible personal property the CONTRACTOR will use in the identified public works; (2) the vendor’s invoice will be issued directly to OWNER; (3) payment of the vendor’s invoice will be made directly by OWNER to the vendor from public funds;



(4) the OWNER will take title to the tangible personal property from the vendor at the time of purchase or of delivery by the vendor; and (5) the OWNER assumes the risk of damage or loss at the time of purchase or delivery by the vendor.

4. Transmission of Certificate of Entitlement and Attached Purchase Order. At least two calendar days prior to CONTRACTOR placing OWNER'S order for the construction materials, OWNER shall forward each Certificate of Entitlement, together with the attached Purchase Order, to CONTRACTOR and to supplier. Promptly upon receipt of the Owner Purchased Materials specified in each Purchase Order (the "**Owner Purchased Materials**") , CONTRACTOR shall verify the purchase of the Owner Purchased Materials in accordance with the terms of the Purchase Order and in a manner to assure timely delivery of the Owner Purchased Materials.

5. Notice of Reduction in Contract Price. On or about the last business day of each month, OWNER shall deliver to the CONTRACTOR a Notice of Reduction in Contract Price (hereinafter "Notice"). Each Notice shall list all Owner Purchased Materials for the respective month and the total price for all such construction materials, plus all sales taxes which would have been associated with such construction materials had the CONTRACTOR purchased the construction materials. Each Notice may also include the total price and sales tax (had CONTRACTOR purchased) for any previously purchased Owner Purchased Materials which for any reason were not previously deducted from the contract price. The contract price will be reduced automatically and as a ministerial task by the amount set forth in each Notice. Each Notice will also reflect the amended contract balance reflecting the deductions taken in said Notice.

The intent of this provision is to cause the contract price to be reduced automatically by the amount OWNER pays for Owner Purchased Materials plus the amount of applicable sales tax that would have been paid for such construction materials, had the CONTRACTOR or any other non-tax-exempt entity purchased the construction materials. All savings of sales taxes shall accrue solely to the benefit of OWNER, and CONTRACTOR shall not benefit whatsoever from savings of any such taxes.

6. Payment for Owner Purchased Materials. In order to arrange for the prompt payment to suppliers, the CONTRACTOR shall provide to the OWNER a list indicating the Owner Purchased Materials within 15 days of receipt of said Owner Purchased Materials. The list shall include a copy of the applicable Purchase Orders, invoices, delivery tickets, written acceptance of the delivered items, and such other documentation as may be reasonably required by the OWNER. Upon receipt of the appropriate documentation, the OWNER shall prepare a check drawn to the supplier based upon the receipt of data provided. OWNER will make payment to each supplier.

The CONTRACTOR agrees to assist the OWNER to immediately obtain appropriate partial or final release of waivers.

OWNER shall be responsible for the full payment of all valid and due invoices for Owner Purchased Materials and shall not be entitled to retain any part of the progress payment for retainage due to the CONTRACTOR as is otherwise provided for in the contract documents.

**CONTRACTOR SHALL AFFIRM THAT THE VENDOR SUPPLYING THE OWNER PURCHASED MATERIALS IS NOT ALSO THE INSTALLER OF THE OWNER PURCHASED MATERIALS. CONTRACTOR SHALL FURTHER AFFIRM THAT THE INSTALLER OF THE OWNER PURCHASED MATERIALS DID NOT MANUFACTURE, FABRICATE OR FURNISH THE OWNER PURCHASED MATERIALS.**

7. CONTRACTOR Responsibilities. CONTRACTOR shall be fully responsible for all matters relating to ordering, storing, securing, protecting, receipt, and handling for all construction materials including Owner Purchased Materials, in accordance with these procedures including, but not limited to, verifying correct quantities, verifying documents of orders in a timely manner, coordinating purchases, providing and obtaining all warranties and guarantees required by the contract documents, inspection and acceptance on behalf of the owner of the construction materials at the time of delivery, and loss or damage to the construction materials following acceptance of construction materials, due to the negligence of the CONTRACTOR. CONTRACTOR shall serve as bailee with respect to such Owner Purchased Materials. The CONTRACTOR shall coordinate delivery schedules, sequence of delivery, loading orientation, and other arrangements normally required by the CONTRACTOR for the construction materials furnished including Owner Purchased Materials. The CONTRACTOR shall provide all services required for the unloading, handling and storage of construction materials through installation including Owner Purchased Materials. The CONTRACTOR agrees to indemnify and hold harmless the OWNER from any and all claims of whatever nature resulting from non-payment for Owner Purchased Materials arising from CONTRACTOR actions.

7.1 Inspection and Documentation. As Owner Purchased Materials are delivered to the job site, CONTRACTOR shall visually inspect all shipments from the suppliers, and approve the vendor's invoice for construction materials delivered. The CONTRACTOR shall assure that each delivery of Owner Purchased Material is accompanied by documentation adequate to identify the Purchase Order against which the purchase is made. This documentation may consist of a delivery ticket and an invoice from the supplier conforming to the Purchase Order together with such additional information as the OWNER may require. All invoices for Owner Purchase Materials

shall include the OWNER's consumer certificate of exemption number. The CONTRACTOR will then forward all such invoices to the OWNER. On or about the 15th and last day of each month (or the next succeeding business day), CONTRACTOR shall review all invoices submitted by all suppliers of Owner Purchased Materials delivered to the project sites during that month and either concur or object to the OWNER's issuance of payment to the suppliers, based upon CONTRACTOR's records of Owner Purchased Materials delivered to the site and whether any defects or non-conformities exist in such Owner Purchased Materials.

7.2 Warranties, Guarantees, Repairs and Maintenance. The CONTRACTOR shall be responsible for obtaining and managing on behalf of the OWNER all warranties and guarantees for all construction materials as required by the contract documents and shall fully warrant all construction materials including all Owner Purchased Materials. OWNER's purchase of various construction materials shall not in any manner impact or reduce CONTRACTOR's duty to warrant said construction materials. The OWNER may forward all repair, maintenance, non-conforming construction materials calls, or any other issues relating to the construction materials to the CONTRACTOR for resolution with the appropriate supplier, vendor, or subcontractor. The CONTRACTOR shall resolve all such calls or issues.

7.3 Records and Accountings. The CONTRACTOR shall maintain records of all Owner Purchased Materials it incorporates into the work from the stock of Owner Purchased Materials in its possession as bailee. The CONTRACTOR shall account monthly to the OWNER for any Owner Purchased Materials delivered into the CONTRACTOR's possession, indicating portions of all such construction materials which have been incorporated into the work.

7.4 Defective or Non-conforming Construction Materials. The CONTRACTOR shall insure that Owner Purchased Materials conform to specifications and determine prior to incorporation into the work if such construction materials are defective or non-conforming, whether such construction materials are identical to the construction materials ordered and match the description on the bill of lading. If the CONTRACTOR discovers defective or non-conforming Owner Purchased Material upon such visual inspection, the CONTRACTOR shall not utilize such non-conforming or defective construction materials in the work and instead shall promptly notify the OWNER of the defective or non-conforming conditions so repair or replacement of such construction materials can occur without any undue delay or interruption to the Project. If the CONTRACTOR fails to adequately and properly perform such inspection or otherwise incorporates into the Project defective or non-conforming Owner Purchased Materials, the condition of which it either knew or should have known by performance of an inspection,

CONTRACTOR shall be responsible for all damages to OWNER resulting from CONTRACTOR's incorporation of such construction materials into the project, including liquidated or delay damages.

8. Title. Notwithstanding the transfer of Owner Purchased Materials by the OWNER to the CONTRACTOR's possession as bailee for the OWNER, the OWNER shall retain legal and equitable title to any and all Owner Purchased Materials.

9. Insurance and Risk of Loss. The OWNER shall purchase and maintain Builder's Risk Insurance sufficient to protect against any loss or damage to Owner Purchased Materials. OWNER shall be the named insured and such insurance shall cover the full value of any Owner Purchased Materials not yet incorporated into the Project during the period between the time the OWNER first takes title to any such Owner Purchased Materials and the time when the last of such Owner Purchased Materials is incorporated into the project or consumed in the process of completing the Project.

10. No Damages for Delay. The OWNER shall in no way be liable for, and CONTRACTOR waives all claims for, any damages relating to or caused by alleged interruption or delay due to ordering or arrival of Owner Purchased Materials, defects, or other problems of any nature with such construction materials, late payment for such construction materials, or any other circumstance associated with Owner Purchased Materials, regardless of whether OWNER's conduct caused, in whole or in part, such alleged damages. The foregoing waiver by CONTRACTOR includes damages for acceleration and inefficiencies. CONTRACTOR accepts from OWNER as further and specific consideration for the foregoing waivers, OWNER's undertaking to pay for and finance all Owner Purchased Materials.

Attachment 1

**PURCHASE REQUISITION REQUEST FORM**

1. Contact Person for the material supplier.

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_

2. Manufacturer or brand, model or specification number of the item.

\_\_\_\_\_  
\_\_\_\_\_

3. Quantity needed as estimated by CONTRACTOR. \_\_\_\_\_

4. The price quoted by the supplier for the construction materials identified above.  
\$ \_\_\_\_\_

5. The sales tax associated with the price quote. \$ \_\_\_\_\_

6. Shipping and handling insurance cost. \$ \_\_\_\_\_

7. Delivery dates as established by CONTRACTOR. \_\_\_\_\_

**OWNER: Chapel Creek Community Development District**

\_\_\_\_\_  
Authorized Signature (Title)

\_\_\_\_\_  
Date

**CONTRACTOR:** \_\_\_\_\_

\_\_\_\_\_  
Authorized Signature (Title)

\_\_\_\_\_  
Date

Attachment 2  
**PURCHASE ORDER**  
**CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT**

<b>“Owner”</b>		<b>“Seller”</b>	
Owner:	<b>CHAPEL CREEK CDD</b>	Seller:	
Address:	c/o Governmental Management Services – Central Florida, LLC 219 East Livingston Street Orlando, FL 32801	Address:	
Phone:	(407) 841-5524	Phone:	

<b>“Project”</b>			
Project Name:		Contract Date:	
Project Address:			

**Description of Goods or Services** – The Owner and Seller are entering into this Purchase Order Agreement for the purpose of the Owner purchasing the items (“**Goods**”) listed in the proposal attached as **Exhibit A**.

**Schedule** – The Goods shall be delivered within \_\_\_\_\_ days from the date of this Order.

**Price** – \$ \_\_\_\_\_

**Certificate of Exemption #** \_\_\_\_\_

**IN WITNESS HEREOF**, the parties have executed this Order effective as of the date executed below. By executing this document below, Seller acknowledges that it has read all of the terms and provisions of this Order, including the Terms and Conditions attached hereto as **Exhibit B**, and agrees to deliver the Goods as described herein and comply fully with the terms and conditions hereof.

<u>Chapel Creek Community Development District</u>	_____
Owner	Seller
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date Executed: _____	Date Executed: _____

**EXHIBIT A:** Proposal

**EXHIBIT B:** Terms and Conditions



**EXHIBIT A**  
**Proposal**

[insert proposal from vendor]

**EXHIBIT B**  
**TERMS AND CONDITIONS**

1. **PRICE.** The Price set forth above includes all Goods, insurance, warranties and other materials or services (including without limitation all packing, loading or freight) necessary to produce and deliver the Goods.
2. **SCHEDULE.** Time is of the essence with respect to this Order, and all Goods shall be produced and delivered within the times set forth in the Schedule. Owner may cancel this Order or any part thereof or reject delivery of Goods if such delivery or performance is not in material accordance with the specifications of this Order, including the Schedule.
3. **DELIVERY AND INSPECTION.**
  - a. All shipments of Goods are to be made, with all shipping costs prepaid by Seller (e.g., insurance, packing, loading, freight, etc.), to the receiving point specified above. Title, and risk of loss, shall pass to Owner at the time such Goods are delivered at the Project site and accepted by Owner or Owner's contractor, provided however that Owner shall have a reasonable opportunity to inspect such Goods prior to acceptance.
  - b. All Goods are subject to inspection and approval by Owner at a reasonable time post-delivery. Owner may return Goods not meeting specifications (including over-shipments) at the Seller's expense and risk. Owner will notify Seller of failure. Return authorizations for Goods not received within 30 days will deem such Goods as donations to Owner.
4. **TERMS OF PAYMENT.** Seller's Invoice ("**Invoice**") must be submitted in the Owner's name before payment will be made by Owner pursuant to this Order. Owner shall make payment within 30 days of receipt of a proper invoice, and pursuant to the Local Government Prompt Payment Act, Sections 218.70 et seq., *Florida Statutes* (2019). Any indebtedness of Seller to Owner may, at Owner's option, be credited against amounts owing by Owner hereunder.
5. **WARRANTY.** Seller shall take all necessary steps to assign any manufacturer's warranties to the Owner. Seller warrants that the title to Goods conveyed shall be good, that the transfer of the Goods shall be rightful, and that the Goods shall be free from any security interest, lien or encumbrance. Seller further warrants that the Goods are free of any rightful claim of infringement, and shall indemnify, defend, and hold harmless the Indemnitees (defined below) against any such claim. Further, the Goods shall be new, shall be free from defects, shall be of merchantable quality, and shall be fit for use on the District's Project. Seller agrees, without prejudice to any other rights Owner may have, to replace or otherwise remedy any defective Goods without further cost to Owner or, at Owner's option, to reimburse Owner for its cost of replacing defective Goods. All Goods are subject to inspection by Owner before, upon, and within a reasonable time after delivery. Goods shall not be replaced without Owner's prior written instructions. Any acceptance by Owner shall not prevent Owner from later rejecting non-conforming Goods. The warranty provided herein shall survive the completion or termination of this Order and is in addition to any warranties provided by law.
6. **COMPLIANCE WITH LAW.** Seller agrees that at all times it will comply with all applicable federal, state, municipal and local laws, orders and regulations.

7. **INDEMNITY.** To the fullest extent permitted by law, and in addition to any other obligations of Seller under the Order or otherwise, Seller shall indemnify, hold harmless, and defend Owner, and Owner's supervisors, staff, consultants, agents, subcontractors, and employees (together, "**Indemnitees**") from all liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused in whole or in part by the negligence, recklessness or intentional wrongful misconduct of the Seller, or any subcontractor, any supplier, or any individual or entity directly or indirectly employed by any of them, and arising out of or incidental to the performance of this Order. The Seller shall ensure that any and all subcontractors include this express provision for the benefit of the Indemnitees. The parties agree that this paragraph is fully enforceable pursuant to Florida law. In the event that this section is determined to be unenforceable, this paragraph shall be reformed to give the paragraph the maximum effect allowed by Florida law and for the benefit of the Indemnitees. The provisions of this section shall survive the completion or earlier termination of this Order and are not intended to limit any of the other rights and/or remedies provided to the District hereunder.
8. **INSURANCE.** At all times during the term of this Order agreement, Seller, at its sole cost and expense, shall maintain insurance coverages of the types and amounts set forth below:
- a. Commercial general liability insurance with minimum limits of liability not less than \$1,000,000. Such insurance shall include coverage for contractual liability.
  - b. Workers' Compensation Insurance covering all employees of Seller in statutory amounts, and employer's liability insurance with limits of not less than \$100,000 each accident.
  - c. Comprehensive automobile liability insurance covering all automobiles used by Seller, with limits of liability of not less than \$1,000,000 each occurrence combined single limit bodily injury and property damage.
9. **DEFAULT.** Upon any material default by Seller hereunder, Owner may, in addition to any other remedies available to Owner at law or in equity, cancel this Order without penalty or liability by written notice to Seller.
10. **LIMITATION OF LIABILITY.** Nothing herein shall be construed to be a waiver of the Owner's limit of liability contained in Section 768.28, Florida Statutes or other statute or law.
11. **WAIVER.** Any failure of Owner to enforce at any time, or for any period of time, any of the provisions of this Order shall not constitute a waiver of such provisions or a waiver of Owner's right to enforce each and every provision.
12. **MODIFICATIONS.** This Order supersedes all prior discussions, agreements and understandings between the parties and constitutes the entire agreement between the parties with respect to the transaction herein contemplated. Changes, modifications, waivers, additions or amendments to the terms and conditions of this Order shall be binding on Owner only if such changes, modifications, waivers, additions or amendments are in writing and signed by a duly authorized representative of Owner.

13. **APPLICABLE LAW.** The validity, interpretation, and performance of this Order shall be governed by the laws of the State of Florida, in force at the date of this Order. Where not modified by the terms herein, the provisions of Florida's enactment of Article 2 of the Uniform Commercial Code shall apply to this transaction.
14. **MECHANIC'S LIENS.** Notwithstanding that Owner is a local unit of special purpose government and not subject to the lien provisions of Chapter 713, Florida Statutes, Seller agrees to keep the District's property free of all liens, including equitable liens, claims or encumbrances (collectively, "**Liens**") arising out of the delivery of any Goods by Seller, and shall furnish Owner with appropriate lien waivers from all potential claimants upon request of Owner. If any Liens are filed, Owner may without waiving its rights based on such breach by Seller or releasing Seller from any obligations hereunder, pay or satisfy the same and in such event the sums so paid by Owner shall be due and payable by Seller immediately and without notice or demand, with interest from the date paid by Owner through the date paid by Seller, at the highest rate permitted by law.
15. **PERMITS AND LICENSES.** Before commencing performance hereunder, Seller shall obtain all permits, approvals, certificates and licenses necessary for the proper performance of this Order and pay all fees and charges therefore. The originals of all such documents shall be delivered to Owner upon receipt by Seller.
16. **PARTIAL INVALIDITY.** If in any instance any provision of this Order shall be determined to be invalid or unenforceable under any applicable law, such provision shall not apply in such instance, but the remaining provisions shall be given effect in accordance with their terms.
17. **ASSIGNMENT AND SUBCONTRACTING.** This Order shall not be assigned or transferred by Seller without prior written approval by Owner, and any attempted assignment or transfer without such consent shall be void.
18. **RELATIONSHIP.** The relationship between Owner and Seller shall be that of independent contractor, and Seller, its agents and employees, shall under no circumstances be deemed employees, agents or representatives of Owner.
19. **NOTICES.** Any notice, approval or other communication required hereunder must be in writing and shall be deemed given if delivered by hand or mailed by registered mail or certified mail addressed to the parties hereto as indicated on page 1.
20. **PUBLIC ENTITY CRIMES.** Seller certifies, by acceptance of this purchase order, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction per the provisions of section 287.133(2)(a), Florida Statutes.
21. **SCRUTINIZED COMPANIES.** Supplier certifies, by acceptance of this purchase order, that neither it nor any of its officers, directors, executives, partners, shareholders, members, or agents is on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, Florida Statutes, and in the event such status changes, Seller shall immediately notify Owner.

22. **TERMINATION.** Notwithstanding anything herein to the contrary, Owner shall have the right, at its sole election, to terminate this Order for any cause whatsoever upon the delivery of written notice to Seller. Upon such termination, Seller shall have no remedy against Owner, other than for payment of Goods already produced pursuant to specific written direction by Owner pursuant to Section 2 above, subject to any offsets or claims that Owner may have.
23. **PUBLIC RECORDS.** Seller acknowledges that this Agreement and all the documents pertaining thereto may be public records and subject to the provisions of Chapter 119, Florida Statutes.
24. **CONFLICTS.** To the extent of any conflict between this document and the Purchase Order or **Exhibit A**, this document shall control.
25. **E-VERIFICATION.** Pursuant to Section 448.095(2), Florida Statutes,
- a. Seller represents that Seller is eligible to contract with the District and is currently in compliance and will remain in compliance, for as long as it has any obligations under this Agreement, with all requirements of the above statute; this includes, but is not limited to, registering with and using the United States Department of Homeland Security's E-Verify system to verify the work authorization status of all employees hired on or after January 1, 2021.
  - b. If the District has a good faith belief that the Seller has knowingly violated Section 448.09(1), Florida Statutes, the District will terminate this Agreement as required by Section 448.095(2)(c), Florida Statutes. If the District has a good faith belief that a subcontractor knowingly violated Section 448.09(1), Florida Statutes, but the Seller otherwise complied with its obligations thereunder, the District shall promptly notify the Seller and the Seller will immediately terminate its contract with the subcontractor.
  - c. If this Agreement is terminated in accordance with this section, then the Seller will be liable for any additional costs incurred by the District.

Attachment 3

CERTIFICATE OF ENTITLEMENT

The undersigned authorized representative of Chapel Creek Community Development District (hereinafter "**Governmental Entity**"), Florida Consumer's Certificate of Exemption Number \_\_\_\_\_, affirms that the tangible personal property purchased pursuant to a Purchase Order from \_\_\_\_\_ (Vendor) will be incorporated into or become a part of a public facility as part of a public works contract pursuant to contract dated \_\_\_\_\_ with \_\_\_\_\_ (Contractor) for the construction of \_\_\_\_\_.

Governmental Entity affirms that the purchase of the tangible personal property contained in the attached Purchase Order meets the following exemption requirements contained in Section 212.08(6), F.S., and Rule 12A-1.094, F.A.C.:

***You must initial each of the following requirements.***

\_\_\_\_ 1. The attached Purchase Order is issued directly to the vendor supplying the tangible personal property the Contractor will use in the identified public works.

\_\_\_\_ 2. The vendor's invoice will be issued directly to Governmental Entity.

\_\_\_\_ 3. Payment of the vendor's invoice will be made directly by Governmental Entity to the vendor from public funds.

\_\_\_\_ 4. Governmental Entity will take title to the tangible personal property from the vendor at the time of purchase or of delivery by the vendor.

\_\_\_\_ 5. Governmental Entity assumes the risk of damage or loss at the time of purchase or delivery by the vendor.

Governmental Entity affirms that if the tangible personal property identified in the attached Purchase Order does not qualify for the exemption provided in Section 212.08(6), F.S., and Rule 12A-1.094, F.A.C., Governmental Entity will be subject to the tax, interest, and penalties due on the tangible personal property purchased. If the Florida Department of Revenue determines that the tangible personal property purchased tax-exempt by issuing this Certificate does not qualify for the exemption, Governmental Entity will be liable for any tax, penalty, and interest determined to be due.

I understand that if I fraudulently issue this certificate to evade the payment of sales tax I will be liable for payment of the sales tax plus a penalty of 200% of the tax and may be subject to conviction of a third-degree felony. Under the penalties of perjury, I declare that I have read the foregoing Certificate of Entitlement and the facts stated in it are true.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Purchaser's Name (Print or Type)

\_\_\_\_\_  
Date

Federal Employer Identification Number: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

You must attach a copy of the Purchase Order to this Certificate of Entitlement. Do not send to the Florida Department of Revenue. This Certificate of Entitlement must be retained in the vendor's and the contractor's books and records. This form supplements and supersedes (to the extent of any conflict) any prior certificates addressing the same purchase.



## SECTION IX

**RESOLUTION 2021-13**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT PROVIDING FOR THE REMOVAL AND APPOINTMENT OF TREASURER AND ASSISTANT TREASURER OF THE DISTRICT AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, Chapel Creek 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 in Pasco County, Florida; and

**WHEREAS**, the Board of Supervisors of the District desires to provide for the removal and appointment of a Treasurer and Assistant Treasurer.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF CHAPEL CREEK COMMUNITY DEVELOPMENT DISTRICT:**

Section 1. George Flint is appointed Treasurer effective immediately. Effective immediately, the existing Treasurer, Ariel Lovera, is removed.

Section 2. Katie Costa is appointed Assistant Treasurer effective immediately. Effective immediately, the existing Assistant Treasurer, Jill Burns, is removed.

Section 3. This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED THIS 6<sup>th</sup> DAY OF APRIL 2021**

**ATTEST:**

**CHAPEL CREEK COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
**SECRETARY/ASSISTANT SECRETARY**

\_\_\_\_\_  
**CHAIR**

# SECTION X

## SECTION C

# Chapel Creek CDD

## Field Management Report



April 6, 2021  
Clayton Smith  
Field Services Manager  
GMS

# Completed

## Street Lighting Repaired – CDD Owned



- Inspected, diagnosed and troubleshooted entire CDD owned street light system.
- Inventoried lights that needed repairs.
- All lights were repaired.
- Photocells replaced.

## Dog Station Install

- 4 Additional dog stations were installed.
- They were placed along the main road in areas closest to community entrances for best access.
- New incoming landscaper has agreed to empty them under contract with CDD provided bags.





# Upcoming Projects

## Landscape Enhancements



- Many landscape areas identified in need of better maintenance and enhancements.
- Prioritizing main entrance.
- New landscaper is providing quotes.
- Amenity parking area has significant need next.

## Wier Repair

- Heavily damaged weir area.
- Have had contractors view the area. Very costly repair.
- May need to consider budget limitations.
- Looking into other possible quotes.





# In Progress

## Landscape Maintenance Improvements



- ✚ Work new landscaper on significant improvements to overall maintenance.
- ✚ Remove/replace Median palms.
- ✚ Address concerns regarding palms at pool.
- ✚ Many other items to address.
- ✚ Trimming trees along main Drive
- ✚ Clearing up bed along northern edge of property.
- ✚ Irrigation repairs.
- ✚ Much progress has been made, but more to work on.

# In Progress

## Pool Access Control



- ✚ Access control system has been installed. Coordinating with the contractor.
- ✚ Waiting on internet to use system.
- ✚ Spectrum has to install service to the area.
- ✚ They estimated 55 days from March 25<sup>th</sup>.

# Conclusion

For any questions or comments regarding the above information, please contact me by phone at 407-201-1514, or by email at [csmith@gmscfl.com](mailto:csmith@gmscfl.com). Thank you.

Respectfully,  
Clayton Smith

# SECTION 1



## PROPOSAL

Date: February 25, 2021

**To:** Chapel Creek CDD

**Attn:** Governmental Management Sources

**Address:** 1001 Bradford Way  
Kingston, TN 37763

**Phone:** 865-617-8194

**Project:** Chapel Creek Weir Wall

**SMITH CONTRACTING, LLC**

P.O. Box 615

Webster, FL 33597

863-640-1923

Contact: Scott Smith

CGC 1512664

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MOBILIZATION	1	LS	\$1,605.00	\$	1,605.00
TRIM TREES	1	LS	\$380.00	\$	380.00
GROUT WEIR WALL FOOTING	1	LS	\$7,474.00	\$	7,474.00
IMPORT, PLACE AND COMPACT	1	LS	\$4,775.00	\$	4,775.00
RIP RAP	1	LS	\$1,731.00	\$	1,731.00
RESTORATION	1	LS	\$2,324.00	\$	2,324.00
<b>TOTAL</b>				<b>\$</b>	<b>18,289.00</b>

Sincerely,

*Scott Smith*

**Notes:**

- 1 Pricing is good for 30 days
- 2 Removal and replacement of unsuitable material is not included
- 3 Permits and Fees by others
- 4 MOT by others (if required)
- 5 Our proposal includes only the items listed
- 6 All work to be completed in one mobilization

# SECTION D



**Chapel Creek**  
**Community Development District**  
Check Register Summary & ACH Debit Summary  
February 1, 2021 through February 28, 2021

<b>Fund</b>	<b>Date</b>	<b>Check #'s/Vendor</b>	<b>Amount</b>
-------------	-------------	-------------------------	---------------

**Check Register**

*General Fund- Suntrust (GMS)*

2/9/21	8-17	\$	34,590.92
2/10/21	18-20	\$	17,149.82
2/17/21	21-27	\$	121,187.46

<b>Total Check Register</b>	<b>\$</b>	<b>172,928.20</b>
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**ACH Debit**

*General Fund- Suntrust (GMS)*

2/8/21	Pasco County Utility	\$	159.26
2/16/21	Duke Energy	\$	3,778.54
2/23/21	Duke Energy	\$	1,641.56

<b>Total ACH Debit</b>	<b>\$</b>	<b>5,579.36</b>
------------------------	-----------	-----------------

<b>Total Check Register &amp; ACH Debit</b>	<b>\$</b>	<b>178,507.56</b>
---	-----------	-------------------

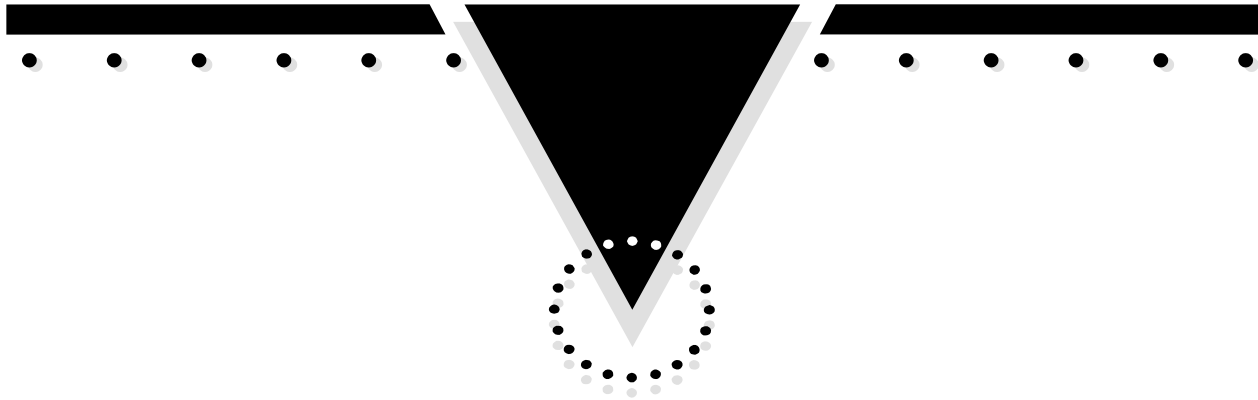
AP300R		YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER					RUN 3/30/21		PAGE 1		
*** CHECK DATES 01/01/2021 - 02/28/2021 ***		CHAPEL CREEK - GENERAL FUND									
		BANK A GENERAL FUND									
CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME		STATUS	AMOUNT	....CHECK..... AMOUNT	#		
2/09/21	00001	1/05/21 MA010520	202101 310-51300-11000	BOS MEETING 1/5/21		*	200.00				
				MILTON ANDRADE				200.00	000007		
2/09/21	00017	2/03/21 12779	202102 310-51300-45000	INS POLICY CHANGE		*	180.00				
				EGIS INSURANCE ADVISORS LLC				180.00	000008		
2/09/21	00008	12/06/20 1	202012 310-51300-34000	MANAGEMENT FEES DEC 20		*	2,446.34				
		12/06/20 2	202012 320-53800-12000	FIELD MANAGEMENT DEC 20		*	1,048.58				
		1/01/21 3	202101 310-51300-34000	MANAGEMENT FEES JAN 21		*	2,916.67				
		1/01/21 3	202101 310-51300-51000	OFFICE SUPPLIES JAN 21		*	2.50				
		1/01/21 3	202101 310-51300-42500	COPIES JAN 21		*	.45				
		1/01/21 4	202101 320-53800-12000	FIELD MANAGEMENT JAN 21		*	1,250.00				
		1/01/21 4	202101 310-51300-49000	TRAVEL EXPENSES		*	267.50				
				GMS-CENTRAL FLORIDA, LLC				7,932.04	000009		
2/09/21	00020	2/01/21 1445	202101 330-53800-48100	JANITORIAL CLEAN JAN 21		*	700.00				
				JAYMAN ENTERPRISES, LLC				700.00	000010		
2/09/21	00010	1/05/21 TJ010520	202101 310-51300-11000	BOS MEETING 1/5/21		*	200.00				
				TIMOTHY D JONES				200.00	000011		
2/09/21	00021	10/03/20 17562	202010 320-53800-46200	INSTALL MULCH		*	756.00				
		11/02/20 17593	202011 320-53800-46200	LAWN MAINTENANCE NOV 20		*	7,162.66				
		12/01/20 17658	202012 320-53800-46200	LAWN MAINTENANCE DEC 20		*	7,162.66				
		1/01/21 17743	202101 320-53800-46200	LAWN MAINTENANCE JAN 21		*	7,162.66				
				K. JOHNSON'S LAWN & LANDSCAPING INC				22,243.98	000012		
2/09/21	00003	1/05/21 GP010520	202101 310-51300-11000	BOS MEETING 1/5/21		*	200.00				
				GARRET PARKINSON				200.00	000013		
				CHCR CHAPEL CREEK HSMITH							

AP300R		YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER					RUN 3/30/21		PAGE 2		
*** CHECK DATES 01/01/2021 - 02/28/2021 ***		CHAPEL CREEK - GENERAL FUND									
		BANK A GENERAL FUND									
CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #				
2/09/21	00024	12/01/20 SJ120120	202012 310-51300-11000		*	200.00					
			BOS MEETING 12/1/20								
		1/05/21 SJ010520	202101 310-51300-11000		*	200.00					
			BOS MEETING 1/5/21								
STEVEN JOHNSON							400.00	000014			
-----											
2/09/21	00019	1/21/21 19300	202012 310-51300-31500		*	1,946.50					
			GENERAL COUNSEL DEC/JAN								
STRALEY ROBIN VERICKER							1,946.50	000015			
-----											
2/09/21	00011	12/31/20 131217	202012 310-51300-48000		*	148.40					
			NOT CDD MEETING 12/23/20								
		1/17/21 135619	202101 310-51300-48000		*	240.00					
			NOT BOS MEETING 1/17/21								
TIMES PUBLISHING COMPANY							388.40	000016			
-----											
2/09/21	00005	1/05/21 BW010520	202101 310-51300-11000		*	200.00					
			BOS MEETING 1/5/21								
BRIAN WALSH							200.00	000017			
-----											
2/10/21	00021	9/01/20 17399	202010 320-53800-46200		*	7,162.66					
			LANDSCAPE MAINT SEPT 20								
		10/01/20 17529	202010 320-53800-46200		*	7,162.66					
			LANDSCAPE MAINT OCT 20								
K. JOHNSON'S LAWN & LANDSCAPING INC							14,325.32	000018			
-----											
2/10/21	00025	12/02/20 1731711	202011 310-51300-31100		*	274.50					
			ENGINEERING SVCS NOV 20								
STANTEC CONSULTING SERVICES INC.							274.50	000019			
-----											
2/10/21	00022	12/02/20 6785	202012 330-53800-48400		*	850.00					
			POOL MAINTENANCE DEC 20								
		1/02/21 6859	202101 330-53800-48400		*	850.00					
			POOL MAINTENANCE JAN 21								
		2/01/21 6994	202102 330-53800-48400		*	850.00					
			POOL MAINTENANCE FEB 21								
SUNCOAST POOL SERVICE							2,550.00	000020			
-----											
2/17/21	00001	2/02/21 MA020220	202102 310-51300-11000		*	200.00					
			BOS MEETING 2/2/21								
MILTON ANDRADE							200.00	000021			
-----											
2/17/21	00010	2/02/21 TJ020220	202102 310-51300-11000		*	200.00					
			BOS MEETING 2/2/21								
TIMOTHY D JONES							200.00	000022			
-----											
CHCR CHAPEL CREEK HSMITH											

CHCR CHAPEL CREEK HSMITH

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
2/17/21	00003	2/02/21 GP020220	202102 310-51300-11000		*	200.00	
		BOS MEETING 2/2/21					
				GARRET PARKINSON			200.00 000023
2/17/21	00024	2/02/21 SJ020220	202102 310-51300-11000		*	200.00	
		BOS MEETING 2/2/21					
				STEVEN JOHNSON			200.00 000024
2/17/21	00005	2/02/21 BW020220	202102 310-51300-11000		*	200.00	
		BOS MEETING 2/2/21					
				BRIAN WALSH			200.00 000025
2/24/21	00029	2/24/21 02242021	202101 300-20700-10000		*	1,037.76	
		TXFER TO DEBT ESTOPPEL					
				CHAPEL CREEK CDD			1,037.76 000026
2/24/21	00029	2/24/21 022421	202102 300-20700-10000		*	119,149.70	
		TXFER OF TAX RCPTS					
				CHAPEL CREEK CDD			119,149.70 000027
TOTAL FOR BANK A						172,928.20	
TOTAL FOR REGISTER						172,928.20	

## SECTION 2



# Chapel Creek

## Community Development District

Unaudited Financial Reporting  
February 28, 2021



**Chapel Creek**  
**Community Development District**

Combined Balance Sheet

February 28, 2021

**Governmental Fund Types**

	<u><b>General</b></u>	<u><b>Capital Reserve</b></u>	<u><b>Debt Service</b></u>	<u><b>Capital Projects</b></u>	<u><b>Totals (memorandum only)</b></u>
<i>Assets</i>					
Cash- Suntrust	\$183,195	\$0	---	---	\$183,195
Accounts Receivable	\$2,424	---	---	---	\$2,424
<b>Investments:</b>					
<u><b>Series 2006A:</b></u>	---				
Reserve	---	---	\$235,267	---	\$235,267
Revenue	---	---	\$2,722,583	---	\$2,722,583
Prepayment	---	---	\$2,911,443	---	\$2,911,443
Acquisition and Construction	---	---	---	\$3,421	\$0
Suntrust CD- Utilities	\$21,523	---	---	---	\$21,523
Suntrust CD- Streets/Draining	\$43,271	---	---	---	\$43,271
Deposits	\$1,470	---	---	---	\$1,470
<b>Total Assets</b>	<b>\$251,883</b>	<b>\$0</b>	<b>\$5,869,293</b>	<b>\$3,421</b>	<b>\$6,121,176</b>
<i>Liabilities</i>					
Accounts Payable	\$12,959	---	---	---	\$12,959
Accrued Expenses	\$3,890	---	---	---	\$3,890
Due to General Fund	---	---	---	---	\$0
Due to Other	\$64,794	---	---	---	\$64,794
Debt Service Obligation	---	---	\$4,375,543	---	\$4,375,543
<i>Fund Equity</i>					
Net Assets	---	---	---	---	\$0
Fund Balances					
Unassigned	\$103,976	---	---	---	\$103,976
Assigned for Capital Reserve Fund	---	\$0	---	---	\$0
Nonspendable- Deposits	\$66,264	---	---	---	\$66,264
Restricted for Capital Projects	---	---	---	---	\$0
Restricted for Debt Service	---	---	\$1,493,751	\$3,421	\$1,493,751
<b>Total Liabilities, Fund Equity, Other</b>	<b>\$251,883</b>	<b>\$0</b>	<b>\$5,869,293</b>	<b>\$3,421</b>	<b>\$6,121,176</b>



**Chapel Creek  
Community Development District**  
General Fund  
Statement of Revenues & Expenditures  
For Period Ending February 28, 2021

<b>Adopted Budget</b>	<b>Prorated Budget 2/28/21</b>	<b>Actual 2/28/21</b>	<b>Variance</b>
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Revenues

Operations and Maintenance Assessments- Tax Roll	\$145,388	\$147,659	\$147,659	\$0
Operations and Maintenance Assessments- Off Roll	\$132,049	\$145,726	\$145,726	\$0
Developer Funding	\$68,041	\$0	\$0	\$0
Miscellaneous Income	\$0	\$0	\$13,781	\$13,781

<b>Total Revenues</b>	<b>\$345,478</b>	<b>\$293,384</b>	<b>\$307,165</b>	<b>\$13,781</b>
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Administrative Expenditures

Supervisors Fees	\$7,000	\$2,917	\$5,000	(\$2,083)
Administrative Services	\$4,500	\$1,875	\$750	\$1,125
District Management	\$17,500	\$7,292	\$11,196	(\$3,905)
District Engineer	\$3,500	\$1,458	\$2,706	(\$1,248)
Disclosure Report	\$5,000	\$5,000	\$5,000	\$0
Trustee Fees	\$3,000	\$0	\$0	\$0
Property Appraiser Fee	\$150	\$63	\$0	\$63
Assessment Roll	\$5,000	\$5,000	\$5,000	\$0
Financial & Revenue Collections	\$3,600	\$1,500	\$600	\$900
Accounting Services	\$14,400	\$6,000	\$2,400	\$3,600
Auditing Services	\$4,900	\$2,042	\$0	\$2,042
Arbitrage Rebate Calculation	\$650	\$271	\$0	\$271
Public Officials Liability Insurance	\$2,537	\$2,537	\$2,601	(\$64)
Legal Advertising	\$800	\$333	\$924	(\$591)
Dues, License, & Fees	\$200	\$83	\$175	(\$92)
Postage & Delivery	\$0	\$0	\$338	(\$338)
Printing & Binding	\$0	\$0	\$9	(\$9)
Office Supplies	\$0	\$0	\$5	(\$5)
ADA Website Compliance	\$2,000	\$833	\$1,538	(\$704)
Website Hosting, Maintenance, Backup (Email)	\$2,100	\$875	\$200	\$675
District Counsel	\$12,000	\$5,000	\$1,947	\$3,054

<b>Total Administrative</b>	<b>\$88,837</b>	<b>\$43,079</b>	<b>\$40,388</b>	<b>(\$363)</b>
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Field Expenditures

Field Management	\$0	\$0	\$3,549	(\$3,549)
Security Services and Patrols	\$12,000	\$5,000	\$0	\$5,000
Gate Facility Maintenance	\$500	\$208	\$0	\$208
Gate Facility Access Cards	\$200	\$83	\$0	\$83
Heat A/C System Maintenance	\$1,000	\$417	\$0	\$417
Utility Services	\$20,000	\$8,333	\$10,890	(\$2,557)
Street Light Repair	\$3,000	\$1,250	\$703	\$547
Aquatic Maintenance	\$9,800	\$4,083	\$3,875	\$208
Aquatic Plant Replacement	\$3,500	\$1,458	\$0	\$1,458
Dry Retention Pond Maintenance- Bush Hog	\$2,500	\$1,042	\$0	\$1,042
General Liability Insurance	\$2,578	\$2,578	\$2,461	\$117
Property Insurance	\$6,971	\$6,971	\$3,769	\$3,202
Entry & Walls Maintenance	\$2,000	\$833	\$2,578	(\$1,744)
Landscape Maintenance	\$92,360	\$38,483	\$50,895	(\$12,411)

**Chapel Creek**  
**Community Development District**  
General Fund  
Statement of Revenues & Expenditures  
For Period Ending February 28, 2021

<b>Adopted Budget</b>	<b>Prorated Budget 2/28/21</b>	<b>Actual 2/28/21</b>	<b>Variance</b>
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*Field Expenditures Continued*

Holiday Decorations	\$5,000	\$2,083	\$0	\$2,083
Irrigation Maintenance	\$6,000	\$2,500	\$0	\$2,500
Irrigation Repairs	\$1,500	\$625	\$0	\$625
Landscape-Mulch	\$2,500	\$1,042	\$0	\$1,042
Landscape Replacement	\$1,000	\$417	\$0	\$417
Fire Ant Treatment	\$500	\$208	\$0	\$208

<b>Total Field</b>	<b>\$172,909</b>	<b>\$77,616</b>	<b>\$78,718</b>	<b>(\$1,103)</b>
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*Amenity Center*

Utility- Recreation Facilities	\$2,000	\$833	\$3,152	(\$2,318)
Garbage- Recreation Facility	\$3,000	\$1,250	\$0	\$1,250
Amenity Management Contract	\$35,293	\$14,705	\$0	\$14,705
Pool Permits	\$500	\$208	\$0	\$208
Maintenance & Repair	\$1,500	\$625	\$0	\$625
Clubhouse- Facility Janitorial Service	\$9,100	\$3,792	\$3,280	\$512
Pool Service Contract	\$10,200	\$4,250	\$4,250	\$0
Security System Monitoring & Maintenance	\$5,604	\$2,335	\$0	\$2,335
Telephone Fax, Internet	\$960	\$400	\$0	\$400
Pest Control & Termite Bond	\$500	\$208	\$100	\$108
Lighting Replacement	\$500	\$208	\$0	\$208
Dog Park Maintenance	\$3,600	\$1,500	\$919	\$581
Dog Waste Station Supplies	\$1,125	\$469	\$0	\$469
Miscellaneous Contingency	\$9,850	\$4,104	\$268	\$3,837

<b>Total Amenity Center</b>	<b>\$83,732</b>	<b>\$34,888</b>	<b>\$11,968</b>	<b>\$22,920</b>
-----------------------------	-----------------	-----------------	-----------------	-----------------

<b>Total Expenditures</b>	<b>\$345,478</b>	<b>\$155,583</b>	<b>\$131,074</b>	<b>\$21,455</b>
---------------------------	------------------	------------------	------------------	-----------------

<b>Excess Revenue/(Expenditures)</b>	<b>\$0</b>	<b>\$176,091</b>		
--------------------------------------	------------	------------------	--	--

<b>Beginning Fund Balance</b>	<b>\$0</b>	<b>(\$5,850)</b>		
-------------------------------	------------	------------------	--	--

<b>Ending Fund Balance</b>	<b>\$0</b>	<b>\$170,240</b>		
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# Chapel Creek

## Community Development District

### Capital Reserve Fund

#### Statement of Revenues & Expenditures

#### For Period Ending February 28, 2021

Adopted Budget	Prorated Budget 2/28/21	Actual 2/28/21	Variance
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#### Revenues

Special Assessments- Tax Roll	\$10,000	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

#### Expenditures

Capital Outlay	\$10,000	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Excess Revenues/(Expenditures)</b>	<b>\$0</b>	<b>\$0</b>		
<b>Beginning Fund Balance</b>	<b>\$0</b>	<b>\$0</b>		
<b>Ending Fund Balance</b>	<b>\$0</b>	<b>\$0</b>		

# Chapel Creek

## Community Development District

Debt Service Fund Series 2006A  
Statement of Revenues & Expenditures  
For Period Ending February 28, 2021

	<b>Adopted Budget</b>	<b>Prorated Budget 2/28/21</b>	<b>Actual 2/28/21</b>	<b>Variance</b>
<b><u>Revenues</u></b>				
Special Assessments- Tax Roll	\$218,082	\$122,477	\$122,477	\$0
Special Assessments- Off Roll	\$184,721	\$92,361	\$92,361	\$0
Assessments- Prepayments	\$0	\$0	\$0	\$0
Interest Income	\$0	\$0	\$190	\$190
<b>Total Revenues</b>	<b>\$402,803</b>	<b>\$214,837</b>	<b>\$215,028</b>	<b>\$190</b>
<b><u>Expenditures</u></b>				
SPE Costs	\$0	\$0	\$17,084	(\$17,084)
Tax Collector	\$0	\$0	\$23,055	(\$23,055)
Interfund Transfer Out	\$0	\$0	\$8	(\$8)
<b><u>Series 2006A</u></b>				
Interest-11/1	\$46,402	\$0	\$0	\$0
Special Call-11/1	\$0	\$0	\$0	\$0
Principal-5/1	\$310,000	\$0	\$0	\$0
Interest-5/1	\$46,402	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$402,803</b>	<b>\$0</b>	<b>\$40,147</b>	<b>(\$40,147)</b>
<b>Excess Revenues/(Expenditures)</b>	<b>\$0</b>		<b>\$174,881</b>	
<b>Beginning Fund Balance</b>	<b>\$0</b>		<b>\$1,318,870</b>	
<b>Ending Fund Balance</b>	<b>\$0</b>		<b>\$1,493,751</b>	

# Chapel Creek

## Community Development District

Capital Projects Fund Series 2006A  
Statement of Revenues & Expenditures  
For Period Ending February 28, 2021

	Actual 2/28/21
<u>Revenues</u>	
Interest Income	\$0
Interfund Transfer In	\$8
<b>Total Revenues</b>	<b>\$8</b>
<u>Expenditures</u>	
Capital Outlay	\$0
Interfund Transfer Out	\$0
<b>Total Expenditures</b>	<b>\$0</b>
<b>Excess Revenues/(Expenditures)</b>	<b>\$8</b>
<b>Beginning Fund Balance</b>	<b>\$3,413</b>
<b>Ending Fund Balance</b>	<b>\$3,421</b>

Chapel Creek CDD- General Fund  
Month to Month

	October	November	December	January	February	March	April	May	June	July	August	September	Total
<b>Total Revenues</b>	<b>\$0</b>	<b>\$70,037</b>	<b>\$140,199</b>	<b>\$0</b>	<b>\$96,929</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$307,165</b>

Revenues

Operations and Maintenance Assessments- Tax Roll	\$0	\$4,011	\$140,199	\$0	\$3,449	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$147,659
Operations and Maintenance Assessments- Off Roll	\$0	\$66,026	\$0	\$0	\$79,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$145,726
Developer Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous Income	\$0	\$0	\$0	\$0	\$13,781	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,781

Administrative Expenditures

Supervisors Fees	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
Administrative Services	\$375	\$375	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$750
District Management	\$1,458	\$1,458	\$2,446	\$2,917	\$2,917	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,196
District Engineer	\$2,432	\$275	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,706
Disclosure Report	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
Trustee Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Appraiser Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Assessment Roll	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
Financial & Revenue Collections	\$300	\$300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
Accounting Services	\$1,200	\$1,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,400
Auditing Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Arbitrage Rebate Calculation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public Officials Liability Insurance	\$2,421	\$0	\$0	\$0	\$180	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,601
Legal Advertising	\$369	\$167	\$148	\$240	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$924
Dues, License, & Fees	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175
Postage & Delivery	\$0	\$338	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$338
Printing & Binding	\$0	\$0	\$0	\$0	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9
Office Supplies	\$0	\$0	\$0	\$3	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5
ADA Website Compliance	\$1,538	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,538
Website Hosting, Maintenance, Backup (Email)	\$100	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200
District Counsel	\$0	\$0	\$1,947	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,947
<b>Total Administrative</b>	<b>\$21,367</b>	<b>\$5,213</b>	<b>\$5,541</b>	<b>\$4,160</b>	<b>\$4,107</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$40,388</b>

Field Expenditures

Field Management	\$0	\$0	\$1,049	\$1,250	\$1,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,549
Security Services and Patrols	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gate Facility Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gate Facility Access Cards	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Heat A/C System Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utility Services	\$713	\$2,447	\$0	\$3,507	\$4,223	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,890
Street Light Repair	\$703	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$703
Aquatic Maintenance	\$775	\$775	\$775	\$775	\$775	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,875
Aquatic Plant Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dry Retention Pond Maintenance- Bush Hog	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Liability Insurance	\$2,461	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,461
Property Insurance	\$3,769	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,769
Entry & Walls Maintenance	\$0	\$0	\$2,578	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,578
Landscape Maintenance	\$22,244	\$7,163	\$7,163	\$7,163	\$7,163	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,895

Chapel Creek CDD- General Fund  
Month to Month

	October	November	December	January	February	March	April	May	June	July	August	September	Total
<i>Field Expenditures Continued</i>													
Holiday Decorations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Irrigation Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Irrigation Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Landscape-Mulch	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Landscape Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fire Ant Treatment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Field</b>	<b>\$30,665</b>	<b>\$10,385</b>	<b>\$11,564</b>	<b>\$12,694</b>	<b>\$13,410</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$78,718</b>
<i>Amenity Center</i>													
Utility- Recreation Facilities	\$589	\$677	\$364	\$809	\$713	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,152
Garbage- Recreation Facility	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Amenity Management Contract	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pool Permits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance & Repair	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clubhouse- Facility Janitorial Service	\$480	\$700	\$700	\$700	\$700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,280
Pool Service Contract	\$850	\$850	\$850	\$850	\$850	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,250
Security System Monitoring & Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telephone Fax, Internet	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pest Control & Termite Bond	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100
Lighting Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dog Park Maintenance	\$0	\$0	\$0	\$919	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$919
Dog Waste Station Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous Contingency	\$0	\$0	\$0	\$268	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$268
<b>Total Amenity Center</b>	<b>\$2,019</b>	<b>\$2,227</b>	<b>\$1,914</b>	<b>\$3,545</b>	<b>\$2,263</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,968</b>
<b>Total Revenues</b>	<b>\$0</b>	<b>\$70,037</b>	<b>\$140,199</b>	<b>\$0</b>	<b>\$96,929</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$307,165</b>
<b>Total Expenditures</b>	<b>\$54,051</b>	<b>\$17,825</b>	<b>\$19,019</b>	<b>\$20,399</b>	<b>\$19,781</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$131,074</b>
<b>Excess Revenue/(Expenditures)</b>	<b>(\$54,051)</b>	<b>\$52,213</b>	<b>\$121,180</b>	<b>(\$20,399)</b>	<b>\$77,148</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$176,091</b>



**Chapel Creek**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**Special Assessment Receipts**

Gross Assessments \$ 165,303.09 \$ 137,112.00 \$ 302,415.09  
Net Assessments \$ 155,384.90 \$ 128,885.28 \$ 284,270.18

**ON ROLL ASSESSMENTS**

							54.66%	45.34%	100.00%
							2016 Debt		
Date	Distribution	Gross Amount	Commissions	Discount/Penalty	Interest	Net Receipts	O&M Portion	Service	Total
11/03/20	ck#016782	\$631.78	\$0.00	\$0.00	\$0.00	\$631.78	\$345.34	\$286.44	\$631.78
11/16/20	ACH	\$6,706.40	\$0.00	\$0.00	\$0.00	\$6,706.40	\$3,665.78	\$3,040.62	\$6,706.40
12/11/20	ck#047185	\$257,780.03	(\$4,949.38)	(\$10,311.14)	\$0.00	\$242,519.51	\$132,563.57	\$109,955.94	\$242,519.51
12/15/20	11/24/20-11/30/20	\$9,779.25	(\$187.76)	(\$391.16)	\$0.00	\$9,200.33	\$5,028.99	\$4,171.34	\$9,200.33
12/23/20	12/01/20-12/07/20	\$5,055.71	(\$97.32)	(\$189.90)	\$0.00	\$4,768.49	\$2,606.50	\$2,161.99	\$4,768.49
01/29/21	12/08/20-12/22/20	\$1,232.58	(\$23.91)	(\$36.98)	\$0.00	\$1,171.69	\$640.46	\$531.23	\$1,171.69
01/29/21	12/23/20-12/31/20	\$2,787.00	(\$54.07)	(\$83.61)	\$0.00	\$2,649.32	\$1,448.14	\$1,201.18	\$2,649.32
02/17/21	01/01/21-01/31/21	\$2,590.55	(\$50.77)	(\$51.81)	\$0.00	\$2,487.97	\$1,359.95	\$1,128.02	\$2,487.97
<b>TOTAL</b>		<b>\$ 286,563.30</b>	<b>\$ (5,363.21)</b>	<b>\$ (11,064.60)</b>	<b>\$ -</b>	<b>\$ 270,135.49</b>	<b>\$ 147,658.73</b>	<b>\$ 122,476.76</b>	<b>\$ 270,135.49</b>

95%	Net Percent Collected
\$ 14,134.69	Balance Remaining to Collect

**DIRECT BILL ASSESSMENTS**

New Chapel Creek LLC						
				\$227,488.29	\$42,767.00	\$184,721.29
Date Received	Due Date	Check Number	Net Assessed	Amount Received	O&M	Series 2006A Debt
10/9/20		1296	\$1,296.22	\$1,296.22	\$1,296.22	
11/20/20		1298	\$1,295.63	\$1,295.63	\$1,295.63	
2/26/21		1301	\$1,106.97	\$1,106.97	\$1,106.97	
				<b>\$3,698.82</b>	<b>\$3,698.82</b>	<b>\$0.00</b>
Clayton Properties Group Inc						
				\$86,879.16	\$86,879.16	\$0.00
Date Received	Due Date	Check Number	Net Assessed	Amount Received	O&M	Series 2006A Debt
11/18/20		27936	\$157,185.31		\$64,824.67	\$92,360.64
2/5/21		30735	\$78,592.66		\$78,592.66	
				<b>\$235,777.97</b>	<b>\$0.00</b>	<b>\$143,417.33</b>
						<b>\$92,360.64</b>
Chapel Creek CDD Holdings LLC						
				\$2,402.64	\$2,402.64	\$0.00
Date Received	Due Date	Check Number	Net Assessed	Amount Received	O&M	Series 2006A Debt
				<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>