

**RIDGE AT
HEATH BROOK
COMMUNITY DEVELOPMENT
DISTRICT
July 12, 2024
BOARD OF SUPERVISORS
REGULAR MEETING
AGENDA**

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

AGENDA LETTER

Ridge at Heath Brook Community Development District

OFFICE OF THE DISTRICT MANAGER

2300 Glades Road, Suite 410W • Boca Raton, Florida 33431

Phone: (561) 571-0010 • Toll-free: (877) 276-0889 • Fax: (561) 571-0013

July 5, 2024

ATTENDEES:

Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

Board of Supervisors

Ridge at Heath Brook Community Development District

Dear Board Members:

The Board of Supervisors of the Ridge at Heath Brook Community Development District will hold a Regular Meeting on July 12, 2024 at 11:30 a.m., or as soon thereafter as the matter may be heard, at The Club at Ocala Preserve, 4021 NW 53rd Avenue Road, Ocala, Florida 34482. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Consider Appointment of Ethan Mellish to Fill Unexpired Term of Seat 5; *Term Expires November 2024*
 - Administration of Oath of Office (*the following will also be provided in a separate package*)
 - A. Required Ethics Training and Disclosure Filing
 - Sample Form 1 2023/Instructions
 - B. Membership, Obligation and Responsibilities
 - C. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
 - D. Form 8B: Memorandum of Voting Conflict for County, Municipal and other Local Public Officers
4. Acceptance of Resignation of Mary Moulton [Seat 2]; *Term Expires November 2026*
5. Consider Appointment of Joshua Tepper to Fill Unexpired Term of Seat 2
 - Administration of Oath of Office
6. Consideration of Resolution 2024-05, Electing and Removing Officers of the District and Providing for an Effective Date
7. Presentation of Supplemental Engineer's Report

8. Presentation of Supplemental Special Assessment Methodology Report
9. Consideration of Resolution 2024-06, Delegating to the Chairman of the Board of Supervisors of Ridge at Heath Brook Community Development District (the "District") the Authority to Approve the Sale, Issuance and Terms of Sale of Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two), as a Single Series of Bonds Under the Master Trust Indenture (the "Series 2024 Bonds") in Order to Finance the Assessment Area Two Project; Establishing the Parameters for the Principal Amounts, Interest Rates, Maturity Dates, Redemption Provisions and Other Details Thereof; Approving the Form of and Authorizing the Chairman to Accept the Bond Purchase Contract for the Series 2024 Bonds; Approving a Negotiated Sale of the Series 2024 Bonds to the Underwriter; Ratifying the Master Trust Indenture and Approving the Form of Second Supplemental Trust Indenture and Authorizing the Execution and Delivery Thereof by Certain Officers of the District; Appointing a Trustee, Paying Agent and Bond Registrar for the Series 2024 Bonds; Approving the Form of the Series 2024 Bonds; Approving the Form of and Authorizing the Use of the Preliminary Limited Offering Memorandum and Limited Offering Memorandum Relating to the Series 2024 Bonds; Approving the Form of the Continuing Disclosure Agreement Relating to the Series 2024 Bonds; Authorizing Certain Officers of the District to Take All Actions Required and to Execute and Deliver All Documents, Instruments and Certificates Necessary in Connection with the Issuance, Sale and Delivery of the Series 2024 Bonds; Authorizing the Vice Chairman and Assistant Secretaries to Act in the Stead of the Chairman or the Secretary, as the Case May Be; Specifying the Application of the Proceeds of the Series 2024 Bonds; Authorizing Certain Officers of the District to Take All Actions and Enter Into All Agreements Required in Connection with the Acquisition and Construction of the Assessment Area Two Project; and Providing an Effective Date
10. Presentation of Audited Annual Financial Report for the Fiscal Year Ended September 30, 2023, Prepared by Grau & Associates
11. Consideration of Resolution 2024-07, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2023
12. Consideration of Resolution 2024-08, Setting Forth the Specific Terms of the District's Special Assessment Bonds, Series 2024; Making Certain Additional Findings and Confirming and/or Adopting a Supplemental Engineer's Report and a Supplemental Assessment Report; Delegating Authority to Prepare Final Reports and Update this Resolution; Confirming the Maximum Assessment Lien Securing the Bonds; Addressing the Allocation and Collection of the Assessments Securing the Bonds; Addressing

Prepayments; Addressing True-Up Payments; Providing for the Supplementation of the Improvement Lien Book; and Providing for Conflicts, Severability and an Effective Date

13. Consideration of Forms of Issuer’s Counsel Documents

- A. Collateral Assignment Agreement
- B. Completion Agreement
- C. Declaration of Consent
- D. Disclosure of Public Finance
- E. Notice of Special Assessments
- F. True Up Agreement

14. Acceptance of Unaudited Financial Statements as of May 31, 2024

15. Approval of May 3, 2024 Regular Meeting Minutes

16. Staff Reports

- A. District Counsel: *Kutak Rock LLP*
- B. District Engineer: *Atwell, LLC*
- C. District Manager: *Wrathell, Hunt and Associates, LLC*
 - 116 Registered Voters in District as of April 15, 2024
 - NEXT MEETING DATE: August 2, 2024 at 11:30 AM [Adoption of Fiscal Year 2025 Budget]

○ QUORUM CHECK

SEAT 1	CHRISTIAN COTTER	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 2	JOSHUA TEPPER	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 3	KARA DISOTELL	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 4	JOHN WIGGINS	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
SEAT 5	ETHAN MELLISH	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO

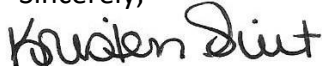
17. Board Members’ Comments/Requests

18. Public Comments

19. Adjournment

If you should have any questions or concerns, please do not hesitate to contact me directly at (410) 207-1802.

Sincerely,



Kristen Suit
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE

CALL-IN NUMBER: 1-888-354-0094

PARTICIPANT PASSCODE: 943 865 3730

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

3A

MEMORANDUM

To: Board of Supervisors
From: District Counsel
Date: January 1, 2024
Subject: Ethics Training Requirements

Beginning January 1, 2024, all Board Supervisors of Florida Community Development Districts will be required to complete four (4) hours of Ethics training each year. The four (4) hours must be allocated to the following categories: two (2) hours of Ethics Law, one (1) hour of Sunshine Law, and one (1) hour of Public Records law.

This training may be completed online, and the four (4) hours do not have to be completed all at once. The Florida Commission on Ethics (“COE”) has compiled a list of resources for this training. An overview of the resources are described below, and links to the resources are included in this memo.

Each year when Supervisors complete the required financial disclosure form (Form 1 Statement of Financial Interests), Supervisors must mark a box confirming that he or she has completed the Ethics training requirements. At this time, there is no requirement to submit a certificate; however, the COE advises that Supervisors keep a record of all trainings completed (including date and time of completion), in the event Supervisors are ever asked to provide proof of completion. The training is a calendar year requirement and corresponds to the form year. So, Supervisors will not report their 2024 training until they fill out their Form 1 for the 2025 year.

Free Training Options

The Florida Commission on Ethics’ (“COE”) website has several free online resources and links to resources that Supervisors can access to complete the training requirements. Navigate to that page here: [Florida Commission on Ethics Training](https://ethics.state.fl.us/Training/Training.aspx).¹ Please note that the COE only provides free training for the two (2) hour Ethics portion of the annual training. However, the COE does provide links to free outside resources to complete the Sunshine and Public Records portion of the training. These links are included in this memorandum below for your ease of reference.

¹ <https://ethics.state.fl.us/Training/Training.aspx>

Free Ethics Law Training

The COE provides several videos for Ethics training, none of which are exactly two (2) hours in length. Please ensure you complete 120 minutes of Ethics training when choosing a combination of the below.

State Ethics Laws for Constitutional Officers & Elected Municipal Officers (100 minutes)

Click here: [Kinetic Ethics](#)

Business and Employment Conflicts and Post-Public-Service (56 minutes) Restriction

Click here: [Business and Employment Conflicts](#)

Gifts (50 minutes)

Click here: [Ethics Laws Governing Acceptance of Gifts](#)

Voting Conflicts - Local Officers (58 minutes)¹

Click here: [Voting Vertigo](#)

Free Sunshine/Public Records Law Training

The Office of the Attorney General provides a two (2) hour online training course (audio only) that meets the requirements of the Sunshine Law and Public Records Law portion of Supervisors' annual training.

Click here to access: [Public Meeting and Public Records Law](#)

Other Training Options

4- Hour Course

Some courses will provide a certificate upon completion (not required), like the one found from the Florida State University, Florida Institute of Government, linked here: [4-Hour Ethics Course](#). This course meets all the ethics training requirements for the year, including Sunshine Law and Public Records training. This course is currently \$79.00

CLE Course

The COE's website includes a link to the Florida Bar's Continuing Legal Education online tutorial which also meets all the Ethics training requirements. However, this is a CLE course designed more specifically for attorneys. The 5 hours 18 minutes' long course exceeds the 4-hour requirement and its cost is significantly higher than the 4-Hour Ethics course provided by the Florida State University. The course is currently \$325.00. To access this course, click here: [Sunshine Law, Public Records and Ethics for Public Officers and Public Employees](#).

If you have any questions, please do not hesitate to contact me.

2023 Form 1 - Statement of Financial Interests

General Information

Name: DISCLOSURE FILER

Address: SAMPLE ADDRESS

County: SAMPLE COUNTY

PID SAMPLE

AGENCY INFORMATION

Organization	Suborganization	Title
SAMPLE	SAMPLE	SAMPLE

Disclosure Period

THIS STATEMENT REFLECTS YOUR FINANCIAL INTERESTS FOR CALENDAR YEAR ENDING DECEMBER 31, 2023 .

Primary Sources of Income

PRIMARY SOURCE OF INCOME (Over \$2,500) (Major sources of income to the reporting person)
(If you have nothing to report, write "none" or "n/a")

Name of Source of Income	Source's Address	Description of the Source's Principal Business Activity

Secondary Sources of Income

SECONDARY SOURCES OF INCOME (Major customers, clients, and other sources of income to businesses owned by the reporting person) (If you have nothing to report, write "none" or "n/a")

Name of Business Entity	Name of Major Sources of Business' Income	Address of Source	Principal Business Activity of Source

Real Property

REAL PROPERTY (Land, buildings owned by the reporting person)
(If you have nothing to report, write "none" or "n/a")

Location/Description

Intangible Personal Property

INTANGIBLE PERSONAL PROPERTY (Stocks, bonds, certificates of deposit, etc. over \$10,000)
(If you have nothing to report, write "none" or "n/a")

Type of Intangible	Business Entity to Which the Property Relates

Liabilities

LIABILITIES (Major debts valued over \$10,000):
(If you have nothing to report, write "none" or "n/a")

Name of Creditor	Address of Creditor

Interests in Specified Businesses

INTERESTS IN SPECIFIED BUSINESSES (Ownership or positions in certain types of businesses)
(If you have nothing to report, write "none" or "n/a")

Business Entity # 1

Training

Based on the office or position you hold, the certification of training required under Section 112.3142, F.S., is not applicable to you for this form year.

Signature of Filer

Digitally signed:

Filed with COE:

E-FILING SAMPLE

2023 Form 1 Instructions

Statement of Financial Interests

Notice

The annual Statement of Financial Interest is due July 1, 2024. If the annual form is not submitted via the electronic filing system created and maintained by the Commission September 3, 2024, an automatic fine of \$25 for each day late will be imposed, up to a maximum penalty of \$1,500. Failure to file also can result in removal from public office or employment. [s. 112.3145, F.S.]

In addition, failure to make any required disclosure constitutes grounds for and may be punished by one or more of the following: disqualification from being on the ballot, impeachment, removal or suspension from office or employment, demotion, reduction in salary, reprimand, or a civil penalty not exceeding \$10,000. [s. 112.317, F.S.]

When To File:

Initially, each local officer/employee, state officer, and specified state employee must file **within 30 days** of the date of his or her appointment or of the beginning of employment. Appointees who must be confirmed by the Senate must file prior to confirmation, even if that is less than 30 days from the date of their appointment.

Candidates must file at the same time they file their qualifying papers.

Thereafter, file by July 1 following each calendar year in which they hold their positions.

Finally, file a final disclosure form (Form 1F) within 60 days of leaving office or employment. Filing a CE Form 1F (Final Statement of Financial Interests) does not relieve the filer of filing a CE Form 1 if the filer was in his or her position on December 31, 2023.

Who Must File Form 1

1. Elected public officials not serving in a political subdivision of the state and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.
2. Appointed members of each board, commission, authority, or council having statewide jurisdiction, excluding those required to file full disclosure on Form 6 as well as members of solely advisory bodies, but including judicial nominating commission members; Directors of Enterprise Florida, Scripps Florida Funding Corporation, and Career Source Florida; and members of the Council on the Social Status of Black Men and Boys; the Executive Director, Governors, and senior managers of Citizens Property Insurance Corporation; Governors and senior managers of Florida Workers' Compensation Joint Underwriting Association; board members of the Northeast Fla. Regional Transportation Commission; board members of Triumph Gulf Coast, Inc; board members of Florida Is For Veterans, Inc.; and members of the Technology Advisory Council within the Agency for State Technology.
3. The Commissioner of Education, members of the State Board of Education, the Board of Governors, the local Boards of Trustees and Presidents of state universities, and the Florida Prepaid College Board.
4. Persons elected to office in any political subdivision (such as municipalities, counties, and special districts) and any person appointed to fill a vacancy in such office, unless required to file Form 6.
5. Appointed members of the following boards, councils, commissions, authorities, or other bodies of county, municipality, school district, independent special district, or other political subdivision: the governing body of the subdivision; community college or junior college district boards of trustees; boards having the power to enforce local code provisions; boards of adjustment; community redevelopment agencies; planning or zoning boards having the power to recommend, create, or modify land planning or zoning within a political subdivision, except for citizen advisory committees, technical coordinating committees, and similar groups who only have the power to make recommendations to planning or zoning boards, and except for representatives of a military installation acting on behalf of all military installations within that jurisdiction; pension or retirement boards empowered to invest pension or retirement funds or determine entitlement to or amount of pensions or other retirement benefits, and the Pinellas County Construction Licensing Board.
6. Any appointed member of a local government board who is required to file a statement of financial interests by the appointing authority or the enabling legislation, ordinance, or resolution creating the board.
7. Persons holding any of these positions in local government: county or city manager; chief administrative employee or finance director of a county, municipality, or other political subdivision; county or municipal attorney; chief county or municipal building inspector; county or municipal water resources coordinator; county or municipal pollution control director; county or municipal environmental control director; county or municipal administrator with power to grant or deny a land development permit; chief of police; fire chief; municipal clerk; appointed district school superintendent; community college president; district medical examiner; purchasing agent (regardless of title) having the authority to make any purchase exceeding \$35,000 for the local governmental unit.

8. Officers and employees of entities serving as chief administrative officer of a political subdivision.
9. Members of governing boards of charter schools operated by a city or other public entity.
10. Employees in the office of the Governor or of a Cabinet member who are exempt from the Career Service System, excluding secretarial, clerical, and similar positions.
11. The following positions in each state department, commission, board, or council: Secretary, Assistant or Deputy Secretary, Executive Director, Assistant or Deputy Executive Director, and anyone having the power normally conferred upon such persons, regardless of title.
12. The following positions in each state department or division: Director, Assistant or Deputy Director, Bureau Chief, and any person having the power normally conferred upon such persons, regardless of title.
13. Assistant State Attorneys, Assistant Public Defenders, criminal conflict and civil regional counsel, and assistant criminal conflict and civil regional counsel, Public Counsel, full-time state employees serving as counsel or assistant counsel to a state agency, administrative law judges, and hearing officers.
14. The Superintendent or Director of a state mental health institute established for training and research in the mental health field, or any major state institution or facility established for corrections, training, treatment, or rehabilitation.
15. State agency Business Managers, Finance and Accounting Directors, Personnel Officers, Grant Coordinators, and purchasing agents (regardless of title) with power to make a purchase exceeding \$35,000.
16. The following positions in legislative branch agencies: each employee (other than those employed in maintenance, clerical, secretarial, or similar positions and legislative assistants exempted by the presiding officer of their house); and each employee of the Commission on Ethics.
17. Each member of the governing body of a "large-hub commercial service airport," as defined in Section 112.3144(1)(c), Florida Statutes, except for members required to comply with the financial disclosure requirements of s. 8, Article II of the State Constitution.

ATTACHMENTS: A filer may include and submit attachments or other supporting documentation when filing disclosure.

PUBLIC RECORD: The disclosure form is a public record and is required by law to be posted to the Commission's website. Your Social Security number, bank account, debit, charge, and credit card numbers, mortgage or brokerage account numbers, personal identification numbers, or taxpayer identification numbers are not required and should not be included. If such information is included in the filing, it may be made available for public inspection and copying unless redaction is required by the filer, without any liability to the Commission. If you are an active or former officer or employee listed in Section 119.071, F.S., whose home address or other information is exempt from disclosure, the Commission will maintain that confidentiality *if you submit a written and notarized request.*

QUESTIONS about this form or the ethics laws may be addressed to the Commission on Ethics, Post Office Drawer 15709, Tallahassee, Florida 32317-5709; physical address: 325 John Knox Road, Building E, Suite 200, Tallahassee, FL 32303; telephone (850) 488-7864.

Instructions for Completing Form 1

Primary Sources of Income

[Required by s. 112.3145(3)(b)1, F.S.]

This section is intended to require the disclosure of your principal sources of income during the disclosure period. You do not have to disclose any public salary or public position(s). The income of your spouse need not be disclosed; however, if there is joint income to you and your spouse from property you own jointly (such as interest or dividends from a bank account or stocks), you should disclose the source of that income if it exceeded the threshold.

Please list in this part of the form the name, address, and principal business activity of each source of your income which exceeded \$2,500 of gross income received by you in your own name or by any other person for your use or benefit.

"Gross income" means the same as it does for income tax purposes, even if the income is not actually taxable, such as interest on tax-free bonds. Examples include: compensation for services, income from business, gains from property dealings, interest, rents, dividends, pensions, IRA distributions, social security, distributive share of partnership gross income, and alimony if considered gross income under federal law, but not child support.

Examples:

- If you were employed by a company that manufactures computers and received more than \$2,500, list the name of the company, its address, and its principal business activity (computer manufacturing).
- If you were a partner in a law firm and your distributive share of partnership gross income exceeded \$2,500, list the name of the firm, its address, and its principal business activity (practice of law).
- If you were the sole proprietor of a retail gift business and your gross income from the business exceeded \$2,500, list the name of the business, its address, and its principal business activity (retail gift sales).
- If you received income from investments in stocks and bonds, list each individual company from which you derived more than \$2,500. Do not aggregate all of your investment income.

- If more than \$2,500 of your gross income was gain from the sale of property (not just the selling price), list as a source of income the purchaser's name, address and principal business activity. If the purchaser's identity is unknown, such as where securities listed on an exchange are sold through a brokerage firm, the source of income should be listed as "sale of (name of company) stock," for example.
- If more than \$2,500 of your gross income was in the form of interest from one particular financial institution (aggregating interest from all CD's, accounts, etc., at that institution), list the name of the institution, its address, and its principal business activity.

Secondary Sources of Income

[Required by s. 112.3145(3)(b)2, F.S.]

This part is intended to require the disclosure of major customers, clients, and other sources of income to businesses in which you own an interest. It is not for reporting income from second jobs. That kind of income should be reported in "Primary Sources of Income," if it meets the reporting threshold. You will not have anything to report unless, during the disclosure period:

1. You owned (either directly or indirectly in the form of an equitable or beneficial interest) more than 5% of the total assets or capital stock of a business entity (a corporation, partnership, LLC, limited partnership, proprietorship, joint venture, trust, firm, etc., doing business in Florida); **and,**
2. You received more than \$5,000 of your gross income during the disclosure period from that business entity.

If your interests and gross income exceeded these thresholds, then for that business entity you must list every source of income to the business entity which exceeded 10% of the business entity's gross income (computed on the basis of the business entity's most recently completed fiscal year), the source's address, and the source's principal business activity.

Examples:

- You are the sole proprietor of a dry cleaning business, from which you received more than \$5,000. If only one customer, a uniform rental company, provided more than 10% of your dry cleaning business, you must list the name of the uniform rental company, its address, and its principal business activity (uniform rentals).
- You are a 20% partner in a partnership that owns a shopping mall and your partnership income exceeded the above thresholds. List each tenant of the mall that provided more than 10% of the partnership's gross income and the tenant's address and principal business activity.

Real Property

[Required by s. 112.3145(3)(b)3, F.S.]

In this part, list the location or description of all real property in Florida in which you owned directly or indirectly at any time during the disclosure period in excess of 5% of the property's value. You are not required to list your residences. You should list any vacation homes if you derive income from them.

Indirect ownership includes situations where you are a beneficiary of a trust that owns the property, as well as situations where you own more than 5% of a partnership or corporation that owns the property. The value of the property may be determined by the most recently assessed value for tax purposes, in the absence of a more accurate fair market value.

The location or description of the property should be sufficient to enable anyone who looks at the form to identify the property. A street address should be used, if one exists.

Intangible Personal Property

[Required by s. 112.3145(3)(b)3, F.S.]

Describe any intangible personal property that, at any time during the disclosure period, was worth more than \$10,000 and state the business entity to which the property related. Intangible personal property includes things such as cash on hand, stocks, bonds, certificates of deposit, vehicle leases, interests in businesses, beneficial interests in trusts, money owed you (including, but not limited to, loans made as a candidate to your own campaign), Deferred Retirement Option Program (DROP) accounts, the Florida Prepaid College Plan, and bank accounts in which you have an ownership interest. Intangible personal property also includes investment products held in IRAs, brokerage accounts, and the Florida College Investment Plan. Note that the product contained in a brokerage account, IRA, or the Florida College Investment Plan is your asset—not the account or plan itself. Things like automobiles and houses you own, jewelry, and paintings are not intangible property. Intangibles relating to the same business entity may be aggregated; for example, CDs and savings accounts with the same bank. Property owned as tenants by the entirety or as joint tenants with right of survivorship, including bank accounts owned in such a manner, should be valued at 100%. The value of a leased vehicle is the vehicle's present value minus the lease residual (a number found on the lease document).

Liabilities

[Required by s. 112.3145(3)(b)4, F.S.]

List the name and address of each creditor to whom you owed more than \$10,000 at any time during the disclosure period. The amount of the liability of a vehicle lease is the sum of any past-due payments and all unpaid prospective lease payments. You are not required to list the amount of any debt. You do not have to disclose credit card and retail installment accounts, taxes owed (unless reduced to a judgment), indebtedness on a life insurance policy owed to the company of issuance, or contingent liabilities. A "contingent liability" is one that will become an actual liability only when one or more future events occur or fail to occur, such as where you are liable only as a guarantor, surety, or endorser on a promissory note. If you are a "co-maker" and are jointly liable or jointly and severally liable, then it is not a contingent liability.

Interests in Specified Businesses

[Required by s. 112.3145(7), F.S.]

The types of businesses covered in this disclosure include: state and federally chartered banks; state and federal savings and loan associations; cemetery companies; insurance companies; mortgage companies; credit unions; small loan companies; alcoholic beverage licensees; pari-mutuel wagering companies, utility companies, entities controlled by the Public Service Commission; and entities granted a franchise to operate by either a city or a county government.

Disclose in this part the fact that you owned during the disclosure period an interest in, or held any of certain positions with the types of businesses listed above. You must make this disclosure if you own or owned (either directly or indirectly in the form of an equitable or beneficial interest) at any time during the disclosure period more than 5% of the total assets or capital stock of one of the types of business entities listed above. You also must complete this part of the form for each of these types of businesses for which you are, or were at any time during the disclosure period, an officer, director, partner, proprietor, or agent (other than a resident agent solely for service of process).

If you have or held such a position or ownership interest in one of these types of businesses, list the name of the business, its address and principal business activity, and the position held with the business (if any). If you own(ed) more than a 5% interest in the business, indicate that fact and describe the nature of your interest.

Training Certification

[Required by s. 112.3142, F.S.]

If you are a Constitutional or elected municipal officer appointed school superintendent, a commissioner of a community redevelopment agency created under Part III, Chapter 163, or an elected local officers of independent special districts, including any person appointed to fill a vacancy on an elected special district board, whose service began on or before March 31 of the year for which you are filing, you are required to complete four hours of ethics training which addresses Article II, Section 8 of the Florida Constitution, the Code of Ethics for Public Officers and Employees, and the public records and open meetings laws of the state. You are required to certify on this form that you have taken such training.

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

3B

BOARD OF SUPERVISORS

MEMBERSHIP, OBLIGATIONS AND RESPONSIBILITIES

A Community Development District ("District") is a special-purpose unit of local government which is established pursuant to and governed by Chapter 190, Florida Statutes.

The Board

The Community Development District ("District") is governed by a five (5)-member Board of Supervisors ("Board"). Member of the Board "Supervisor(s)" are elected in accordance with Section 190.006, F.S., either upon a one (1)-vote per one (1)-acre basis ("landowner voting") or through traditional elections ("resident voting"), depending upon the number of registered voters in the District and the length of time which has passed since the establishment of the District.

A CDD Board typically meets once per month, but may meet more often if necessary. Board meetings typically last from one (1) to three (3) hours, depending upon the business to be conducted by the Board. Prior to the meeting, each Supervisor is supplied with an agenda package which will contain the documents pertaining to the business to be considered by the Board at a particular meeting. A Supervisor should be willing to spend time reviewing these packages prior to each meeting, and may consult with District Staff (General Counsel, Management, Engineering, etc.) concerning the business to be addressed.

Qualifications of Supervisors

Each Supervisor must be a resident of the state of Florida and a citizen of the United States. Once a District has transitioned to resident voting, Supervisors must also be residents of the District.

Compensation

By statute, Board Members are entitled to be paid \$200 per meeting for their service, up to an annual cap of \$4,800 per year. To achieve the statutory cap, the District would have to meet twice each month, which is rare.

Sometimes Supervisors who are employees of the primary landowner waive their right to compensation, although this is not always the case.

Responsibilities of Supervisors

The position of Supervisor is that of an elected local public official. It is important to always remember that serving as an elected public official of a District carries with it certain restrictions and obligations. Each Supervisor, upon taking office, must subscribe to an oath of office acknowledging that he/she is a public officer, and as a recipient of public funds, a supporter of the constitutions of the State of Florida and of the United States of America.

Each Supervisor is subject to the same financial disclosure requirements as any other local elected official and must file a Statement of Financial Interests disclosing

sources of income, assets, debts, and other financial data, with the Supervisor of Elections in the County where he/she resides.

A Supervisor must act in accordance with the Code of Ethics for Public Officers and Employees, codified at Part III, Chapter 112, F.S., which addresses acceptance of gifts, conflicts of interest, etc. By law, it is not a conflict of interest for an employee of the developer to serve on a CDD Board of Supervisors.

Since a District is a unit of local government, the Sunshine Law (Chapter 286, F.S.) applies to Districts and to the Supervisors who govern them. In brief, the Sunshine Law states that two(2) or more Supervisors may never meet outside of a publicly noticed meeting of the Board and/to discuss District business.

Florida's Public Records Law (Chapter 119, F.S.) also applies to Districts and Supervisors. All records of the District, and the records of each individual Supervisor relating to the District, are public records. As such, any member of the public may inspect them upon request. Supervisors are therefore urged to keep any District records or documents in a separate file to allow ease of access by the public or press.

Conclusion

The position of Supervisor of a Community Development District is an important one, requiring both the time and the dedication to fulfill the responsibilities of a position of public trust. It should not be undertaken lightly. Each new Supervisor should enter office fully cognizant of the ethical, legal, and time requirements which are incumbent upon those who serve as Supervisors.

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

3C

FLORIDA COMMISSION ON ETHICS



GUIDE to the SUNSHINE AMENDMENT and CODE of ETHICS for Public Officers and Employees

2024

State of Florida

COMMISSION ON ETHICS

Ashley Lukis, *Chair*
Tallahassee

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I. HISTORY OF FLORIDA'S ETHICS LAWS

Florida has been a leader among the states in establishing ethics standards for public officials and recognizing the right of citizens to protect the public trust against abuse. Our state Constitution was revised in 1968 to require a code of ethics, prescribed by law, for all state employees and non-judicial officers prohibiting conflict between public duty and private interests.

Florida's first successful constitutional initiative resulted in the adoption of the Sunshine Amendment in 1976, providing additional constitutional guarantees concerning ethics in government. In the area of enforcement, the Sunshine Amendment requires that there be an independent commission (the Commission on Ethics) to investigate complaints concerning breaches of public trust by public officers and employees other than judges.

The Code of Ethics for Public Officers and Employees is found in Chapter 112 (Part III) of the Florida Statutes. Foremost among the goals of the Code is to promote the public interest and maintain the respect of the people for their government. The Code is also intended to ensure that public officials conduct themselves independently and impartially, not using their offices for private gain other than compensation provided by law. While seeking to protect the integrity of government, the Code also seeks to avoid the creation of unnecessary barriers to public service.

Criminal penalties, which initially applied to violations of the Code, were eliminated in 1974 in favor of administrative enforcement. The Legislature created the Commission on Ethics that year "to serve as guardian of the standards of conduct" for public officials, state and local. Five of the Commission's nine members are appointed by the Governor, and two each are appointed by the President of the Senate and Speaker of the House of Representatives. No more than five Commission members may be members of the same political party, and none may be lobbyists, or hold any public employment during their two-year terms of office. A chair is selected from among the members to serve a one-year term and may not succeed himself or herself.

II. ROLE OF THE COMMISSION ON ETHICS

In addition to its constitutional duties regarding the investigation of complaints, the Commission:

- Renders advisory opinions to public officials;
- Prescribes forms for public disclosure;
- Prepares mailing lists of public officials subject to financial disclosure for use by Supervisors of Elections and the Commission in distributing forms and notifying delinquent filers;
- Makes recommendations to disciplinary officials when appropriate for violations of ethics and disclosure laws, since it does not impose penalties;
- Administers the Executive Branch Lobbyist Registration and Reporting Law;
- Maintains financial disclosure filings of constitutional officers and state officers and employees; and,
- Administers automatic fines for public officers and employees who fail to timely file required annual financial disclosure.

III. THE ETHICS LAWS

The ethics laws generally consist of two types of provisions, those prohibiting certain actions or conduct and those requiring that certain disclosures be made to the public. The following descriptions of these laws have been simplified in an effort to provide notice of their requirements. Therefore, we suggest that you also review the wording of the actual law. Citations to the appropriate laws are in brackets.

The laws summarized below apply generally to all public officers and employees, state and local, including members of advisory bodies. The principal exception to this broad coverage is the exclusion of judges, as they fall within the jurisdiction of the Judicial Qualifications Commission.

Public Service Commission (PSC) members and employees, as well as members of the PSC Nominating Council, are subject to additional ethics standards that are enforced by the Commission on Ethics under Chapter 350, Florida Statutes. Further, members of the governing boards of charter schools are subject to some of the provisions of the Code of Ethics [Sec. 1002.33(26), Fla. Stat.], as are the officers, directors, chief executive officers and some employees of business entities that serve as the chief administrative or executive officer or employee of a political subdivision. [Sec. 112.3136, Fla. Stat.].

A. PROHIBITED ACTIONS OR CONDUCT

1. Solicitation and Acceptance of Gifts

Public officers, employees, local government attorneys, and candidates are prohibited from soliciting or accepting anything of value, such as a gift, loan, reward, promise of future employment, favor, or service, that is based on an understanding that their vote, official action, or judgment would be influenced by such gift. [Sec. 112.313(2), Fla. Stat.]

Persons required to file financial disclosure FORM 1 or FORM 6 (see Part III F of this brochure), and state procurement employees, are prohibited from **soliciting** any gift from a political committee, lobbyist who has lobbied the official or his or her agency within the past 12 months, or the partner, firm, employer, or principal of such a lobbyist or from a vendor doing business with the official's agency. [Sec. 112.3148, Fla. Stat.]

Persons required to file FORM 1 or FORM 6, and state procurement employees are prohibited from directly or indirectly **accepting** a gift worth more than \$100 from such a lobbyist, from a partner, firm, employer, or principal of the lobbyist, or from a political committee or vendor doing business with their agency. [Sec. 112.3148, Fla. Stat.]

However, notwithstanding Sec. 112.3148, Fla. Stat., no Executive Branch lobbyist or principal shall make, directly or indirectly, and no Executive Branch agency official who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. [Sec. 112.3215, Fla. Stat.] Typically, this would include gifts valued at less than \$100 that formerly

were permitted under Section 112.3148, Fla. Stat. Similar rules apply to members and employees of the Legislature. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.]

Also, persons required to file Form 1 or Form 6, and state procurement employees and members of their immediate families, are prohibited from accepting any gift from a political committee. [Sec. 112.31485, Fla. Stat.]

2. Unauthorized Compensation

Public officers or employees, local government attorneys, and their spouses and minor children are prohibited from accepting any compensation, payment, or thing of value when they know, or with the exercise of reasonable care should know, that it is given to influence a vote or other official action. [Sec. 112.313(4), Fla. Stat.]

3. Misuse of Public Position

Public officers and employees, and local government attorneys are prohibited from corruptly using or attempting to use their official positions or the resources thereof to obtain a special privilege or benefit for themselves or others. [Sec. 112.313(6), Fla. Stat.]

4. Abuse of Public Position

Public officers and employees are prohibited from abusing their public positions in order to obtain a disproportionate benefit for themselves or certain others. [Article II, Section 8(h), Florida Constitution.]

5. Disclosure or Use of Certain Information

Public officers and employees and local government attorneys are prohibited from disclosing or using information not available to the public and obtained by reason of their public position, for the personal benefit of themselves or others. [Sec. 112.313(8), Fla. Stat.]

6. *Solicitation or Acceptance of Honoraria*

Persons required to file financial disclosure FORM 1 or FORM 6 (see Part III F of this brochure), and state procurement employees, are prohibited from **soliciting** honoraria related to their public offices or duties. [Sec. 112.3149, Fla. Stat.]

Persons required to file FORM 1 or FORM 6, and state procurement employees, are prohibited from knowingly **accepting** an honorarium from a political committee, lobbyist who has lobbied the person's agency within the past 12 months, or the partner, firm, employer, or principal of such a lobbyist, or from a vendor doing business with the official's agency. However, they may accept the payment of expenses related to an honorarium event from such individuals or entities, provided that the expenses are disclosed. See Part III F of this brochure. [Sec. 112.3149, Fla. Stat.]

Lobbyists and their partners, firms, employers, and principals, as well as political committees and vendors, are prohibited from **giving** an honorarium to persons required to file FORM 1 or FORM 6 and to state procurement employees. Violations of this law may result in fines of up to \$5,000 and prohibitions against lobbying for up to two years. [Sec. 112.3149, Fla. Stat.]

However, notwithstanding Sec. 112.3149, Fla. Stat., no Executive Branch or legislative lobbyist or principal shall make, directly or indirectly, and no Executive Branch agency official who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. [Sec. 112.3215, Fla. Stat.] This may include honorarium event related expenses that formerly were permitted under Sec. 112.3149, Fla. Stat. Similar rules apply to members and employees of the Legislature. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.]

B. **PROHIBITED EMPLOYMENT AND BUSINESS RELATIONSHIPS**

1. *Doing Business With One's Agency*

- a) A public employee acting as a purchasing agent, or public officer acting in an official capacity, is prohibited from purchasing, renting, or leasing any realty, goods, or

services for his or her agency from a business entity in which the officer or employee or his or her spouse or child owns more than a 5% interest. [Sec. 112.313(3), Fla. Stat.]

- b) A public officer or employee, acting in a private capacity, also is prohibited from renting, leasing, or selling any realty, goods, or services to his or her own agency if the officer or employee is a state officer or employee, or, if he or she is an officer or employee of a political subdivision, to that subdivision or any of its agencies. [Sec. 112.313(3), Fla. Stat.]

2. *Conflicting Employment or Contractual Relationship*

- a) A public officer or employee is prohibited from holding any employment or contract with any business entity or agency regulated by or doing business with his or her public agency. [Sec. 112.313(7), Fla. Stat.]
- b) A public officer or employee also is prohibited from holding any employment or having a contractual relationship which will pose a frequently recurring conflict between the official's private interests and public duties or which will impede the full and faithful discharge of the official's public duties. [Sec. 112.313(7), Fla. Stat.]
- c) Limited exceptions to this prohibition have been created in the law for legislative bodies, certain special tax districts, drainage districts, and persons whose professions or occupations qualify them to hold their public positions. [Sec. 112.313(7)(a) and (b), Fla. Stat.]

3. *Exemptions*—Pursuant to Sec. 112.313(12), Fla. Stat., the prohibitions against doing business with one's agency and having conflicting employment may not apply:

- a) When the business is rotated among all qualified suppliers in a city or county.
- b) When the business is awarded by sealed, competitive bidding and neither the official nor his or her spouse or child have attempted to persuade agency personnel to enter

the contract. NOTE: Disclosure of the interest of the official, spouse, or child and the nature of the business must be filed prior to or at the time of submission of the bid on Commission FORM 3A with the Commission on Ethics or Supervisor of Elections, depending on whether the official serves at the state or local level.

- c) When the purchase or sale is for legal advertising, utilities service, or for passage on a common carrier.
- d) When an emergency purchase must be made to protect the public health, safety, or welfare.
- e) When the business entity is the only source of supply within the political subdivision and there is full disclosure of the official's interest to the governing body on Commission FORM 4A.
- f) When the aggregate of any such transactions does not exceed \$500 in a calendar year.
- g) When the business transacted is the deposit of agency funds in a bank of which a county, city, or district official is an officer, director, or stockholder, so long as agency records show that the governing body has determined that the member did not favor his or her bank over other qualified banks.
- h) When the prohibitions are waived in the case of ADVISORY BOARD MEMBERS by the appointing person or by a two-thirds vote of the appointing body (after disclosure on Commission FORM 4A).
- i) When the public officer or employee purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with his or her agency.
- j) When the public officer or employee in a private capacity purchases goods or services from a business entity which is subject to the regulation of his or her agency where the price and terms of the transaction are available to similarly situated members of

the general public and the officer or employee makes full disclosure of the relationship to the agency head or governing body prior to the transaction.

4. *Additional Exemptions*

No elected public officer is in violation of the conflicting employment prohibition when employed by a tax exempt organization contracting with his or her agency so long as the officer is not directly or indirectly compensated as a result of the contract, does not participate in any way in the decision to enter into the contract, abstains from voting on any matter involving the employer, and makes certain disclosures. [Sec. 112.313(15), Fla. Stat.]

5. *Legislators Lobbying State Agencies*

A member of the Legislature is prohibited from representing another person or entity for compensation during his or her term of office before any state agency other than judicial tribunals. [Art. II, Sec. 8(e), Fla. Const., and Sec. 112.313(9), Fla. Stat.]

6. *Additional Lobbying Restrictions for Certain Public Officers and Employees*

A statewide elected officer; a member of the legislature; a county commissioner; a county officer pursuant to Article VIII or county charter; a school board member; a superintendent of schools; an elected municipal officer; an elected special district officer in a special district with ad valorem taxing authority; or a person serving as a secretary, an executive director, or other agency head of a department of the executive branch of state government shall not lobby for compensation on issues of policy, appropriations, or procurement before the federal government, the legislature, any state government body or agency, or any political subdivision of this state, during his or her term of office. [Art. II Sec 8(f)(2), Fla. Const. and Sec. 112.3121, Fla. Stat.]

7. *Employees Holding Office*

A public employee is prohibited from being a member of the governing body which serves as his or her employer. [Sec. 112.313(10), Fla. Stat.]

8. *Professional and Occupational Licensing Board Members*

An officer, director, or administrator of a state, county, or regional professional or occupational organization or association, while holding such position, may not serve as a member of a state examining or licensing board for the profession or occupation. [Sec. 112.313(11), Fla. Stat.]

9. *Contractual Services: Prohibited Employment*

A state employee of the executive or judicial branch who participates in the decision-making process involving a purchase request, who influences the content of any specification or procurement standard, or who renders advice, investigation, or auditing, regarding his or her agency's contract for services, is prohibited from being employed with a person holding such a contract with his or her agency. [Sec. 112.3185(2), Fla. Stat.]

10. *Local Government Attorneys*

Local government attorneys, such as the city attorney or county attorney, and their law firms are prohibited from representing private individuals and entities before the unit of local government which they serve. A local government attorney cannot recommend or otherwise refer to his or her firm legal work involving the local government unit unless the attorney's contract authorizes or mandates the use of that firm. [Sec. 112.313(16), Fla. Stat.]

11. *Dual Public Employment*

Candidates and elected officers are prohibited from accepting public employment if they know or should know it is being offered for the purpose of influence. Further, public employment may not be accepted unless the position was already in existence or was created without the anticipation of the official's interest, was publicly advertised, and the officer had to meet the same qualifications and go through the same hiring process as other applicants. For elected public officers already holding public employment, no promotion given for the purpose of influence may be accepted, nor may promotions that are inconsistent with those given other similarly situated employees. [Sec. 112.3125, Fla. Stat.]

C. RESTRICTIONS ON APPOINTING, EMPLOYING, AND CONTRACTING WITH RELATIVES

1. *Anti-Nepotism Law*

A public official is prohibited from seeking for a relative any appointment, employment, promotion, or advancement in the agency in which he or she is serving or over which the official exercises jurisdiction or control. No person may be appointed, employed, promoted, or advanced in or to a position in an agency if such action has been advocated by a related public official who is serving in or exercising jurisdiction or control over the agency; this includes relatives of members of collegial government bodies. NOTE: This prohibition does not apply to school districts (except as provided in Sec. 1012.23, Fla. Stat.), community colleges and state universities, or to appointments of boards, other than those with land-planning or zoning responsibilities, in municipalities of fewer than 35,000 residents. Also, the approval of budgets does not constitute “jurisdiction or control” for the purposes of this prohibition. This provision does not apply to volunteer emergency medical, firefighting, or police service providers. [Sec. 112.3135, Fla. Stat.]

2. *Additional Restrictions*

A state employee of the executive or judicial branch or the PSC is prohibited from directly or indirectly procuring contractual services for his or her agency from a business entity of which a relative is an officer, partner, director, or proprietor, or in which the employee, or his or her spouse, or children own more than a 5% interest. [Sec. 112.3185(6), Fla. Stat.]

D. POST OFFICE HOLDING AND EMPLOYMENT (REVOLVING DOOR) RESTRICTIONS

1. *Lobbying by Former Legislators, Statewide Elected Officers, and Appointed State Officers*

A member of the Legislature or a statewide elected or appointed state official is prohibited for two years following vacation of office from representing another person or entity for compensation before the government body or agency of which the individual was an officer or member. Former members of the Legislature are also prohibited for two years from lobbying the executive branch. [Art. II, Sec. 8(e), Fla. Const. and Sec. 112.313(9), Fla. Stat.]

2. *Lobbying by Former State Employees*

Certain employees of the executive and legislative branches of state government are prohibited from personally representing another person or entity for compensation before the agency with which they were employed for a period of two years after leaving their positions, unless employed by another agency of state government. [Sec. 112.313(9), Fla. Stat.] These employees include the following:

- a) Executive and legislative branch employees serving in the Senior Management Service and Selected Exempt Service, as well as any person employed by the Department of the Lottery having authority over policy or procurement.
- b) serving in the following position classifications: the Auditor General; the director of the Office of Program Policy Analysis and Government Accountability (OPPAGA); the Sergeant at Arms and Secretary of the Senate; the Sergeant at Arms and Clerk of the House of Representatives; the executive director and deputy executive director of the Commission on Ethics; an executive director, staff director, or deputy staff director of each joint committee, standing committee, or select committee of the Legislature; an executive director, staff director, executive assistant, legislative analyst, or attorney serving in the Office of the President of the Senate, the Office of the Speaker of the House of Representatives, the Senate Majority Party Office, the Senate Minority Party Office, the House Majority Party Office, or the House Minority Party Office; the Chancellor and Vice-Chancellors of the State University System; the general counsel to the Board of Regents; the president, vice presidents, and deans of each state university; any person hired on a contractual basis and having the power normally conferred upon such persons, by whatever title; and any person having the power normally conferred upon the above positions.

This prohibition does not apply to a person who was employed by the Legislature or other agency prior to July 1, 1989; who was a defined employee of the State University System or the Public Service Commission who held such employment on December 31, 1994; or who reached normal retirement age and retired by July 1, 1991. It does apply to OPS employees.

PENALTIES: Persons found in violation of this section are subject to the penalties contained in the Code (see PENALTIES, Part V) as well as a civil penalty in an amount equal to the compensation which the person received for the prohibited conduct. [Sec. 112.313(9)(a)5, Fla. Stat.]

3. *6-Year Lobbying Ban*

For a period of six years after vacation of public position occurring on or after December 31, 2022, a statewide elected officer or member of the legislature shall not lobby for compensation on issues of policy, appropriations, or procurement before the legislature or any state government body or agency. [Art. II Sec 8(f)(3)a., Fla. Const. and Sec. 112.3121, Fla. Stat.]

For a period of six years after vacation of public position occurring on or after December 31, 2022, a person serving as a secretary, an executive director, or other agency head of a department of the executive branch of state government shall not lobby for compensation on issues of policy, appropriations, or procurement before the legislature, the governor, the executive office of the governor, members of the cabinet, a department that is headed by a member of the cabinet, or his or her former department. [Art. II Sec 8(f)(3)b., Fla. Const. and Sec. 112.3121, Fla. Stat.]

For a period of six years after vacation of public position occurring on or after December 31, 2022, a county commissioner, a county officer pursuant to Article VIII or county charter, a school board member, a superintendent of schools, an elected municipal officer, or an elected special district officer in a special district with ad valorem taxing authority shall not lobby for compensation on issues of policy, appropriations, or procurement before his or her former agency or governing body. [Art. II Sec 8(f)(3)c., Fla. Const. and Sec. 112.3121, Fla. Stat.]

4. *Additional Restrictions on Former State Employees*

A former executive or judicial branch employee or PSC employee is prohibited from having employment or a contractual relationship, at any time after retirement or termination of employment, with any business entity (other than a public agency) in connection with a contract in which the employee participated personally and substantially by recommendation or decision while a public employee. [Sec. 112.3185(3), Fla. Stat.]

A former executive or judicial branch employee or PSC employee who has retired or terminated employment is prohibited from having any employment or contractual relationship for two years with any business entity (other than a public agency) in connection with a contract for services which was within his or her responsibility while serving as a state employee. [Sec.112.3185(4), Fla. Stat.]

Unless waived by the agency head, a former executive or judicial branch employee or PSC employee may not be paid more for contractual services provided by him or her to the former agency during the first year after leaving the agency than his or her annual salary before leaving. [Sec. 112.3185(5), Fla. Stat.]

These prohibitions do not apply to PSC employees who were so employed on or before Dec. 31, 1994.

5. *Lobbying by Former Local Government Officers and Employees*

A person elected to county, municipal, school district, or special district office is prohibited from representing another person or entity for compensation before the government body or agency of which he or she was an officer for two years after leaving office. Appointed officers and employees of counties, municipalities, school districts, and special districts may be subject to a similar restriction by local ordinance or resolution. [Sec. 112.313(13) and (14), Fla. Stat.]

E. VOTING CONFLICTS OF INTEREST

State public officers are prohibited from voting in an official capacity on any measure which they know would inure to their own special private gain or loss. A state public officer who abstains, or who votes on a measure which the officer knows would inure to the special private gain or loss of any principal by whom he or she is retained, of the parent organization or subsidiary or sibling of a corporate principal by which he or she is retained, of a relative, or of a business associate, must make every reasonable effort to file a memorandum of voting conflict with the recording secretary in advance of the vote. If that is not possible, it must be filed within 15 days after the vote occurs. The memorandum must disclose the nature of the officer's interest in the matter.

No county, municipal, or other local public officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss, or which the officer knows would inure to the special private gain or loss of any principal by whom he or she is retained, of the parent organization or subsidiary or sibling of a corporate principal by which he or she is retained, of a relative, or of a business associate. The officer must publicly announce the nature of his or her interest before the vote and must file a memorandum of voting conflict on Commission Form 8B with the meeting's recording officer within 15 days after the vote occurs disclosing the nature of his or her interest in the matter. However, members of community redevelopment agencies and district officers elected on a one-acre, one-vote basis are not required to abstain when voting in that capacity.

No appointed state or local officer shall participate in any matter which would inure to the officer's special private gain or loss, the special private gain or loss of any principal by whom he or she is retained, of the parent organization or subsidiary or sibling of a corporate principal by which he or she is retained, of a relative, or of a business associate, without first disclosing the nature of his or her interest in the matter. The memorandum of voting conflict (Commission Form 8A or 8B) must be filed with the meeting's recording officer, be provided to the other members of the agency, and be read publicly at the next meeting.

If the conflict is unknown or not disclosed prior to the meeting, the appointed official must orally disclose the conflict at the meeting when the conflict becomes known. Also, a written memorandum of voting conflict must be filed with the meeting's recording officer within 15 days of the disclosure being made and must be provided to the other members of the agency, with the disclosure being read publicly at the next scheduled meeting. [Sec. 112.3143, Fla. Stat.]

F. DISCLOSURES

Conflicts of interest may occur when public officials are in a position to make decisions that affect their personal financial interests. This is why public officers and employees, as well as candidates who run for public office, are required to publicly disclose their financial interests. The disclosure process serves to remind officials of their obligation to put the public interest above personal considerations. It also helps citizens to monitor the considerations of those who spend their tax dollars and participate in public policy decisions or administration.

All public officials and candidates do not file the same degree of disclosure; nor do they all file at the same time or place. Thus, care must be taken to determine which disclosure forms a particular official or candidate is required to file.

The following forms are described below to set forth the requirements of the various disclosures and the steps for correctly providing the information in a timely manner.

1. *FORM 1 - Limited Financial Disclosure*

Who Must File:

Persons required to file FORM 1 include all state officers, local officers, candidates for local elective office, and specified state employees as defined below (other than those officers who are required by law to file FORM 6).

STATE OFFICERS include:

- 1) Elected public officials not serving in a political subdivision of the state and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.
- 2) Appointed members of each board, commission, authority, or council having statewide jurisdiction, excluding members of solely advisory bodies; but including judicial nominating commission members; directors of Enterprise Florida, Scripps Florida Funding Corporation, and CareerSource Florida, and members of the Council on the Social Status of Black Men and Boys; the Executive Director, governors, and senior managers of Citizens Property Insurance Corporation; governors and senior managers of Florida Workers' Compensation Joint Underwriting Association, board members of the Northeast Florida Regional Transportation Commission, and members of the board of Triumph Gulf Coast, Inc.; members of the board of Florida is

for Veterans, Inc.; and members of the Technology Advisory Council within the Agency for State Technology.

- 3) The Commissioner of Education, members of the State Board of Education, the Board of Governors, local boards of trustees and presidents of state universities, and members of the Florida Prepaid College Board.

LOCAL OFFICERS include:

- 1) Persons elected to office in any political subdivision (such as municipalities, counties, and special districts) and any person appointed to fill a vacancy in such office, unless required to file full disclosure on Form 6.
- 2) Appointed members of the following boards, councils, commissions, authorities, or other bodies of any county, municipality, school district, independent special district, or other political subdivision: the governing body of the subdivision; a community college or junior college district board of trustees; a board having the power to enforce local code provisions; a planning or zoning board, board of adjustments or appeals, community redevelopment agency board, or other board having the power to recommend, create, or modify land planning or zoning within the political subdivision, except for citizen advisory committees, technical coordinating committees, and similar groups who only have the power to make recommendations to planning or zoning boards, except for representatives of a military installation acting on behalf of all military installations within that jurisdiction; a pension board or retirement board empowered to invest pension or retirement funds or to determine entitlement to or amount of a pension or other retirement benefit.
- 3) Any other appointed member of a local government board who is required to file a statement of financial interests by the appointing authority or the enabling legislation, ordinance, or resolution creating the board.
- 4) Persons holding any of these positions in local government: county or city manager; chief administrative employee or finance director of a county, municipality, or other

political subdivision; county or municipal attorney; chief county or municipal building inspector; county or municipal water resources coordinator; county or municipal pollution control director; county or municipal environmental control director; county or municipal administrator with power to grant or deny a land development permit; chief of police; fire chief; municipal clerk; appointed district school superintendent; community college president; district medical examiner; purchasing agent (regardless of title) having the authority to make any purchase exceeding \$35,000 for the local governmental unit.

- 5) Members of governing boards of charter schools operated by a city or other public entity.
- 6) The officers, directors, and chief executive officer of a corporation, partnership, or other business entity that is serving as the chief administrative or executive officer or employee of a political subdivision, and any business entity employee who is acting as the chief administrative or executive officer or employee of the political subdivision. [Sec. 112.3136, Fla. Stat.]

SPECIFIED STATE EMPLOYEE includes:

- 1) Employees in the Office of the Governor or of a Cabinet member who are exempt from the Career Service System, excluding secretarial, clerical, and similar positions.
- 2) The following positions in each state department, commission, board, or council: secretary or state surgeon general, assistant or deputy secretary, executive director, assistant or deputy executive director, and anyone having the power normally conferred upon such persons, regardless of title.
- 3) The following positions in each state department or division: director, assistant or deputy director, bureau chief, assistant bureau chief, and any person having the power normally conferred upon such persons, regardless of title.

- 4) Assistant state attorneys, assistant public defenders, criminal conflict and civil regional counsel, assistant criminal conflict and civil regional counsel, public counsel, full-time state employees serving as counsel or assistant counsel to a state agency, judges of compensation claims, administrative law judges, and hearing officers.
- 5) The superintendent or director of a state mental health institute established for training and research in the mental health field, or any major state institution or facility established for corrections, training, treatment, or rehabilitation.
- 6) State agency business managers, finance and accounting directors, personnel officers, grant coordinators, and purchasing agents (regardless of title) with power to make a purchase exceeding \$35,000.
- 7) The following positions in legislative branch agencies: each employee (other than those employed in maintenance, clerical, secretarial, or similar positions and legislative assistants exempted by the presiding officer of their house); and each employee of the Commission on Ethics.

What Must Be Disclosed:

FORM 1 requirements are set forth fully on the form. In general, this includes the reporting person's sources and types of financial interests, such as the names of employers and addresses of real property holdings. NO DOLLAR VALUES ARE REQUIRED TO BE LISTED. In addition, the form requires the disclosure of certain relationships with, and ownership interests in, specified types of businesses such as banks, savings and loans, insurance companies, and utility companies.

When to File:

CANDIDATES who do not currently hold a position requiring the filing of a Form 1 or Form 6 must register and use the electronic filing system to complete the Form 6, then print and file the disclosure with the officer before whom they qualify at the time of qualifying. [Art. II, Sec. 8(a) and (i), Fla. Const., and Sec. 112.3144, Fla. Stat.]

STATE and LOCAL OFFICERS and SPECIFIED STATE EMPLOYEES are required to file disclosure by July 1 of each year. They also must file within thirty days from the date of appointment or the beginning of employment. Those appointees requiring Senate confirmation must file prior to confirmation.

Where to File:

File with the Commission on Ethics. [Sec. 112.3145, Fla. Stat.]

Beginning January 1, 2024, all Form 1 disclosures must be filed electronically through the Commission's electronic filing system. These disclosures will be published and searchable by name or organization on the Commission's website.

2. *FORM 1F - Final Form 1 Limited Financial Disclosure*

FORM 1F is the disclosure form required to be filed within 60 days after a public officer or employee required to file FORM 1 leaves his or her public position. The form covers the disclosure period between January 1 and the last day of office or employment within that year.

3. *FORM 2 - Quarterly Client Disclosure*

The state officers, local officers, and specified state employees listed above, as well as elected constitutional officers, must file a FORM 2 if they or a partner or associate of their professional firm represent a client for compensation before an agency at their level of government.

A FORM 2 disclosure includes the names of clients represented by the reporting person or by any partner or associate of his or her professional firm for a fee or commission before agencies at the reporting person's level of government. Such representations do not include appearances in ministerial matters, appearances before judges of compensation claims, or representations on behalf of one's agency in one's official capacity. Nor does the term include the preparation and filing of forms and applications merely for the purpose of obtaining or transferring a license, so long as the

issuance of the license does not require a variance, special consideration, or a certificate of public convenience and necessity.

When to File:

This disclosure should be filed quarterly, by the end of the calendar quarter following the calendar quarter during which a reportable representation was made. FORM 2 need not be filed merely to indicate that no reportable representations occurred during the preceding quarter; it should be filed ONLY when reportable representations were made during the quarter.

Where To File:

File with the Commission on Ethics. [Sec. 112.3145(4), Fla. Stat.]

Beginning January 1, 2024, all Form 2 disclosures must be filed electronically through the Commission's electronic filing system. These disclosures will be published and searchable on the Commission's website.

4. *FORM 6 - Full and Public Disclosure*

Who Must File:

Persons required by law to file FORM 6 include all elected constitutional officers and candidates for such office; the mayor and members of a city council and candidates for these offices; the Duval County Superintendent of Schools; judges of compensation claims (pursuant to Sec. 440.442, Fla. Stat.); members of the Florida Housing Finance Corporation Board and members of expressway authorities, transportation authorities (except the Jacksonville Transportation Authority), bridge authority, or toll authorities created pursuant to Ch. 348 or 343, or 349, or other general law.

What Must be Disclosed:

FORM 6 is a detailed disclosure of assets, liabilities, and sources of income over \$1,000 and their values, as well as net worth. Officials may opt to file their most recent income tax return in lieu of listing sources of income but still must disclose their assets, liabilities, and net worth. In addition, the form requires the disclosure of certain relationships with, and ownership interests in, specified types of businesses such as banks, savings and loans, insurance companies, and utility companies.

When and Where To File:

Officials must file FORM 6 annually by July 1 with the Commission on Ethics.

Beginning January 1, 2023, all Form 6 disclosures must be filed electronically through the Commission's electronic filing system. These disclosures will be published and searchable by name and organization on the Commission's website.

CANDIDATES who do not currently hold a position requiring the filing of a Form 1 or Form 6 must register and use the electronic filing system to complete the Form 6, then print and file the disclosure with the officer before whom they qualify at the time of qualifying. [Art. II, Sec. 8(a) and (i), Fla. Const., and Sec. 112.3144, Fla. Stat.]

5. *FORM 6F - Final Form 6 Full and Public Disclosure*

This is the disclosure form required to be filed within 60 days after a public officer or employee required to file FORM 6 leaves his or her public position. The form covers the disclosure period between January 1 and the last day of office or employment within that year.

6. *FORM 9 - Quarterly Gift Disclosure*

Each person required to file FORM 1 or FORM 6, and each state procurement employee, must file a FORM 9, Quarterly Gift Disclosure, with the Commission on Ethics on the last day of any calendar quarter following the calendar quarter in which he or she received a gift worth more than \$100, other

than gifts from relatives, gifts prohibited from being accepted, gifts primarily associated with his or her business or employment, and gifts otherwise required to be disclosed. FORM 9 NEED NOT BE FILED if no such gift was received during the calendar quarter.

Information to be disclosed includes a description of the gift and its value, the name and address of the donor, the date of the gift, and a copy of any receipt for the gift provided by the donor. [Sec. 112.3148, Fla. Stat.]

7. FORM 10 - Annual Disclosure of Gifts from Government Agencies and Direct-Support Organizations and Honorarium Event Related Expenses

State government entities, airport authorities, counties, municipalities, school boards, water management districts, and the South Florida Regional Transportation Authority, may give a gift worth more than \$100 to a person required to file FORM 1 or FORM 6, and to state procurement employees, if a public purpose can be shown for the gift. Also, a direct-support organization for a governmental entity may give such a gift to a person who is an officer or employee of that entity. These gifts are to be reported on FORM 10, to be filed by July 1.

The governmental entity or direct-support organization giving the gift must provide the officer or employee with a statement about the gift no later than March 1 of the following year. The officer or employee then must disclose this information by filing a statement by July 1 with his or her annual financial disclosure that describes the gift and lists the donor, the date of the gift, and the value of the total gifts provided during the calendar year. State procurement employees file their statements with the Commission on Ethics. [Sec. 112.3148, Fla. Stat.]

In addition, a person required to file FORM 1 or FORM 6, or a state procurement employee, who receives expenses or payment of expenses related to an honorarium event from someone who is prohibited from giving him or her an honorarium, must disclose annually the name, address, and affiliation of the donor, the amount of the expenses, the date of the event, a description of the expenses paid or provided, and the total value of the expenses on FORM 10. The donor paying the expenses must provide the officer or employee with a statement about the expenses within 60 days of the honorarium event.

The disclosure must be filed by July 1, for expenses received during the previous calendar year, with the officer's or employee's FORM 1 or FORM 6. State procurement employees file their statements with the Commission on Ethics. [Sec. 112.3149, Fla. Stat.]

However, notwithstanding Sec. 112.3149, Fla. Stat., no executive branch or legislative lobbyist or principal shall make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, any expenditure made for the purpose of lobbying. This may include gifts or honorarium event related expenses that formerly were permitted under Sections 112.3148 and 112.3149. [Sec. 112.3215, Fla. Stat.] Similar prohibitions apply to legislative officials and employees. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.] In addition, gifts, which include anything not primarily related to political activities authorized under ch. 106, are prohibited from political committees. [Sec. 112.31485 Fla. Stat.]

8. FORM 30 - Donor's Quarterly Gift Disclosure

As mentioned above, the following persons and entities generally are prohibited from giving a gift worth more than \$100 to a reporting individual (a person required to file FORM 1 or FORM 6) or to a state procurement employee: a political committee; a lobbyist who lobbies the reporting individual's or procurement employee's agency, and the partner, firm, employer, or principal of such a lobbyist; and vendors. If such person or entity makes a gift worth between \$25 and \$100 to a reporting individual or state procurement employee (that is not accepted in behalf of a governmental entity or charitable organization), the gift should be reported on FORM 30. The donor also must notify the recipient at the time the gift is made that it will be reported.

The FORM 30 should be filed by the last day of the calendar quarter following the calendar quarter in which the gift was made. If the gift was made to an individual in the legislative branch, FORM 30 should be filed with the Lobbyist Registrar. [See page 35 for address.] If the gift was to any other reporting individual or state procurement employee, FORM 30 should be filed with the Commission on Ethics.

However, notwithstanding Section 112.3148, Fla. Stat., no executive branch lobbyist or principal shall make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or FORM 6 shall knowingly accept, directly or indirectly, any expenditure made for the purpose of lobbying. This may include gifts that formerly were permitted under Section 112.3148. [Sec. 112.3215, Fla. Stat.] Similar prohibitions apply to legislative officials and employees. However, these laws are not administered by the Commission on Ethics. [Sec. 11.045, Fla. Stat.] In addition, gifts from political committees are prohibited. [Sec. 112.31485, Fla. Stat.]

9. *FORM 1X AND FORM 6X - Amendments to Form 1 and Form 6*

These forms are provided for officers or employees to amend their previously filed Form 1 or Form 6.

IV. AVAILABILITY OF FORMS

Beginning January 1, 2024, LOCAL OFFICERS and EMPLOYEES, and OTHER STATE OFFICERS, and SPECIFIED STATE EMPLOYEES who must file FORM 1 annually must file electronically via the Commission's Electronic Financial Disclosure Management System (EFDMS). Paper forms will not be promulgated. Communications regarding the annual filing requirement will be sent via email to filers no later than June 1. Filers must maintain an updated email address in their User Profile in EFDMS.

ELECTED CONSTITUTIONAL OFFICERS and other officials who must file Form 6 annually, including City Commissioners and Mayors, must file electronically via the Commission's Electronic Financial Disclosure Management System (EFDMS). Paper forms will not be promulgated. Communications regarding the annual filing requirement will be sent via email to filers no later than June 1. Filers must maintain an updated email address in their User Profile in EFDMS.

V. PENALTIES

A. Non-criminal Penalties for Violation of the Sunshine Amendment and the Code of Ethics

There are no criminal penalties for violation of the Sunshine Amendment and the Code of Ethics. Penalties for violation of these laws may include: impeachment, removal from office or employment, suspension, public censure, reprimand, demotion, reduction in salary level, forfeiture of no more than one-third salary per month for no more than twelve months, a civil penalty not to exceed \$10,000*, and restitution of any pecuniary benefits received, and triple the value of a gift from a political committee.

B. Penalties for Candidates

CANDIDATES for public office who are found in violation of the Sunshine Amendment or the Code of Ethics may be subject to one or more of the following penalties: disqualification from being on the ballot, public censure, reprimand, or a civil penalty not to exceed \$10,000*, and triple the value of a gift received from a political committee.

C. Penalties for Former Officers and Employees

FORMER PUBLIC OFFICERS or EMPLOYEES who are found in violation of a provision applicable to former officers or employees or whose violation occurred prior to such officer's or employee's leaving public office or employment may be subject to one or more of the following penalties: public censure and reprimand, a civil penalty not to exceed \$10,000*, and restitution of any pecuniary benefits received, and triple the value of a gift received from a political committee.

*Conduct occurring after May 11, 2023, will be subject to a recommended civil penalty of up to \$20,000. [Ch. 2023-49, Laws of Florida.]

D. Penalties for Lobbyists and Others

An executive branch lobbyist who has failed to comply with the Executive Branch Lobbying Registration law (see Part VIII) may be fined up to \$5,000, reprimanded, censured, or prohibited from lobbying executive branch agencies for up to two years. Lobbyists, their employers, principals, partners, and firms, and political committees and committees of continuous existence who give a prohibited gift or honorarium or fail to comply with the gift reporting requirements for gifts worth between \$25 and \$100, may be penalized by a fine of not more than \$5,000 and a prohibition on lobbying, or employing a lobbyist to lobby, before the agency of the public officer or employee to whom the gift was given for up to two years. Any agent or person acting on behalf of a political committee giving a prohibited gift is personally liable for a civil penalty of up to triple the value of the gift.

Executive Branch lobbying firms that fail to timely file their quarterly compensation reports may be fined \$50 per day per report for each day the report is late, up to a maximum fine of \$5,000 per report.

E. Felony Convictions: Forfeiture of Retirement Benefits

Public officers and employees are subject to forfeiture of all rights and benefits under the retirement system to which they belong if convicted of certain offenses. The offenses include embezzlement or theft of public funds; bribery; felonies specified in Chapter 838, Florida Statutes; impeachable offenses; and felonies committed with intent to defraud the public or their public agency. [Sec. 112.3173, Fla. Stat.]

F. Automatic Penalties for Failure to File Annual Disclosure

Public officers and employees required to file either Form 1 or Form 6 annual financial disclosure are subject to automatic fines of \$25 for each day late the form is filed after September 1, up to a maximum penalty of \$1,500. [Sec. 112.3144 and 112.3145, Fla. Stat.]

VI. ADVISORY OPINIONS

Conflicts of interest may be avoided by greater awareness of the ethics laws on the part of public officials and employees through advisory assistance from the Commission on Ethics.

A. *Who Can Request an Opinion*

Any public officer, candidate for public office, or public employee in Florida who is in doubt about the applicability of the standards of conduct or disclosure laws to himself or herself, or anyone who has the power to hire or terminate another public employee, may seek an advisory opinion from the Commission about himself or herself or that employee.

B. *How to Request an Opinion*

Opinions may be requested by letter presenting a question based on a real situation and including a detailed description of the situation. Opinions are issued by the Commission and are binding on the conduct of the person who is the subject of the opinion, unless material facts were omitted or misstated in the request for the opinion. Published opinions will not bear the name of the persons involved unless they consent to the use of their names; however, the request and all information pertaining to it is a public record, made available to the Commission and to members of the public in advance of the Commission's consideration of the question.

C. *How to Obtain Published Opinions*

All of the Commission's opinions are available for viewing or download at its website:
www.ethics.state.fl.us.

VII. COMPLAINTS

A. Citizen Involvement

The Commission on Ethics cannot conduct investigations of alleged violations of the Sunshine Amendment or the Code of Ethics unless a person files a sworn complaint with the Commission alleging such violation has occurred, or a referral is received, as discussed below.

If you have knowledge that a person in government has violated the standards of conduct or disclosure laws described above, you may report these violations to the Commission by filing a sworn complaint on the form prescribed by the Commission and available for download at www.ethics.state.fl.us. The Commission is unable to take action based on learning of such misdeeds through newspaper reports, telephone calls, or letters.

You can download a complaint form (FORM 50) from the Commission's website: www.ethics.state.fl.us, or contact the Commission office at the address or phone number shown on the inside front cover of this booklet.

B. Referrals

The Commission may accept referrals from: the Governor, the Florida Department of Law Enforcement, a State Attorney, or a U.S. Attorney. A vote of six of the Commission's nine members is required to proceed on such a referral.

C. Confidentiality

The complaint or referral, as well as all proceedings and records relating thereto, is confidential until the accused requests that such records be made public or until the matter reaches a stage in the Commission's proceedings where it becomes public. This means that unless the Commission receives a written waiver of confidentiality from the accused, the Commission is not free to release any documents or to comment on a complaint or referral to members of the public or press, so long as the complaint or referral remains in a confidential stage.

A COMPLAINT OR REFERRAL MAY NOT BE FILED WITH RESPECT TO A CANDIDATE ON THE DAY OF THE ELECTION, OR WITHIN THE 30 CALENDAR DAYS PRECEDING THE ELECTION DATE, UNLESS IT IS BASED ON PERSONAL INFORMATION OR INFORMATION OTHER THAN HEARSAY.

D. How the Complaint Process Works

Complaints which allege a matter within the Commission's jurisdiction are assigned a tracking number and Commission staff forwards a copy of the original sworn complaint to the accused within five working days of its receipt. Any subsequent sworn amendments to the complaint also are transmitted within five working days of their receipt.

Once a complaint is filed, it goes through three procedural stages under the Commission's rules. The first stage is a determination of whether the allegations of the complaint are legally sufficient: that is, whether they indicate a possible violation of any law over which the Commission has jurisdiction. If the complaint is found not to be legally sufficient, the Commission will order that the complaint be dismissed without investigation, and all records relating to the complaint will become public at that time.

In cases of very minor financial disclosure violations, the official will be allowed an opportunity to correct or amend his or her disclosure form. Otherwise, if the complaint is found to be legally sufficient, a preliminary investigation will be undertaken by the investigative staff of the Commission. The second stage of the Commission's proceedings involves this preliminary investigation and a decision by the Commission as to whether there is probable cause to believe that there has been a violation of any of the ethics laws. If the Commission finds no probable cause to believe there has been a violation of the ethics laws, the complaint will be dismissed and will become a matter of public record. If the Commission finds probable cause to believe there has been a violation of the ethics laws, the complaint becomes public and usually enters the third stage of proceedings. This stage requires the Commission to decide whether the law was actually violated and, if so, whether a penalty should be recommended. At this stage, the accused has the right to request a public hearing (trial) at which evidence is presented, or the Commission may order that such a hearing be held. Public hearings usually are held in or near the area where the alleged violation occurred.

When the Commission concludes that a violation has been committed, it issues a public report of its findings and may recommend one or more penalties to the appropriate disciplinary body or official.

When the Commission determines that a person has filed a complaint with knowledge that the complaint contains one or more false allegations or with reckless disregard for whether the complaint contains false allegations, the complainant will be liable for costs plus reasonable attorney's fees incurred by the person complained against. The Department of Legal Affairs may bring a civil action to recover such fees and costs, if they are not paid voluntarily within 30 days.

E. Dismissal of Complaints At Any Stage of Disposition

The Commission may, at its discretion, dismiss any complaint at any stage of disposition should it determine that the public interest would not be served by proceeding further, in which case the Commission will issue a public report stating with particularity its reasons for the dismissal. [Sec. 112.324(12), Fla. Stat.]

F. Statute of Limitations

All sworn complaints alleging a violation of the Sunshine Amendment or the Code of Ethics must be filed with the Commission within five years of the alleged violation or other breach of the public trust. Time starts to run on the day AFTER the violation or breach of public trust is committed. The statute of limitations is tolled on the day a sworn complaint is filed with the Commission. If a complaint is filed and the statute of limitations has run, the complaint will be dismissed. [Sec. 112.3231, Fla. Stat.]

VIII. EXECUTIVE BRANCH LOBBYING

Any person who, for compensation and on behalf of another, lobbies an agency of the executive branch of state government with respect to a decision in the area of policy or procurement may be required to register as an executive branch lobbyist. Registration is required before lobbying an agency and is renewable annually. In addition, each lobbying firm must file a compensation report

with the Commission for each calendar quarter during any portion of which one or more of the firm's lobbyists were registered to represent a principal. As noted above, no executive branch lobbyist or principal can make, directly or indirectly, and no executive branch agency official or employee who files FORM 1 or FORM 6 can knowingly accept, directly or indirectly, **any expenditure** made for the purpose of lobbying. [Sec. 112.3215, Fla. Stat.]

Paying an executive branch lobbyist a contingency fee based upon the outcome of any specific executive branch action, and receiving such a fee, is prohibited. A violation of this prohibition is a first degree misdemeanor, and the amount received is subject to forfeiture. This does not prohibit sales people from receiving a commission. [Sec. 112.3217, Fla. Stat.]

Executive branch departments, state universities, community colleges, and water management districts are prohibited from using public funds to retain an executive branch (or legislative branch) lobbyist, although these agencies may use full-time employees as lobbyists. [Sec. 11.062, Fla. Stat.]

Online registration and filing is available at www.floridalobbyist.gov. Additional information about the executive branch lobbyist registration system may be obtained by contacting the Lobbyist Registrar at the following address:

Executive Branch Lobbyist Registration
Room G-68, Claude Pepper Building
111 W. Madison Street
Tallahassee, FL 32399-1425
Phone: 850/922-4990

IX. WHISTLE-BLOWER'S ACT

In 1986, the Legislature enacted a "Whistle-blower's Act" to protect employees of agencies and government contractors from adverse personnel actions in retaliation for disclosing information in a sworn complaint alleging certain types of improper activities. Since then, the Legislature has revised this law to afford greater protection to these employees.

While this language is contained within the Code of Ethics, the Commission has no jurisdiction or authority to proceed against persons who violate this Act. Therefore, a person who has disclosed information alleging improper conduct governed by this law and who may suffer adverse consequences as a result should contact one or more of the following: the Office of the Chief Inspector General in the Executive Office of the Governor; the Department of Legal Affairs; the Florida Commission on Human Relations; or a private attorney. [Sec. 112.3187 - 112.31895, Fla. Stat.]

X. ADDITIONAL INFORMATION

As mentioned above, we suggest that you review the language used in each law for a more detailed understanding of Florida's ethics laws. The "Sunshine Amendment" is Article II, Section 8, of the Florida Constitution. The Code of Ethics for Public Officers and Employees is contained in Part III of Chapter 112, Florida Statutes.

Additional information about the Commission's functions and interpretations of these laws may be found in Chapter 34 of the Florida Administrative Code, where the Commission's rules are published, and in The Florida Administrative Law Reports, which until 2005 published many of the Commission's final orders. The Commission's rules, orders, and opinions also are available at www.ethics.state.fl.us.

If you are a public officer or employee concerned about your obligations under these laws, the staff of the Commission will be happy to respond to oral and written inquiries by providing information about the law, the Commission's interpretations of the law, and the Commission's procedures.

XI. TRAINING

Constitutional officers, elected municipal officers, commissioners of community redevelopment agencies (CRAs), and commissioners of community development districts are required to receive a total of four hours training, per calendar year, in the area of ethics, public

records, and open meetings. The Commission on Ethics does not track compliance or certify providers. Officials indicate their compliance with the training requirement when they file their annual Form 1 or Form 6.

Visit the training page on the Commission's website for up-to-date rules, opinions, audio/video training, and opportunities for live training conducted by Commission staff.

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

3D

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE
MAILING ADDRESS	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF:
CITY COUNTY	<input type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
DATE ON WHICH VOTE OCCURRED	NAME OF POLITICAL SUBDIVISION:
	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also **MUST ABSTAIN** from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a “relative” includes only the officer’s father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A “business associate” means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, _____, hereby disclose that on _____, 20 ____ :

(a) A measure came or will come before my agency which (check one or more)

- ☐ inured to my special private gain or loss;
- ☐ inured to the special gain or loss of my business associate, _____ ;
- ☐ inured to the special gain or loss of my relative, _____ ;
- ☐ inured to the special gain or loss of _____, by
whom I am retained; or
- ☐ inured to the special gain or loss of _____, which
is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

Date Filed

Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

6

RESOLUTION 2024-05

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE RIDGE AT
HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT ELECTING
AND REMOVING OFFICERS OF THE DISTRICT AND PROVIDING FOR
AN EFFECTIVE DATE.**

WHEREAS, the Ridge at Heath Brook Community Development District (“District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes; and

WHEREAS, the District’s Board of Supervisors of the District desires to elect and remove certain Officers of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF
SUPERVISORS OF THE RIDGE AT HEATH BROOK COMMUNITY
DEVELOPMENT DISTRICT:**

SECTION 1. The following is/are elected as Officer(s) of the District effective July 12, 2024:

_____ is appointed Chair

_____ is appointed Vice Chair

_____ is appointed Assistant Secretary

_____ is appointed Assistant Secretary

_____ is appointed Assistant Secretary

SECTION 2. The following Officer(s) shall be removed as Officer(s) as of July 12, 2024:

Mary Moulton Vice Chair

SECTION 3. The following prior appointments By the Boar remain unaffected by this Resolution.

Craig Wrathell is Secretary

Kristen Suit is Assistant Secretary

Craig Wrathell is Treasurer

Jeff Pinder is Assistant Treasurer

PASSED AND ADOPTED this 12th day of July, 2024.

ATTEST:

**RIDGE AT HEATH BROOK COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

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**SECOND SUPPLEMENTAL ENGINEER'S REPORT FOR THE
RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT**
July 2024

1. PURPOSE

This report supplements the *Engineer's Report*, dated June 21, 2022, as restated May 2, 2023 ("**Master Report**") in order to address the second phase of the District's CIP to be known as the "**2024 Project**" a/k/a "**Assessment Area Two Project.**" All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Master Report.

NOTE: The District has previously undertaken its 2022 Project, as described in that certain *First Supplemental Engineer's Report*, dated October 7, 2022. The 2022 Project included public infrastructure for the first 137 residential units within the District.

2. 2024 PROJECT

The District's 2024 Project includes the portion of the CIP that is necessary for the development of what is known as "**Assessment Area Two**" of the District. A legal description and sketch for Assessment Area Two are shown in **Exhibit A**.

Product Mix

The table below shows the product types that will be part of the 2024 Project:

Product Types

Product Type	2024 Project / Assessment Area Two Units
SF 50'	145

List of 2024 Project Improvements

The various improvements that are part of the overall CIP – including those that are part of the 2024 Project – are described in detail in the Master Report, and those descriptions are incorporated herein. The 2024 Project includes, generally stated, the following items relating to Assessment Area Two: public roadways, stormwater management, utilities, hardscape/landscape/irrigation, conservation, the differential cost of undergrounding electrical conduit, soft costs, etc.

Permits

The status of the applicable permits necessary for the 2024 Project are as shown below. All permits and approvals necessary for the development of the 2024 Project have been obtained or are reasonably expected to be obtained in due course.

Permit Table

Permit	Status
City of Ocala, Phases 2, 3 & 4	Approved
SWFWMD, Phases 2, 3 & 4 ERP	Approved
FDEP Water, Phases 2, 3 & 4	Approved
FDEP Wastewater, Phases 2, 3 & 4	Approved

Estimated Costs / Benefits

The table below shows the costs that are necessary for delivery of the Assessment Area Two lots for the 2024 Project, which includes the roads, utilities, and other improvements specific to Assessment Area Two.

ESTIMATED COSTS OF DELIVERING THE ASSESSMENT AREA TWO PROJECT

Improvement	2024 Project Estimated Cost	Operation & Maintenance Entity
Potable Water	\$363,946.00	City
Sanitary Sewer	\$903,821.00	City
Public Roadway/Curbing	\$796,944.00	
Undergrounding of Electric Conduit	\$302,423.00	CDD
Stormwater Improvements	\$587,083.00	CDD
Earthwork (stormwater ponds)	\$256,995.00	CDD
Hardscape/Landscape/Irrigation/Entry Features	\$1,356,362.00	CDD
Public Amenity Trail	\$598,913.00	CDD
Professional Fees	\$333,760.00	n/a
Contingency	\$825,037.00	As above
TOTAL	\$6,325,284.00	

- The probable costs estimated herein do not include anticipated carrying cost, interest reserves or other anticipated CDD expenditures that may be incurred.
- The developer reserves the right to finance any of the improvements outlined above, and have such improvements owned and maintained by a property owner's or homeowner's association, in which case such items would not be part of the CIP.
- The District may enter into an agreement with a third-party, or an applicable property owner's or homeowner's association, to maintain any District-owned improvements, subject to the approval of the District's bond counsel.

3. CONCLUSION

The 2024 Project will be designed in accordance with current governmental regulations and requirements. The 2024 Project will serve its intended function so long as the construction is in substantial compliance with the design. It is further our opinion that:

- the estimated cost to the 2024 Project as set forth herein is reasonable based on prices currently being experienced in the jurisdiction in which the District is located, and is not greater than the lesser of the actual cost of construction or the fair market value of such infrastructure;
- all of the improvements comprising the 2024 Project are required by applicable development approvals issued pursuant to Section 380.06, Florida Statutes;
- the 2024 Project is feasible to construct, there are no technical reasons existing at this time that would prevent the implementation of the 2024 Project, and it is reasonable to assume that all necessary regulatory approvals will be obtained in due course; and
- the assessable property within Assessment Area Two will receive a special benefit from the 2024 Project that is at least equal to the costs of the 2024 Project.

As described above, this report identifies the benefits from the 2024 Project to the lands within Assessment Area Two. The general public, property owners, and property outside Assessment Area Two will benefit from the provisions of the 2024 Project; however, these are incidental to the 2024 Project, which is designed solely to provide special benefits peculiar to property within Assessment Area Two. Special and peculiar benefits accrue to property within Assessment Area Two and enable properties within its boundaries to be developed.

The 2024 Project will be owned by the District or other governmental units and such 2024 Project is intended to be available and will reasonably be available for use by the general public (either by being part of a system of improvements that is available to the general public or is otherwise available to the general public) including nonresidents of the District. All of the 2024 Project is or will be located on lands owned or to be owned by the District or another governmental entity or on perpetual easements in favor of the District or other governmental entity. The 2024 Project, and any cost estimates set forth herein, do not include any earthwork, grading or other improvements on private lots or property. The District will pay the lesser of the cost of the components of the 2024 Project or the fair market value.

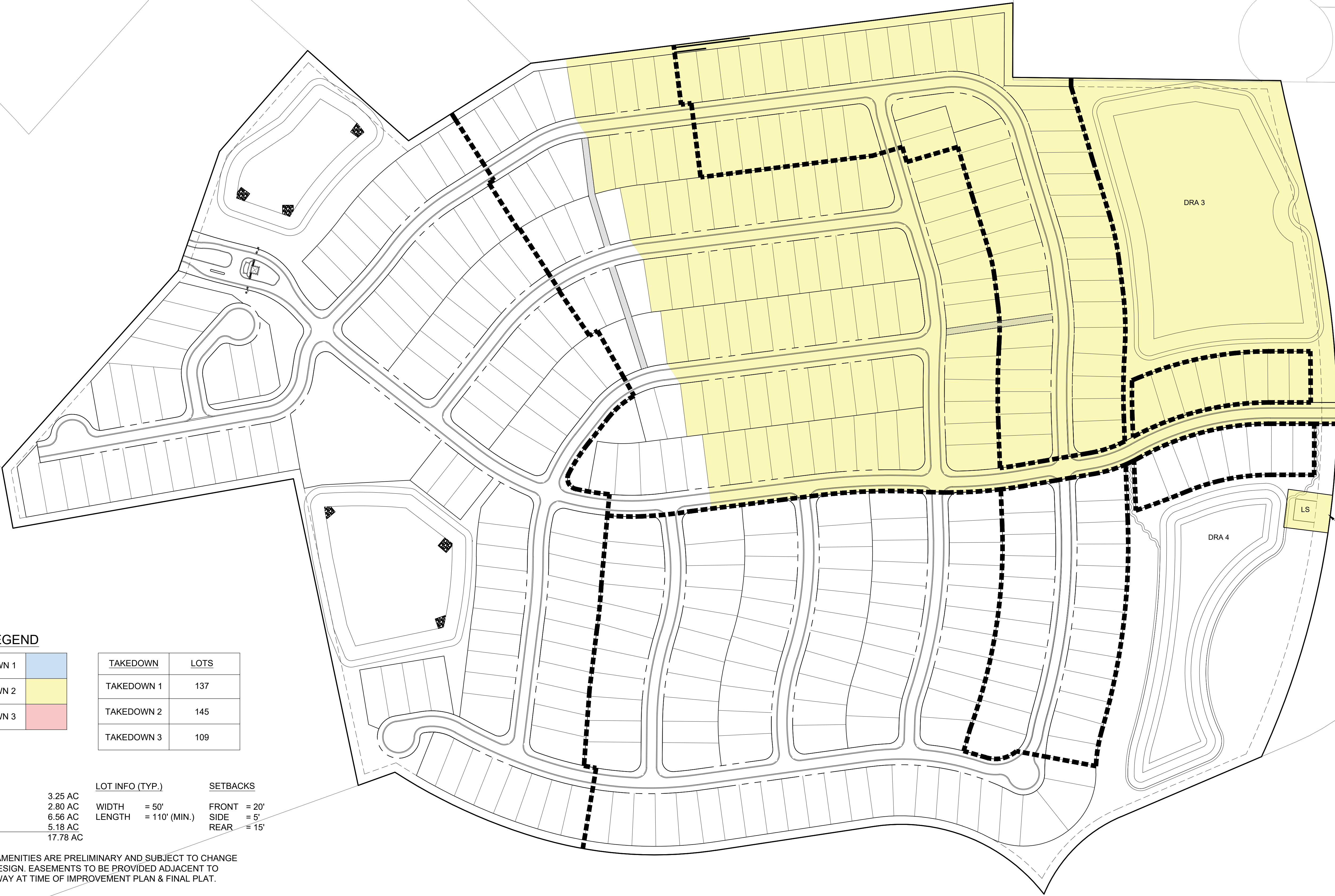
Please note that the 2024 Project as presented herein is based on current plans and market conditions which are subject to change. Accordingly, the 2024 Project, as used herein, refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned residential units in the District, which (subject to true-up determinations) number and type of units may be changed with the development of the site. Stated differently, during development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans, and the District expressly reserves the right to do so.

ATWELL, INC.

By: David Staley David Staley, P.E.
 Its: _____
 License: 77637

EXHIBIT A: Legal Descriptions and Sketch of 2024 Project Area a/k/a Assessment Area Two

EXHIBIT A



LEGEND

TAKEDOWN 1	
TAKEDOWN 2	
TAKEDOWN 3	

TAKEDOWN	LOTS
TAKEDOWN 1	137
TAKEDOWN 2	145
TAKEDOWN 3	109

DRA AREA:	
DRA 1.0	3.25 AC
DRA 2.0	2.80 AC
DRA 3.0	6.56 AC
DRA 4.0	5.18 AC
TOTAL:	17.78 AC

LOT INFO (TYP.)		SETBACKS	
WIDTH	= 50'	FRONT	= 20'
LENGTH	= 110' (MIN.)	SIDE	= 5'
		REAR	= 15'

LOTS AND AMENITIES ARE PRELIMINARY AND SUBJECT TO CHANGE AT FINAL DESIGN. EASEMENTS TO BE PROVIDED ADJACENT TO RIGHT-OF-WAY AT TIME OF IMPROVEMENT PLAN & FINAL PLAT.

LIFT STATION WITH
TAKEDOWN 2 AND
CONSTRUCTED WITH PHASE 2



O:\Projects\1111200 (Ridge at Heath Brook) Planning & Civil Engineering\Drawings-Scholas\111-200-E19-Exhibit A\Current Plans\111200E19.dwg
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DESCRIPTION: RIDGE AT HEATH BROOK TAKEDOWN 2

A portion of land lying in Section 3, Township 16 South, Range 21 East, Marion County, Florida, and being more particularly described as follows:

COMMENCE at the Northeast corner of said Section 3; thence N89°20'20"W, along the North line of Section 3, a distance of 115.68 feet to the Southeast corner of EXECUTIVE PARK, as recorded in Plat Book T, Pages 11 through 13, of the public records of Marion County, Florida; thence continue N89°20'20"W, along the South line of EXECUTIVE PARK and the North line of Section 3, a distance of 692.26 feet to the **POINT OF BEGINNING**; thence leaving said South line of aforementioned EXECUTIVE PARK and said North line of Section 3, Southerly, 82.17 feet along the arc of a non-tangent curve to the left having a radius of 2352.00 feet and a central angle of 2°00'06" (chord bearing S.12°41'14"E., 82.17 feet); thence S.13°41'17"E., a distance of 245.78 feet; thence Southerly, 491.39 feet along the arc of a tangent curve to the right having a radius of 1940.00 feet and a central angle of 14°30'46" (chord bearing S.06°25'54"E., 490.08 feet) to **REFERENCE POINT "A"**; thence N.89°54'50"W., a distance of 155.52 feet; thence Westerly, 323.09 feet along the arc of a tangent curve to the left having a radius of 630.00 feet and a central angle of 29°23'00" (chord bearing S.75°23'41"W., 319.56 feet); thence Westerly, 110.62 feet along the arc of a reverse curve to the right having a radius of 325.00 feet and a central angle of 19°30'05" (chord bearing S.70°27'13"W., 110.09 feet); thence S.80°12'16"W., a distance of 170.11 feet; thence Westerly, 230.05 feet along the arc of a tangent curve to the right having a radius of 1025.00 feet and a central angle of 12°51'34" (chord bearing S.86°38'03"W., 229.57 feet); thence Westerly, 262.24 feet along the arc of a reverse curve to the left having a radius of 1475.00 feet and a central angle of 10°11'12" (chord bearing S.87°58'14"W., 261.90 feet); thence S.82°52'38"W., a distance of 241.97 feet; thence N.07°07'22"W., a distance of 175.00 feet; thence S.82°52'38"W., a distance of 36.29 feet; thence N.07°07'22"W., a distance of 125.00 feet; thence N.33°25'17"W., a distance of 55.77 feet; thence N.07°07'22"W., a distance of 125.00 feet; thence S.82°31'04"W., a distance of 21.55 feet; thence N.08°36'03"W., a distance of 125.01 feet; thence N.34°29'20"W., a distance of 54.99 feet; thence N.11°06'11"W., a distance of 125.00 feet; thence Westerly, 60.64 feet along the arc of a non-tangent curve to the left having a radius of 675.00 feet and a central angle of 5°08'50" (chord bearing S.76°19'24"W., 60.62 feet); thence N.07°07'22"W., a distance of 133.55 feet; thence N.32°21'14"W., a distance of 55.05 feet; thence N.09°14'25"W., a distance of 108.30 feet; thence N.09°14'25"W., a distance of 11.99 feet; thence N.18°14'00"W., a distance of 20.41 feet to the point of intersection the South line HEATH BROOK NORTH B-2, as recorded in Plat Book 9, Pages 149 through 152, of the public records of Marion County, Florida; thence N.82°51'32"E., along said South line of aforementioned HEATH BROOK NORTH B-2, a distance of 1060.88 feet to the Southeast corner of aforementioned HEATH BROOK NORTH B-2, same being the point of intersection with the West line of aforementioned EXECUTIVE PARK; thence S.00°08'38"W., along said West line of aforementioned EXECUTIVE PARK, a distance of 175.14 feet to the Southwest corner of aforementioned EXECUTIVE PARK; thence S.89°20'20"E., along the South of aforementioned EXECUTIVE PARK, a distance of 629.17 feet to the **POINT OF BEGINNING**.

Containing 36.431 acres, more or less.

Together with:

Returning to **REFERENCE POINT "A"**, same being a point of curvature; thence Northerly, 166.83 feet along the arc of said curve to the left having a radius of 1940.00 feet and a central angle of $4^{\circ}55'37''$ (chord bearing $S.03^{\circ}17'17''W.$, 166.78 feet) to the **POINT OF BEGINNING**; thence Southerly, 90.01 feet along the arc of a curve to the left having a radius of 1940.00 feet and a central angle of $2^{\circ}39'30''$ (chord bearing $S.07^{\circ}04'51''W.$, 90.01 feet); thence $N.82^{\circ}55'41''W.$, a distance of 104.72 feet; thence $N.07^{\circ}04'29''E.$, a distance of 90.00 feet; thence $S.82^{\circ}55'31''E.$, a distance of 104.73 feet to the **POINT OF BEGINNING**.

Containing 0.217 acres, more or less.

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

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RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT

Preliminary Second Supplemental Special Assessment Methodology Report

July 12, 2024



Provided by:

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1.0 Introduction

1.1 Purpose

This Preliminary Second Supplemental Special Assessment Methodology Report (the "Second Supplemental Report") was developed to supplement the Master Special Assessment Methodology Report (the "Master Report") dated October 7, 2022 and to provide a supplemental financing plan and a supplemental special assessment methodology for a portion of the Ridge at Heath Brook Community Development District (the "District") known as Assessment Area Two of the District ("Assessment Area Two") located in the City of Ocala, Marion County, Florida. This Second Supplemental Report was developed in relation to funding by the District of a portion of the costs of public infrastructure improvements (the "Capital Improvement Plan" or "CIP") contemplated to be provided by the District.

1.2 Scope of the Second Supplemental Report

This Second Supplemental Report presents the capital improvement program for financing a portion of the District's public infrastructure improvements (the "Assessment Area Two Project") as described in the Second Supplemental Engineer's Report of Atwell, LLC (the "District Engineer") dated July 2024 (the "Second Supplemental Engineer's Report"), as well as describes the method for the allocation of special benefits and the apportionment of special assessment debt resulting from the provision and funding of a portion of the Assessment Area Two Project.

1.3 Special Benefits and General Benefits

Public infrastructure improvements undertaken and funded by the District as part of the CIP create special benefits for properties within Assessment Area Two and general benefits for properties outside of Assessment Area Two within the District and outside of its borders and to the public at large. However, as discussed within this Second Supplemental Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits which accrue to property within the District. The District's CIP enables properties within its boundaries to be developed.

There is no doubt that the general public and owners of property outside of Assessment Area Two within the District will benefit from the provision of the 2024 Project. However, these benefits are only incidental since the 2024 Project is designed solely to provide special

benefits peculiar to property within Assessment Area Two of the District. Properties outside Assessment Area Two are not directly served by the 2024 Project and do not depend upon the 2024 Project to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which Assessment Area Two receives compared to those lying outside of Assessment Area Two.

The 2024 Project will provide public infrastructure improvements which are all necessary in order to make the lands within Assessment Area Two developable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within Assessment Area Two to increase by more than the sum of the financed cost of the individual components of the 2024 Project. Even though the exact value of the benefits provided by the 2024 Project is hard to estimate at this point, it is nevertheless greater than the costs associated with providing the same.

1.4 Organization of the Second Supplemental Report

Section Two describes the development program as proposed by the Developer, as defined below.

Section Three provides a summary of the CIP as determined by the District Engineer.

Section Four discusses the supplemental financing program for the District.

Section Five discusses the special assessment methodology for Assessment Area Two.

2.0 Development Program

2.1 Overview

The District serves the Ridge at Heath Brook development (the "Development" or "Ridge at Heath Brook"), a master planned residential development located in the City of Ocala, Marion County, Florida. The land within the District currently consists of approximately 104.938 +/- acres and is generally located east of SW Highway 200 and west of U.S. Interstate 75. The land within Assessment Area Two consists of approximately 36.648 +/- acres.

2.2 The Development Program

The development of Ridge at Heath Brook is anticipated to be conducted by Forestar (USA) Real Estate Group Inc., or an affiliated entity (the "Developer"). Based upon the information provided by the Developer and the District Engineer, Assessment Area Two is anticipated to consist of 145 Single-family units to be developed in one or more phases within Assessment Area Two, although phasing plan, land use types and unit numbers may change throughout the development period. Table 1 in the *Appendix* illustrates the land development plan within the District.

3.0 The 2024 Project

3.1 Overview

The public infrastructure costs to be funded by the District are described by the District Engineer in the Second Supplemental Engineer's Report. Only public infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes and under the Internal Revenue Code of 1986, as amended, was included in these estimates.

3.2 2024 Project

The 2024 Project needed to serve Assessment Area Two is projected to include, without limitation, potable water, sanitary sewer, public roadway/curbing, undergrounding of electric conduit, stormwater improvements, earthwork (stormwater ponds), hardscape/ landscape/ irrigation/ entry features and a public amenity trail, the costs of which, along with contingencies and professional fees, are estimated to total approximately \$6,325,284, a portion of which will be financed with the proceeds of the herein defined Series 2024 Bonds.

Even though the installation of the improvements that comprise the CIP is projected to occur in multiple stages coinciding with phases of development within the District, the infrastructure improvements that comprise the CIP – including the 2024 Project – will serve and provide benefit to all land uses in the District and will comprise an interrelated system of improvements, which means all of the improvements will serve the entire District and the improvements will be interrelated such that they will reinforce one another. As a practical matter, this means that master improvements that are part of the 2024 Project may be financed by the Series 2024 Bonds or a

future series of bonds. Table 2 in the *Appendix* illustrates the specific components of the CIP.

4.0 Financing Program

4.1 Overview

As noted above, the District is embarking on a program of capital improvements which will facilitate the development of lands within the District. Generally, construction of public improvements is either funded by the Developer and then acquired by the District or funded directly by the District. As of the time of writing of this Second Supplemental Report, the District will most likely acquire completed improvements from the Developer, although the District maintains the complete flexibility to either acquire the public infrastructure from the Developer or construct it, or even partly acquire it and partly construct it.

The District intends to issue its Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) in the estimated principal amount of \$2,840,000* (the "Series 2024 Bonds") to fund an estimated \$2,426,320.00* in CIP costs to be expended serving and supporting the development of the Assessment Area Two units constituting a portion of the 2024 Project, with the balance of the 2024 Project costs anticipated to be contributed by the Developer.

4.2 Types of Bonds Proposed

The proposed supplemental financing plan for the District provides for the issuance of the Series 2024 Bonds in the total estimated principal amount of \$2,840,000* to finance a portion of the 2024 Project costs in the total amount estimated at \$2,426,320.00*, representing the amount of construction proceeds generated from the issuance of the Series 2024 Bonds (such financed portion being referred to as the "2024 Project Costs").

The Series 2024 Bonds as projected under this supplemental financing plan are structured to be amortized in 30 annual installments with interest payments on the Series 2024 Bonds made every May 1 and November 1, and principal payments on the Bonds would be made either on May 1 or on November 1.

In order to finance a portion of the 2024 Project Costs, the District will need to borrow more funds and incur indebtedness in the total

* Preliminary, subject to change.

amount estimated at \$2,840,000*. The difference is comprised of funding a debt service reserve account, capitalized interest and costs of issuance, including the underwriter's discount. Preliminary sources and uses of funding for the Series 2024 Bonds are presented in Table 3 in the *Appendix*.

5.0 Assessment Methodology

5.1 Overview

The issuance of the Series 2024 Bonds provides the District with funds necessary to construct/acquire a portion of the 2024 Project outlined in Section 3.2 and described in more detail by the District Engineer in the Second Supplemental Engineer's Report. These improvements lead to special and general benefits, with special benefits accruing to properties within Assessment Area Two. The Series 2024 Bond Assessments (defined herein) – which are supported by the special benefits from the 2024 Project – will initially be assigned to all lands within Assessment Area Two, but, upon platting, will be assigned on a first-platted, first-assigned basis to the units within Assessment Area Two. General benefits accrue to areas outside of Assessment Area Two, but are only incidental in nature.

5.2 Benefit Allocation

Based upon the information provided by the Developer and the District Engineer, Assessment Area Two is anticipated to consist of 145 Single-family units although phasing plan, land use types and unit numbers may change throughout the development period.

The public infrastructure included in the CIP – including the 2024 Project – will comprise an interrelated system of public infrastructure improvements, which means that all of the improvements will serve in each respective assessment area within the District and such public improvements will be interrelated in such way that, once constructed, they will reinforce each other and their combined benefit will be greater than the sum of their individual benefits. As a practical matter, this means that public improvements that are part of the 2024 Project and not financed by the Series 2024 Bonds may be constructed by the Developer or funded by a future series of bonds.

As stated previously, the public infrastructure improvements included in the 2024 Project have a logical connection to the special and peculiar benefits received by Assessment Area Two, as without such improvements, the development of such properties within Assessment Area Two would not be possible. Based upon the

connection between the improvements and the special and peculiar benefits to the designated lands within Assessment Area Two, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments, to the lands within Assessment Area Two receiving such special and peculiar benefits. Even though these special and peculiar benefits are real and ascertainable, the precise amount of the benefit cannot yet be calculated with mathematical certainty. However, such benefit is more valuable than the assessment related to the financed cost of constructing the 2024 Project.

In following the Master Report, this Second Supplemental Report proposes to allocate the benefit associated with the 2024 Project to the different unit types proposed to be developed within the District in proportion to their density of development and intensity of use of infrastructure as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Table 4 in the *Appendix* illustrates the ERU weights that are proposed to be assigned to the unit types contemplated to be developed within the District. In this case, all residential units benefit roughly the same, and, accordingly, each residential unit has been assigned an ERU of 1.

Based on the ERU benefit allocation illustrated in Table 4, Table 5 in the *Appendix* presents the allocation of the amount of 2024 Project Costs allocated to the various unit types proposed to be developed within Assessment Area Two based on the ERU benefit allocation factors present in Table 4. Further, Table 5 illustrates the approximate costs that are projected to be financed with the Series 2024 Bonds, and the approximate costs of the portion of the 2024 Project to be contributed by the Developer, as the case may be. With the Series 2024 Bonds funding approximately \$2,426,320.00* in costs of the 2024 Project, the Developer is anticipated to fund improvements valued at a minimum of \$3,549,982.66* as illustrated in Table 5 in the *Appendix*. Finally, Table 6 in the *Appendix* presents the apportionment of the Bond Assessments securing the Series 2024 Bonds (the "Series 2024 Bond Assessments") and also present the annual levels of the projected annual debt service assessments per unit.

Amenities - No Series 2024 Bond Assessments will be allocated herein to any platted amenities or other platted common areas planned for the Development. If owned by a homeowner's association, the amenities and common areas would be considered a common element for the exclusive benefit of certain property owners, and would not be subject to Series 2024 Bond Assessments.

* Preliminary, subject to change.

If the amenities are owned by the District, then they would be governmental property not subject to the Series 2024 Bond Assessments and would be open to the general public, subject to District rules and policies.

Governmental Property - If at any time, any portion of the property contained in the District is sold or otherwise transferred to a unit of local, state, or federal government (without consent of such governmental unit to the imposition of Series 2024 Bond Assessments thereon), or similarly exempt entity, all future unpaid Series 2024 Bond Assessments for such tax parcel shall become due and payable immediately prior to such transfer.

Contributions – The Developer has opted to “buy down” the Series 2024 Bond Assessments on particular product types and/or lands using a contribution of cash, infrastructure or other consideration, and in order for Series 2024 Bond Assessments to reach certain target levels. The amount of such “buy down” for the Series 2024 Bond Assessments is identified in Table 6, and is equal to \$3,339,452.90. Note that any “true-up,” as described herein, may require a payment to satisfy “true-up” obligations as well as additional contributions to maintain such target assessment levels. Any amounts contributed by the Developer to pay down the Series 2024 Bond Assessments will not be eligible for “deferred costs” or any other form of repayment.

5.3 Assigning Series 2024 Bond Assessments

As the land in Assessment Area Two is not yet platted for its intended final use and the precise location of the various product types by lot or parcel is unknown, the Series 2024 Bond Assessments will initially be levied on all of the land in Assessment Area Two on an equal pro-rata gross acre basis and thus the Series 2024 Bond Assessments in the estimated amount of \$2,840,000* will be preliminarily levied on approximately 36.648 +/- acres at an estimated rate of \$77,494.00* per gross acre.

When the land is platted within Assessment Area Two, the Series 2024 Bond Assessments will be allocated to each platted parcel on a first platted-first assigned basis based on the planned use for that platted parcel as reflected in Table 7 in the Appendix for the Series 2024 Bond Assessments. Such allocation of Series 2024 Bond Assessments from unplatted gross acres to platted parcels will reduce the amounts of Series 2024 Bond Assessments levied on unplatted gross acres within Assessment Area Two.

* Preliminary, subject to change.

In the event unplatted land within Assessment Area Two is sold to a third party (the “Transferred Property”), the Series 2024 Bond Assessments will be assigned to such Transferred Property at the time of the sale based on the maximum total number of ERUs assigned by the Developer, as applicable, to that Transferred Property, subject to review by the District’s methodology consultant, to ensure that any such assignment is reasonable, supported by current development rights and plans, and otherwise consistent with this Second Supplemental Report. The owner of the Transferred Property will be responsible for the total Series 2024 Bond Assessments applicable to the Transferred Property, regardless of the total number of ERUs ultimately actually platted. This total Series 2024 Bond Assessment is allocated to the Transferred Property at the time of the sale.

5.4 Lienability Test: Special and Peculiar Benefit to the Property

As first discussed in *Section 1.3*, Special Benefits and General Benefits, public infrastructure improvements undertaken by the District create special and peculiar benefits to certain properties within Assessment Area Two. The 2024 Project benefits assessable properties within Assessment Area Two and accrues to all such assessable properties on an ERU basis.

The public infrastructure improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within the District. The special and peculiar benefits resulting from each improvement include, but are not limited to:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums;
- d. increased marketability and value of the property.

The improvements which are part of the 2024 Project make the land in the District developable and saleable and when implemented jointly as parts of the 2024 Project, provide special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value; however, such benefits are more valuable than either the cost of, or the actual assessment levied for, the improvement or debt allocated to the parcel of land.

5.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay

A reasonable estimate of the proportion of special and peculiar benefits received from the improvements is delineated in Table 4 (expressed as ERU factors) in the *Appendix*.

The apportionment of the Series 2024 Bond Assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2* initially across all assessable property within Assessment Area Two according to reasonable estimates of the special and peculiar benefits derived from the 2024 Project by different unit types.

5.6 True-Up Mechanism

The District's assessment program is predicated on the development of lots in a manner sufficient to include all of the planned ERUs as set forth in Table 1 in the *Appendix* ("Development Plan"). At such time as lands are to be platted (or re-platted) or site plans are to be approved (or re-approved), the plat or site plan (either, herein, "Proposed Plat") shall be presented to the District for a "true-up" review as follows:

a. If a Proposed Plat within Assessment Area Two results in the same amount of ERUs (and thus Series 2024 Bond Assessments) able to be imposed on the "Remaining Unplatted Developable Lands" within Assessment Area Two (i.e., those remaining unplatted developable lands after the Proposed Plat is recorded) as compared to what was originally contemplated under the Development Plan, then the District shall allocate the Series 2024 Bond Assessments to the product types being platted and the remaining property in accordance with this Second Supplemental Report, and cause the Series 2024 Bond Assessments to be recorded in the District's Improvement Lien Book.

b. If a Proposed Plat within Assessment Area Two results in a greater amount of ERUs (and thus Series 2024 Bond Assessments) able to be imposed on the Remaining Unplatted Developable Lands within Assessment Area Two as compared to what was originally contemplated under the Development Plan, then the District may undertake a pro rata reduction of Series 2024 Bond Assessments for all assessed properties within Assessment Area Two, or may otherwise address such net decrease as permitted by law.

c. If a Proposed Plat within Assessment Area Two results in a lower amount of ERUs (and thus Series 2024 Bond Assessments)

able to be imposed on the Remaining Unplatted Developable Lands within Assessment Area Two as compared to what was originally contemplated under the Development Plan, then the District shall require the landowner(s) of the lands encompassed by the Proposed Plat to pay a “True-Up Payment” equal to the difference between: (i) the Series 2024 Bond Assessments originally contemplated to be imposed on the lands subject to the Proposed Plat, and (ii) the Series 2024 Bond Assessments able to be imposed on the lands subject to the Proposed Plat, after the Proposed Plat (plus applicable interest, collection costs, penalties, etc.).

With respect to the foregoing true-up analysis, the District’s methodology consultant, in consultation with the District Engineer and District Counsel, shall determine in his or her sole discretion what amount of ERUs (and thus Series 2024 Bond Assessments) are able to be imposed on the Remaining Unplatted Developable Lands within Assessment Area Two, taking into account a Proposed Plat, by reviewing: a) the original, overall development plan showing the number and type of units reasonably planned for Assessment Area Two, b) the revised, overall development plan showing the number and type of units reasonably planned for Assessment Area Two, c) proof of the amount of entitlements for the Remaining Unplatted Developable Lands within Assessment Area Two, d) evidence of allowable zoning conditions that would enable those entitlements to be placed in accordance with the revised development plan, and e) documentation that shows the feasibility of implementing the proposed development plan. Prior to any decision by the District not to impose a true-up payment, a supplemental methodology shall be produced demonstrating that there will be sufficient assessments to pay debt service on the Series 2024 Bonds and the District will conduct new proceedings under Chapters 170, 190 and 197, Florida Statutes upon the advice of District Counsel.

Any True-Up Payment shall become due and payable that tax year by the landowner of the lands subject to the Proposed Plat within Assessment Area Two, shall be in addition to the regular assessment installment payable for such lands, and shall constitute part of the debt assessment liens imposed against the Proposed Plat property until paid. A True-Up Payment shall include accrued interest on the Series 2024 Bonds to the interest payment date that occurs at least 45 days after the True-Up Payment (or the second succeeding interest payment date if such True-Up Payment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indenture for the Series 2024 Bonds)).

All Series 2024 Bond Assessments levied run with the land, and such assessment liens include any True-Up Payments. The District will not release any liens on property for which True-Up Payments are due, until payment has been satisfactorily made. Further, upon the District's review of the final plat for the developable acres within Assessment Area Two, any unallocated Series 2024 Bond Assessments shall become due and payable and must be paid prior to the District's approval of that plat. This true-up process applies for both plats and/or re-plats.

Such review shall be limited solely to the function and the enforcement of the District's assessment liens and/or true-up agreements. Nothing herein shall in any way operate to or be construed as providing any other plat approval or disapproval powers to the District. For further detail on the true-up process, please refer to the True-Up Agreement and applicable assessment resolution(s).

5.7 Assessment Roll

Series 2024 Bond Assessments in the estimated amount of \$2,840,000* plus interest and collection costs, are proposed to be levied over the area described in Exhibit "A". The Series 2024 Bond Assessments shall be paid in thirty (30) annual principal installments.

6.0 Additional Stipulations

6.1 Overview

Wrathell, Hunt and Associates, LLC was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District's CIP. Certain financing, development and engineering data was provided by members of District Staff and/or the Developer. The allocation methodology described herein was based on information provided by those professionals. Wrathell, Hunt and Associates, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this Second Supplemental Report. For additional information on the Series 2024 Bond structure and related items, please refer to the Offering Statement associated with this transaction.

Wrathell, Hunt and Associates, LLC does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC registered to provide such services as described in Section 15B of the Securities and

* Preliminary, subject to change

Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC does not provide the District with financial advisory services or offer investment advice in any form.

7.0 Appendix

Table 1

Ridge at Heath Brook

Community Development District

Development Plan

Product Type	Assessment Area One Project - Unit Count	Assessment Area Two Project - Unit Count	Future Phases - Unit Count	Total Number of Units
Single Family	137	145	109	391
Total	137	145	109	391

Table 2

Ridge at Heath Brook

Community Development District

2024 Project Costs - Assessment Area Two

Improvement	Total CIP Costs
Potable Water	\$363,946.00
Sanitary Sewer	\$903,821.00
Public Roadway/Curbing	\$796,944.00
Undergrounding of Electric Conduit	\$302,423.00
Stormwater Improvements	\$587,083.00
Earthwork (Stormwater Ponds)	\$256,995.00
Hardscape/ Landscape/ Irrigation/ Entry Features	\$1,356,362.00
Public Amenity Trail	\$598,913.00
Professional Fees	\$333,760.00
Contingency	\$825,037.00
Total	\$6,325,284.00

Table 3

Ridge at Heath Brook

Community Development District

Preliminary Sources and Uses of Funds - Assessment Area Two Project

Series 2024 Bonds

Sources

Bond Proceeds:	
Par Amount	\$2,840,000.00
Total Sources	\$2,840,000.00

Uses

Project Fund Deposits:	
Project Fund	\$2,426,320.00
Other Fund Deposits:	
Debt Service Reserve Fund	\$101,500.00
Capitalized Interest Fund	\$55,380.00
Delivery Date Expenses:	
Costs of Issuance	\$200,000.00
Underwriter's Discount	\$56,800.00
Total Uses	\$2,840,000.00

Table 4

Ridge at Heath Brook

Community Development District

Benefit Allocation - Assessment Area Two Project

Product Type	Assessment Area One Project - Units	ERU Weight	Total ERU
Single Family	137	1.00	137.00
Total	137		137.00

Product Type	Assessment Area Two Project - Units	ERU Weight	Total ERU
Single Family	145	1.00	145.00
Total	145		145.00

Product Type	Future Phases - Units	ERU Weight	Total ERU
Single Family	109	1.00	109.00
Total	109		109.00

Product Type	Total Units	ERU Weight	Total ERU
Single Family	391	1.00	391.00
Total	391		391.00

Table 5

Ridge at Heath Brook

Community Development District

Cost Allocation - Assessment Area Two Project

Product Type	Cost Allocation Based on ERU Method	Cost Allocation Financed with Series 2024 Bonds	Costs Contributed by the Developer
Single Family	\$5,976,302.66	\$2,426,320.00	\$3,549,982.66
Total	\$5,976,302.66	\$2,426,320.00	\$3,549,982.66

Table 6

Ridge at Heath Brook

Community Development District

Bond Assessments Apportionment - Assessment Area Two Project

Product Type	Assessment Area Two Project - Unit Count	Total Cost Allocation*	Maximum Total Bond Assessments Apportionment	Maximum Bond Assessments Apportionment per Unit	Annual Debt Service Payment**
Single Family	145	\$2,426,320.00	\$2,840,000.00	\$19,586.21	\$1,505.38
Total	145	\$2,426,320.00	\$2,840,000.00		

* Please note that cost allocations to units herein are based on the ERU benefit allocation illustrated in Table 4.

** Includes costs of collection of 3% (subject to change) and an early payment discount of 4% (subject to change.)

EXHIBIT “A”

Series 2024 Bond Assessments in the estimated amount of \$2,840,000* are proposed to be levied uniformly over the area described below less and except the parcels listed in Exhibit “A”:

* Preliminary, subject to change.

EXHIBIT A



LEGEND

TAKEDOWN 1	
TAKEDOWN 2	
TAKEDOWN 3	

TAKEDOWN	LOTS
TAKEDOWN 1	137
TAKEDOWN 2	145
TAKEDOWN 3	109

DRA AREA:

DRA 1.0	3.25 AC
DRA 2.0	2.80 AC
DRA 3.0	6.56 AC
DRA 4.0	5.18 AC
TOTAL:	17.78 AC

LOT INFO (TYP.)

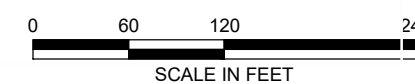
WIDTH	= 50'
LENGTH	= 110' (MIN.)

SETBACKS

FRONT	= 20'
SIDE	= 5'
REAR	= 15'

LOTS AND AMENITIES ARE PRELIMINARY AND SUBJECT TO CHANGE AT FINAL DESIGN. EASEMENTS TO BE PROVIDED ADJACENT TO RIGHT-OF-WAY AT TIME OF IMPROVEMENT PLAN & FINAL PLAT.

LIFT STATION WITH
TAKEDOWN 2 AND
CONSTRUCTED WITH PHASE 2



DESCRIPTION: RIDGE AT HEATH BROOK TAKEDOWN 2

A portion of land lying in Section 3, Township 16 South, Range 21 East, Marion County, Florida, and being more particularly described as follows:

COMMENCE at the Northeast corner of said Section 3; thence N89°20'20"W, along the North line of Section 3, a distance of 115.68 feet to the Southeast corner of EXECUTIVE PARK, as recorded in Plat Book T, Pages 11 through 13, of the public records of Marion County, Florida; thence continue N89°20'20"W, along the South line of EXECUTIVE PARK and the North line of Section 3, a distance of 692.26 feet to the **POINT OF BEGINNING**; thence leaving said South line of aforementioned EXECUTIVE PARK and said North line of Section 3, Southerly, 82.17 feet along the arc of a non-tangent curve to the left having a radius of 2352.00 feet and a central angle of 2°00'06" (chord bearing S.12°41'14"E., 82.17 feet); thence S.13°41'17"E., a distance of 245.78 feet; thence Southerly, 491.39 feet along the arc of a tangent curve to the right having a radius of 1940.00 feet and a central angle of 14°30'46" (chord bearing S.06°25'54"E., 490.08 feet) to **REFERENCE POINT "A"**; thence N.89°54'50"W., a distance of 155.52 feet; thence Westerly, 323.09 feet along the arc of a tangent curve to the left having a radius of 630.00 feet and a central angle of 29°23'00" (chord bearing S.75°23'41"W., 319.56 feet); thence Westerly, 110.62 feet along the arc of a reverse curve to the right having a radius of 325.00 feet and a central angle of 19°30'05" (chord bearing S.70°27'13"W., 110.09 feet); thence S.80°12'16"W., a distance of 170.11 feet; thence Westerly, 230.05 feet along the arc of a tangent curve to the right having a radius of 1025.00 feet and a central angle of 12°51'34" (chord bearing S.86°38'03"W., 229.57 feet); thence Westerly, 262.24 feet along the arc of a reverse curve to the left having a radius of 1475.00 feet and a central angle of 10°11'12" (chord bearing S.87°58'14"W., 261.90 feet); thence S.82°52'38"W., a distance of 241.97 feet; thence N.07°07'22"W., a distance of 175.00 feet; thence S.82°52'38"W., a distance of 36.29 feet; thence N.07°07'22"W., a distance of 125.00 feet; thence N.33°25'17"W., a distance of 55.77 feet; thence N.07°07'22"W., a distance of 125.00 feet; thence S.82°31'04"W., a distance of 21.55 feet; thence N.08°36'03"W., a distance of 125.01 feet; thence N.34°29'20"W., a distance of 54.99 feet; thence N.11°06'11"W., a distance of 125.00 feet; thence Westerly, 60.64 feet along the arc of a non-tangent curve to the left having a radius of 675.00 feet and a central angle of 5°08'50" (chord bearing S.76°19'24"W., 60.62 feet); thence N.07°07'22"W., a distance of 133.55 feet; thence N.32°21'14"W., a distance of 55.05 feet; thence N.09°14'25"W., a distance of 108.30 feet; thence N.09°14'25"W., a distance of 11.99 feet; thence N.18°14'00"W., a distance of 20.41 feet to the point of intersection the South line HEATH BROOK NORTH B-2, as recorded in Plat Book 9, Pages 149 through 152, of the public records of Marion County, Florida; thence N.82°51'32"E., along said South line of aforementioned HEATH BROOK NORTH B-2, a distance of 1060.88 feet to the Southeast corner of aforementioned HEATH BROOK NORTH B-2, same being the point of intersection with the West line of aforementioned EXECUTIVE PARK; thence S.00°08'38"W., along said West line of aforementioned EXECUTIVE PARK, a distance of 175.14 feet to the Southwest corner of aforementioned EXECUTIVE PARK; thence S.89°20'20"E., along the South of aforementioned EXECUTIVE PARK, a distance of 629.17 feet to the **POINT OF BEGINNING**.

Containing 36.431 acres, more or less.

Together with:

Returning to **REFERENCE POINT "A"**, same being a point of curvature; thence Northerly, 166.83 feet along the arc of said curve to the left having a radius of 1940.00 feet and a central angle of $4^{\circ}55'37''$ (chord bearing $S.03^{\circ}17'17''W.$, 166.78 feet) to the **POINT OF BEGINNING**; thence Southerly, 90.01 feet along the arc of a curve to the left having a radius of 1940.00 feet and a central angle of $2^{\circ}39'30''$ (chord bearing $S.07^{\circ}04'51''W.$, 90.01 feet); thence $N.82^{\circ}55'41''W.$, a distance of 104.72 feet; thence $N.07^{\circ}04'29''E.$, a distance of 90.00 feet; thence $S.82^{\circ}55'31''E.$, a distance of 104.73 feet to the **POINT OF BEGINNING**.

Containing 0.217 acres, more or less.

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

9

RESOLUTION NO. 2024-06

A RESOLUTION DELEGATING TO THE CHAIRMAN OF THE BOARD OF SUPERVISORS OF RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") THE AUTHORITY TO APPROVE THE SALE, ISSUANCE AND TERMS OF SALE OF RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2024 (ASSESSMENT AREA TWO), AS A SINGLE SERIES OF BONDS UNDER THE MASTER TRUST INDENTURE (THE "SERIES 2024 BONDS") IN ORDER TO FINANCE THE ASSESSMENT AREA TWO PROJECT; ESTABLISHING THE PARAMETERS FOR THE PRINCIPAL AMOUNTS, INTEREST RATES, MATURITY DATES, REDEMPTION PROVISIONS AND OTHER DETAILS THEREOF; APPROVING THE FORM OF AND AUTHORIZING THE CHAIRMAN TO ACCEPT THE BOND PURCHASE CONTRACT FOR THE SERIES 2024 BONDS; APPROVING A NEGOTIATED SALE OF THE SERIES 2024 BONDS TO THE UNDERWRITER; RATIFYING THE MASTER TRUST INDENTURE AND APPROVING THE FORM OF SECOND SUPPLEMENTAL TRUST INDENTURE AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF BY CERTAIN OFFICERS OF THE DISTRICT; APPOINTING A TRUSTEE, PAYING AGENT AND BOND REGISTRAR FOR THE SERIES 2024 BONDS; APPROVING THE FORM OF THE SERIES 2024 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE USE OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2024 BONDS; APPROVING THE FORM OF THE CONTINUING DISCLOSURE AGREEMENT RELATING TO THE SERIES 2024 BONDS; AUTHORIZING CERTAIN OFFICERS OF THE DISTRICT TO TAKE ALL ACTIONS REQUIRED AND TO EXECUTE AND DELIVER ALL DOCUMENTS, INSTRUMENTS AND CERTIFICATES NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2024 BONDS; AUTHORIZING THE VICE CHAIRMAN AND ASSISTANT SECRETARIES TO ACT IN THE STEAD OF THE CHAIRMAN OR THE SECRETARY, AS THE CASE MAY BE; SPECIFYING THE APPLICATION OF THE PROCEEDS OF THE SERIES 2024 BONDS; AUTHORIZING CERTAIN OFFICERS OF THE DISTRICT TO TAKE ALL ACTIONS AND ENTER INTO ALL AGREEMENTS REQUIRED IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF THE ASSESSMENT AREA TWO PROJECT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors of Ridge at Heath Brook Community Development District (the "Board" and the "District," respectively) has determined

to proceed at this time with the sale and issuance of Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Series 2024 Bonds") to be issued under and pursuant to a Master Trust Indenture, dated as of January 1, 2023 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), as supplemented by a Second Supplemental Trust Indenture to be dated as of the first day of the first month and year in which the Series 2024 Bonds are issued thereunder (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture") between the District and the Trustee, in order to finance a portion of the Costs of the Assessment Area Two Project;

WHEREAS, the Board has determined that given the nature of the market, the necessity for moving rapidly and the nature of the security for the Series 2024 Bonds, it is necessary and desirable for the Series 2024 Bonds to be sold by negotiated sale rather than competitive bid;

WHEREAS, the Board has received a proposal from FMSbonds, Inc. (the "Underwriter") for the purchase of the Series 2024 Bonds within parameters to be established by the Board and the Board has determined that authorization of the Chairman or other designated person to enter into a Bond Purchase Contract (the "Purchase Contract") in substantially the form attached hereto as Exhibit A for the sale of the Series 2024 Bonds to the Underwriter within the Parameters (hereinafter defined) herein set forth is in the best interests of the District for the reasons hereafter indicated; and

WHEREAS, in conjunction with the sale and issuance of the Series 2024 Bonds, it is necessary to approve the form of the Supplemental Indenture, to establish the parameters for the delegated award of the Series 2024 Bonds as set forth in Schedule I attached hereto (the "Parameters"), to authorize the Chairman to approve the use of the Preliminary Limited Offering Memorandum relating to the Series 2024 Bonds and the form of the final Limited Offering Memorandum, to approve the form of the Series 2024 Bonds and to provide for various other matters with respect to the Series 2024 Bonds and the undertaking of the Assessment Area Two Project.

NOW, THEREFORE, BE IT RESOLVED that:

1. Definitions. All words and phrases used herein in capitalized form, unless otherwise defined herein, shall have the meaning ascribed to them in the Indenture.

2. Award. The Purchase Contract in the form attached hereto as Exhibit A is hereby approved in substantial form and the sale of the Series 2024 Bonds to the Underwriter upon the terms and conditions therein set forth, but within the

Parameters, is hereby approved. The Chairman is hereby authorized and directed to execute and deliver the Purchase Contract on behalf of the District, with such changes, additions, deletions and insertions as shall be approved by the official executing such Purchase Contract, which approval shall be conclusively evidenced by the execution and delivery thereof. In the absence or unavailability of the Chairman, the Vice Chairman is authorized and directed to execute the Purchase Contract, and in the absence or unavailability of the Vice Chairman, any other member of the Board is authorized and directed to execute the Purchase Contract. The Purchase Contract, when executed and delivered by the District and the Underwriter, shall be the legal, valid and binding obligation of the District, enforceable in accordance with its terms.

3. Negotiated Sale. The Board hereby determines that a negotiated sale of the Series 2024 Bonds to the Underwriter is in the best interests of the District because the market for instruments such as the Series 2024 Bonds is limited, because of prevailing market conditions and because the delays caused by soliciting competitive bids could adversely affect the District's ability to issue and deliver the Series 2024 Bonds.

4. Approval of Form of Supplemental Indenture; Ratification of Master Indenture; Appointment of Trustee, Paying Agent and Bond Registrar. Attached hereto as Exhibit B is the form of Supplemental Indenture, which is hereby authorized and approved, subject to such changes, additions, deletions and insertions as shall be approved by the Chairman, which approval shall be conclusively evidenced by the execution thereof. The Chairman is hereby authorized to execute and the Secretary is authorized to attest the Supplemental Indenture and the Chairman is hereby authorized to deliver to the Trustee the Supplemental Indenture which, when executed and delivered by the Trustee, shall constitute a legal, valid and binding obligation of the District, enforceable in accordance with its terms. The Master Indenture as executed and delivered and the appointment of U.S. Bank Trust Company, National Association, as Trustee, Paying Agent and Bond Registrar under the Master Indenture is hereby ratified and confirmed and U.S. Bank Trust Company, National Association is hereby appointed as Trustee, Paying Agent and Bond Registrar under the Supplemental Indenture.

5. Description of Series 2024 Bonds. The Series 2024 Bonds shall be dated as of their date of delivery and may be issued in one or more Series having such details as shall be set forth in the Purchase Contract and as reflected in the Supplemental Indenture, but within the Parameters. The Series 2024 Bonds may be signed by the manual or facsimile signature of the Chairman and attested by the manual or facsimile signature of the Secretary. The Series 2024 Bonds shall, subject to the Parameters, be subject to redemption on the terms, at the times and prices and in the manner provided in the Purchase Contract and in the form of Series 2024 Bonds attached to the Supplemental Indenture, which form is hereby approved, subject to such changes, additions, deletions and insertions as shall be approved by

the Chairman, which approval shall be conclusively evidenced by the execution thereof. The Chairman is hereby authorized to execute and the Secretary is authorized to attest and seal the Series 2024 Bonds and the Chairman is hereby authorized to deliver to the Trustee for authentication and delivery to the Underwriter upon payment by the Underwriter of the purchase price therefor, the Series 2024 Bonds which, when authenticated and delivered by the Trustee, shall be legal, valid and binding obligations of the District, enforceable in accordance with their terms.

6. Approval of Form of Preliminary Limited Offering Memorandum and Limited Offering Memorandum; Approval of Form of Continuing Disclosure Agreement. The Chairman is hereby authorized to approve the form and content of the Preliminary Limited Offering Memorandum, which is attached hereto as Exhibit C (the "Preliminary Limited Offering Memorandum") with such changes, additions, deletions and insertions as shall be approved by the Chairman prior to its distribution and the final form of which is to be dated the date of execution and delivery of the Purchase Contract (the "Limited Offering Memorandum") relating to the Series 2024 Bonds. The Chairman is hereby authorized to execute on behalf of the District such Limited Offering Memorandum with such changes, additions, deletions and insertions as the Chairman may approve (such approval to be conclusively evidenced by the execution of the Limited Offering Memorandum), and to deliver such Limited Offering Memorandum to the Underwriter in sufficient quantities for use by the Underwriter in marketing the Series 2024 Bonds. The Chairman is hereby authorized to deem "final" the Preliminary Limited Offering Memorandum, as of its date, for the purposes and within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (except for information concerning the offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings or other terms dependent upon such matters, and except for such technical and conforming changes which shall be approved by the Chairman which approval shall be evidenced by the execution of a certificate approving the same).

The Continuing Disclosure Agreement relating to the Series 2024 Bonds in the form attached hereto as Exhibit D is hereby approved, subject to such changes, additions, deletions and insertions as shall be approved by the Chairman, which approval shall be conclusively evidenced by the execution thereof. The Chairman is hereby authorized to execute and the Secretary is authorized to attest the Continuing Disclosure Agreement which, when executed and delivered by the District, shall be the legal, valid and binding obligation of the District, enforceable in accordance with its terms.

7. Open Meetings. It is hereby found and determined that all official acts of this Board concerning and relating to the issuance, sale, and delivery of the Series 2024 Bonds, including but not limited to adoption of this Resolution, were taken in open meetings of the members of the Board and all deliberations of the

members of the Board that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements including, but not limited to, the requirements of Section 286.011, Florida Statutes.

8. Other Actions. The Chairman, the Secretary, and all other members, officers and employees of the Board and the District are hereby authorized and directed to take all actions necessary or desirable in connection with the issuance and delivery of the Series 2024 Bonds and the consummation of all transactions in connection therewith, including the execution of all certificates, documents, papers, and agreements necessary to the undertaking and fulfillment of all transactions referred to in or contemplated by the Preliminary Limited Offering Memorandum, the Limited Offering Memorandum, the Indenture, this Resolution, the Continuing Disclosure Agreement and the Purchase Contract, in all cases within the Parameters.

The Vice Chairman is hereby authorized to act in the stead of the Chairman in any undertaking authorized or required of the Chairman hereunder and any Assistant Secretary is hereby authorized to act in the stead of the Secretary in any undertaking authorized or required of the Secretary hereunder.

9. Deposits to Funds and Accounts. The Trustee is hereby authorized and directed to apply the proceeds of the Series 2024 Bonds in the amounts and in the manner set forth in Section 402 of the Supplemental Indenture.

10. Undertaking of the Assessment Area Two Project; Execution and Delivery of Other Instruments. The Board hereby authorizes the undertaking of the Assessment Area Two Project and authorizes and directs the District staff and Consulting Engineer to proceed with due diligence to the completion thereof in accordance with the Indenture and as described in the Limited Offering Memorandum. The Board hereby authorizes the Chairman and the Secretary to execute and deliver, receive or enter into such agreements, contracts, documents, instruments, certificates and proceedings incident thereto or necessary in order to effect the undertaking of the Assessment Area Two Project and the issuance, sale and delivery of the Series 2024 Bonds, including but not limited to the execution and delivery of the DTC Letter of Representation.

11. Approval of Prior Actions. All actions taken to date by the members of the Board and the officers, agents and consultants of the District in furtherance of the issuance of the Series 2024 Bonds are hereby approved, confirmed and ratified.

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

despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

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

PASSED in Public Session of the Board of Supervisors of Ridge at Heath Brook Community Development District, this 12th day of July, 2024.

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT
DISTRICT**

Attest:

Secretary/Assistant Secretary

Chairman/Vice Chairman,
Board of Supervisors

Exhibit A – Form of Purchase Contract

Exhibit B – Form of Supplemental Indenture

Exhibit C – Form of Preliminary Limited Offering Memorandum

Exhibit D – Form of Continuing Disclosure Agreement

**SCHEDULE I
PARAMETERS**

Maximum Principal Amount:	Not to Exceed \$4,000,000
Maximum Coupon Rate:	Maximum Statutory Rate
Underwriting Discount:	Maximum 2.0%
Not to Exceed Maturity Date:	Maximum Allowed by Law
Redemption Provisions:	The Series 2024 Bonds shall be subject to redemption as set forth in the form of Series 2024 Bond attached to the form of Supplemental Indenture attached hereto.

Exhibit A – Form of Purchase Contract

\$[_____]
RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
(CITY OF OCALA, FLORIDA)
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2024
(ASSESSMENT AREA TWO)

BOND PURCHASE CONTRACT

[_____, 2024

Board of Supervisors
Ridge at Heath Brook Community Development District
City of Ocala, Florida

Dear Board of Supervisors :

FMSbonds, Inc. (the "Underwriter") offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the Ridge at Heath Brook Community Development District (the "District"). The District is located entirely within the City of Ocala, Florida (the "City") within Marion 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 4:00 P.M. prevailing time within the jurisdiction of the District on the date hereof, unless previously withdrawn or extended in writing by the Underwriter. This Purchase Contract shall be binding upon the District and the Underwriter upon execution and delivery. Any capitalized word not defined herein shall have the meaning ascribed thereto in the Preliminary Limited Offering Memorandum (hereinafter defined). In conformance with Section 218.385, Florida Statutes, as amended, the Underwriter hereby delivers to the District the Disclosure and Truth-In-Bonding Statement 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 Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Series 2024 Bonds"). The Series 2024 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 2024 Bonds shall be \$[_____] (representing the \$[_____] aggregate principal amount of the Series 2024 Bonds, [plus/less net original issue premium/discount of \$[_____] and] less an underwriter's discount of \$[_____] (such payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery being hereinafter referred to as the "Closing").

2. The Series 2024 Bonds. The Series 2024 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 established by Ordinance No. 2021-58 of the City Council of the City adopted on June 15, 2021, as amended by Ordinance No. 2023-35, adopted on February 21, 2023 (collectively, the "Ordinance"). The Series 2024 Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of January 1, 2023 (the "Master Indenture"), as supplemented by a Second Supplemental Trust Indenture dated as of August 1, 2024 (the "Second Supplemental Indenture," and together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), and Resolution Nos. 2022-06 and 2024-[__] adopted by the Board on February 4, 2022, and [July 12], 2024, respectively (collectively, the "Bond Resolution"). The Series 2024 Assessments, the revenues of which comprise the Series 2024 Pledged Revenues for the Series 2024 Bonds, have been levied by the District on those lands within the District specially benefited by the Assessment Area Two Project pursuant to certain resolutions adopted or to be adopted by the Board prior to the issuance of the Series 2024 Bonds (collectively, the "Assessment Resolution").

3. Limited Offering; Establishment of Issue Price. It shall be a condition to the District's obligation to sell and to deliver the Series 2024 Bonds to the Underwriter, and to the Underwriter's obligation to purchase, accept delivery of and pay for the Series 2024 Bonds, that the entire principal amount of the Series 2024 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 2024 Bonds and shall execute and deliver to the District at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, in the form reasonably satisfactory to Bond Counsel, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2024 Bonds.

(b) Except as otherwise set forth in Exhibit B attached hereto, the District will treat the first price at which 10% of each maturity of the Series 2024 Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of the Series 2024 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2024 Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Series 2024 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined below) has occurred, until the 10% test has been satisfied as to the Series 2024 Bonds of that maturity or until all Series 2024 Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Series 2024 Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the

"initial offering price"), or at the corresponding yield or yields, set forth in Exhibit B attached hereto, except as otherwise set forth therein. Exhibit B also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Series 2024 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 2024 Bonds, the Underwriter will neither offer nor sell unsold Series 2024 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 2024 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District when it has sold 10% of that maturity of the Series 2024 Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Underwriter acknowledges that sales of any Series 2024 Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

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

(2) a purchaser of any of the Series 2024 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

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

4. Use of Documents. Prior to the date hereof, the District has caused to be prepared and provided to the Underwriter its Preliminary Limited Offering Memorandum dated [____], 2024 (such Preliminary Limited Offering Memorandum, including the cover pages

and all appendices thereto and any amendments and supplements thereto that may be authorized by the District for use with respect to the Series 2024 Bonds, being herein collectively called the "Preliminary Limited Offering Memorandum"), relating to the Series 2024 Bonds, which the District has deemed final as of its date, except for certain permitted omissions (the "Permitted Omissions"), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12" or the "Rule") in connection with the limited offering of the Series 2024 Bonds. The Underwriter has reviewed the Preliminary Limited Offering Memorandum prior to the execution of this Purchase Contract. The District has, prior to the date hereof, authorized the Underwriter to circulate and use the Preliminary Limited Offering Memorandum in connection with the limited offering of the Series 2024 Bonds. The District, at its expense, shall deliver or cause to be delivered to the Underwriter, within seven (7) business days after the date hereof but not later than three (3) days prior to the Closing Date and in sufficient time to allow the Underwriter to comply with all of the requirements of the Rule and all applicable securities laws and the rules of the Municipal Securities Rulemaking Board (the "MSRB"), a final Limited Offering Memorandum dated [____], 2024 (such Limited Offering Memorandum, including the cover pages and all appendices thereto and any amendments and supplements thereto that may be authorized by the District for use with respect to the Series 2024 Bonds, being herein collectively called the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda"). The District hereby ratifies and approves the circulation and use of the Limited Offering Memoranda by the Underwriter.

5. Definitions. For purposes hereof, (a) this Purchase Contract, the Indenture, the Continuing Disclosure Agreement to be dated as of the Closing Date, among the District, Forestar (USA) Real Estate Group Inc., a Delaware corporation (the "Developer"), [D.R. Horton, Inc., a Delaware corporation (the "Builder"),] and the dissemination agent named therein (the "Dissemination Agent"), in substantially the form attached to the Preliminary Limited Offering Memorandum as APPENDIX D thereto (the "Disclosure Agreement"), and the DTC Blanket Issuer Letter of Representations entered into by the District, are referred to herein collectively as the "Financing Documents," and (b) [the Completion Agreement (2024 Bonds) by and between the District and the Developer dated as of the Closing Date (the "Completion Agreement"), the Acquisition Agreement by and between the District and the Developer dated as of September 8, 2021 (the "Acquisition Agreement"), the Collateral Assignment Agreement (2024 Bonds), in recordable form, by and between the District and the Developer dated as of the Closing Date (the "Collateral Assignment"), the True-Up Agreement in recordable form by and between the District and the Developer dated as of the Closing Date (the "True-Up Agreement"), and the Declaration of Consent (2024 Bonds) by the Developer dated as of the Closing Date and to be recorded in the public records of Marion County, Florida (the "Declaration of Consent"), 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 Resolution; (ii) enter into the Financing Documents and Ancillary Agreements to which it is a party; (iii) sell, issue and deliver the Series 2024 Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Series 2024 Bonds for the purposes described in the Limited Offering Memoranda; (v) acknowledge and authorize the use of the Preliminary Limited Offering Memorandum and the use and execution of the Limited Offering Memorandum; and (vi) carry out and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolution, the Financing Documents, the Ancillary Agreements to which it is a party and the Limited Offering Memoranda, including without limitation entering into a Property Appraiser and Tax Collector Agreement to provide for the collection of the Series 2024 Assessments using the Uniform Method of collection in accordance with the Indenture. The District has complied, or 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 Resolution, the Financing Documents, the Ancillary Agreements to which it is a party and the Series 2024 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 Resolution, 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 to which it is a party, the Series 2024 Bonds and the Limited Offering Memorandum, and has duly authorized and approved the performance by the District of the obligations on its part contained in the Financing Documents, the Ancillary Agreements to which it is a party and the Series 2024 Bonds and the consummation by it of all other transactions contemplated by this Purchase Contract and the Preliminary Limited Offering Memorandum in connection with the issuance of the Series 2024 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 to which it is a party will constitute the legal, valid and binding obligations of the District, enforceable in accordance with their respective terms, subject only to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);

(d) The District is not in material breach of or material default under any applicable provision of the Act or any applicable constitutional provision or statute or, to the best of its knowledge, administrative regulation of the State or the United States of America or any applicable judgment or decree, or any loan agreement, indenture, bond,

note, resolution, agreement, or other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of its knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or material event of default under any such instrument; and the execution and delivery of the Series 2024 Bonds, the Financing Documents, the Ancillary Agreements to which it is a party and the Limited Offering Memorandum, the delivery of the Preliminary Limited Offering Memorandum, and the adoption of the Bond Resolution and the Assessment Resolution, and compliance with the provisions on the District's part contained therein, will not conflict with or constitute a material breach of or material default under any applicable constitutional provision or law or, to the best of its knowledge, any administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption, use or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as provided by the Assessment Resolution, the Series 2024 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 2024 Bonds, the Financing Documents or the Ancillary Agreements to which it is a party;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which (i) are required for the due authorization by the District, or (ii) 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 2024 Bonds, or under the Series 2024 Bonds, the Bond Resolution, the Assessment Resolution, the Financing Documents or the Ancillary Agreements to which it is a party have been duly obtained or will be obtained in the ordinary course of business, 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 2024 Bonds;

(f) The descriptions of the Series 2024 Bonds, the Financing Documents, the Ancillary Agreements and the Assessment Area Two Project to the extent referred to in the Limited Offering Memoranda, conform in all material respects to the Series 2024 Bonds, the Financing Documents, the Ancillary Agreements and the Assessment Area Two Project, respectively;

(g) The Series 2024 Bonds, when issued, executed and delivered in accordance with the Indenture and when delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Purchase Contract, will be validly issued and outstanding obligations of the District, entitled to the benefits of the Indenture, and upon such issuance, execution and delivery of the Series 2024 Bonds, the Indenture will provide, for the benefit of the holders from time to time of the Series 2024 Bonds, a legally valid and binding pledge of the Series 2024 Trust Estate. On the Closing Date, all conditions

precedent to the issuance of the Series 2024 Bonds set forth in the Indenture will have been complied with or fulfilled;

(h) There is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to its best knowledge, threatened against the District: (i) contesting the corporate existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (ii) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2024 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 2024 Assessments or the pledge of the Series 2024 Trust Estate, 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 2024 Bonds, or the authorization of the Assessment Area Two Project, the Bond Resolution, the Assessment Resolution, the Financing Documents, the Ancillary Agreements to which it is a party or the application of the proceeds of the Series 2024 Bonds for the purposes set forth in the Limited Offering Memoranda; (iv) contesting the federal tax status of the Series 2024 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 2024 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 2024 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 2024 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 2024 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER AND THE BUILDER," "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 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 Memorandum under the captions "DESCRIPTION OF THE SERIES 2024 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER AND THE BUILDER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," and "UNDERWRITING";

(l) If between the date of this Purchase Contract and the earlier of (i) ninety (90) days from the end of the "Underwriting Period" as defined in Rule 15c2-12, or (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB's Electronic Municipal Market Access system (but in no event less than twenty-five (25) days following the end of the Underwriting Period), any event shall occur, of which the District has actual knowledge, which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter thereof, and, if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the District will at its expense supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter. The end of the Underwriting Period shall be the next business day after the Closing Date;

(m) Since its inception, there has been no material adverse change in the properties, businesses, results of operations, prospects, management or financial or other condition of the District except as disclosed in the Limited Offering Memoranda, and the District has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution, the Assessment Resolution, the Series 2024 Bonds, the Financing Documents, the Ancillary Agreements to which it is a party, direct or contingent, other than as set forth in or contemplated by the Limited Offering Memoranda;

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

(o) The District represents and warrants that it has not failed to timely comply with any continuing disclosure obligations with respect to any prior offering of securities except as expressly set forth in the Preliminary Limited Offering Memorandum;

(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 2024 Bonds), notes or other obligations payable from the Series 2024 Trust Estate.

7. Closing. At 10:00 a.m. prevailing time on [____], 2024 (the "Closing Date") or at such later time as may be mutually agreed upon by the District and the Underwriter, the District will deliver or cause to be delivered to the Underwriter the Series 2024 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 2024 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 2024 Bonds as aforesaid shall be made pursuant to the FAST system of delivery of The Depository Trust Company, New York, New York, or at such other place as may be mutually agreed upon by the District and the Underwriter. The Series 2024 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, upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Purchase Contract are conditioned upon the performance by the District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and are also subject to the following additional conditions:

(a) The representations and warranties of the District contained herein shall be true, complete and correct, 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 Resolution, the Series 2024 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 Resolution, 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 in writing 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 Resolution certified by the Secretary or an Assistant Secretary of the Board under seal as having been duly adopted by the Board of the District and as being in full force and effect;

(3) An executed copy of each of the Financing Documents and the Ancillary Agreements in form and substance acceptable to the Underwriter and its counsel;

(4) The opinion, dated as of the Closing Date and addressed to the District, of Nabors, Giblin & Nickerson, P.A., Bond Counsel, in the form included in the Preliminary Limited Offering Memorandum as Appendix C, 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 Nabors, Giblin & Nickerson, P.A., Bond Counsel, in the form annexed as Exhibit C hereto;

(6) The opinion, dated as of the Closing Date and addressed to the District, Bond Counsel, the Trustee (in part) and the Underwriter, of Kutak Rock LLP, counsel to the District, in form and substance acceptable to the Underwriter and its counsel;

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

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

(9) A customary authorization and incumbency certificate, dated as of the Closing Date, signed by authorized officers of the Trustee;

(10) Certificate of the Developer dated as of the Closing Date in the form annexed as Exhibit D hereto or in such form and substance otherwise acceptable to the Underwriter and its counsel;

(11) A copy of the Ordinance;

(12) A certificate, dated as of the Closing Date, signed by the Chairperson or Vice-Chairperson and the Secretary or an Assistant Secretary of the Board, setting forth that: (i) each of the representations of the District contained herein was true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continues to be true and accurate in all material respects on the Closing Date as if made on such date; (ii) the District has performed all obligations to be performed hereunder as of the Closing Date; (iii) except as may be disclosed in the Limited Offering Memoranda, the District has never been in default as to principal or interest with respect to any obligation issued or guaranteed by the District; (iv) the District agrees to take all reasonable action necessary to use the Uniform Method as the means of collecting the Series 2024 Assessments when required under the Indenture; and (v) the Limited Offering Memoranda (other than the information under the captions "DESCRIPTION OF THE SERIES 2024 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER AND THE BUILDER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," and "UNDERWRITING," as to which no view need be expressed) as of its dates, as of the date hereof and as of the Closing Date, does not contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purposes for which the Limited Offering Memoranda is to be used, or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

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

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

(15) Executed copy of the District's certification as to arbitrage and other matters relative to the tax status of the Series 2024 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 2024 Bonds;

(17) A certificate of the District's Consulting Engineer, dated as of the Closing Date, in the form annexed as Exhibit E hereto or otherwise in form and substance acceptable to the Underwriter and its counsel;

(18) A certificate of the District Manager and Methodology Consultant in the form annexed as Exhibit F hereto or otherwise in form and substance acceptable to the Underwriter and its counsel;

(19) Such additional documents as may be required by the Indenture to be delivered as a condition precedent to the issuance of the Series 2024 Bonds;

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

(21) A certified copy of the final judgment of the Circuit Court in and for the County, validating the Series 2024 Bonds and a certificate of no-appeal;

(22) A copy of the Amended Master Special Assessment Methodology Report dated October 7, 2022, as supplemented by the Second Supplemental Special Assessment Methodology Report dated the date hereof (collectively, the "Assessment Methodology"), as amended and supplemented from time to time, relating to the Series 2024 Bonds;

(23) A copy of the Engineer's Report for the Ridge at Heath Brook Community Development District dated June 21, 2022 (restated May 2, 2023) (the "Master Report"), as supplemented by the Second Supplemental Engineer's Report for the Ridge at Heath Brook Community Development District dated [July], 2024 (the "Supplemental Report" and collectively, the "Engineer's Report");

(24) A certificate of the District whereby the District has deemed the Preliminary Limited Offering Memorandum final as of its date, except for Permitted Omissions, as contemplated by Rule 15c2-12 in connection with the limited offering of the Series 2024 Bonds;

(25) Acknowledgments in recordable form by all holders of mortgages on Assessment Area Two Lands as to the superior lien of the Series 2024 Assessments in form and substance acceptable to the Underwriter and its counsel;

(26) A Declaration of Consent by [the Developer][each of the [Primary Landowners][Landowners] in recordable form and otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(27) Evidence that the District has engaged a Dissemination Agent acceptable to the Underwriter;

(28) A certificate of the Dissemination Agent (i) acknowledging its agreement to serve as the initial Dissemination Agent for the District and undertake the obligations of the Dissemination Agent as set forth in the Disclosure Agreement, (ii) representing that the Dissemination Agent is aware of the continuing disclosure requirements set forth in the Disclosure Agreement and Rule 15c2-12, and that it has policies and procedures in place to ensure its compliance with its obligations under the Disclosure Agreement, and (iii) covenanting to comply with its obligations under the Disclosure Agreement; and

(29) Such additional legal opinions, certificates, instruments and other documents as the Underwriter, Underwriter's Counsel, Bond Counsel or District

Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the District's representations and warranties contained herein and of the statements and information contained in the Limited Offering Memoranda and the due performance or satisfaction by the District, the Developer and the Builder 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 2024 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 2024 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 2024 Bonds by notifying the District of its election to do so if, after the execution hereof and prior to the Closing: (i) legislation shall have been introduced in or enacted by the Congress of the United States or enacted by the State, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairperson or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such committee, by any member thereof, or legislation shall have been favorably reported for passage to either House of Congress of the United States by a committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or the State, including the Tax Court of the United States, or a ruling shall have been made or a regulation shall have been proposed or made or a press release or other form of notice shall have been issued by the Treasury Department of the United States, or the Internal Revenue Service or other federal or State authority, with respect to federal or State taxation upon revenues or other income of the general character to be derived by the District or by any similar body, or upon interest on obligations of the general character of the Series 2024 Bonds, which may have the purpose or effect, directly or indirectly, of materially and adversely affecting the tax status of the District, its property or income, its securities (including the Series 2024 Bonds) or the interest thereon, or any tax exemption granted or authorized by the State or, which in the reasonable opinion of the Underwriter, affects materially and adversely the market for the Series 2024 Bonds, or the market price generally of obligations of the general character of the Series 2024 Bonds; (ii) the District or the Developer has, without the prior written consent of the Underwriter, offered or issued any bonds, notes or other obligations for borrowed money, or incurred any material liabilities, direct or contingent, or there has been an adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District, the Developer or the Builder, other than in the ordinary course of its 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 perform any action to be performed by it in connection with the levy of the Series 2024 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 2024 Bonds in the name of Cede & Co., as nominee of DTC, which will act as securities depository for such Series 2024 Bonds; (iv) the fees and disbursements of District Counsel, the District Manager, the Dissemination Agent, Bond Counsel, Underwriter's Counsel, special counsel to the Developer to the extent the work of such counsel is directly related to the issuance of the Series 2024 Bonds, the District's Methodology Consultant, the Consulting Engineer, and any other experts or consultants retained by the District; and (v) the cost of recording in the Official Records of the County any Financing Documents, Ancillary Agreements or other documents or certificates that are required to be recorded pursuant to the terms of this Purchase Contract. The District shall submit for recording all documents required to be provided in recordable form hereunder within three business days after the Closing Date, which obligation shall survive the Closing.

(b) The Underwriter agrees to pay all advertising and applicable regulatory expenses in connection with the Series 2024 Bonds, if any.

11. No Advisory or Fiduciary Role. The District acknowledges and agrees that (i) the purchase and sale of the Series 2024 Bonds pursuant to this Agreement is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection with such transaction and with the discussions, undertakings and procedures leading up to such transaction, the Underwriter is and has been acting solely as a principal and not as an advisor (including, without limitation, a Municipal Advisor, as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act), agent or a fiduciary of the District, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering of the Series 2024 Bonds or the discussions, undertakings and process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising or providing other services to the District on other matters) or any other obligation to the District except the obligations expressly set forth in this Agreement, (iv) the Underwriter has financial and other interests that differ from those of the District, (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 2024 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 Wrathell, Hunt & Associates, LLC, 2300 Glades Rd., Ste. #410W, Boca Raton, Florida 33431, 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, with the understanding that all such are made as of the date hereof, shall remain operative and in full force and effect and survive the closing on the Series 2024 Bonds, regardless of: (i) any investigations made by or on behalf of the Underwriter and (ii) delivery of and payment for the Series 2024 Bonds pursuant to this Purchase Contract.

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

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

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

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

18. Counterparts; Facsimile. This Purchase Contract may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were signatures upon the same instrument. Facsimile or a scanned copy of the signatures delivered in a PDF format 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 _____, 2024.

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT
DISTRICT**

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

EXHIBIT A

DISCLOSURE AND TRUTH-IN-BONDING STATEMENT

[____], 2024

Ridge at Heath Brook Community Development District
City of Ocala, Florida

Re: \$[____] Ridge at Heath Brook Community Development District Capital
Improvement Revenue Bonds, Series 2024 (Assessment Area Two)

Dear Board of Supervisors :

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced bonds (the "Series 2024 Bonds"), FMSbonds, Inc. (the "Underwriter"), having purchased the Series 2024 Bonds pursuant to a Bond Purchase Contract dated [____], 2024 (the "Bond Purchase Contract"), between the Underwriter and Ridge at Heath Brook Community Development District (the "District"), furnishes the following information in connection with the limited offering and sale of the Series 2024 Bonds:

1. The total underwriting discount to be paid to the Underwriter pursuant to the Bond Purchase Contract is approximately \$[____] per \$1,000.00 or \$[____].
2. There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Series 2024 Bonds.
3. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2024 Bonds are set forth in Schedule I attached hereto.
4. Any other fee, bonus or other compensation estimated to be paid by the Underwriter in connection with the Series 2024 Bonds to any person not regularly employed or retained by the Underwriter is as follows: None. GrayRobinson, P.A. has been retained as counsel to the Underwriter and will be compensated by the District.
5. Pursuant to the provisions of Sections 218.385(2) and (3), Florida Statutes, as amended, the following truth-in-bonding statements are made with respect to the Series 2024 Bonds.

The District is proposing to issue \$[____] aggregate amount of the Series 2024 Bonds for the purpose of providing moneys to: (i) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project, (ii) pay certain costs associated with the issuance of the Series 2024 Bonds, (iii) make a deposit into the Series 2024 Reserve Account to be held for the benefit of all of the Series 2024 Bonds, and (iv) pay a portion of the interest to become due on the Series 2024 Bonds. This debt or obligation is expected to be repaid over a period of approximately [____] (__) years, [____] (__)

months, and [_____] (__) days. [There shall be no more than thirty (30) principal installments.] At a net interest cost of approximately [_____] % for the Series 2024 Bonds, total interest paid over the life of the Series 2024 Bonds will be \$[_____]. There shall be no more than thirty (30) principal installments.

The source of repayment for the Series 2024 Bonds is the Series 2024 Assessments imposed and collected by the District. Based solely upon the assumptions set forth in the paragraph above, the issuance of the Series 2024 Bonds will result in approximately \$[_____] (representing the average annual debt service on the Series 2024 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 2024 Bonds were not issued, the District would not be entitled to impose and collect the Series 2024 Assessments in the amount of the principal of and interest to be paid on the Series 2024 Bonds.

The address of the Underwriter is:

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

[Remainder of page intentionally left blank.]

Signature Page to Disclosure and Truth-in-Bonding Statement

Sincerely,

FMSBONDS, INC.

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

SCHEDULE I

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

EXHIBIT B

TERMS OF BONDS

1. **Purchase Price:** \$[_____] (representing the \$[_____] aggregate principal amount of the Series 2024 Bonds, less original issue discount of \$[_____] and less an underwriter's discount of \$[_____]).
2. **Principal Amounts, Maturities, Interest Rates, Yields, and Prices:**

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

[*Yield calculated to the first optional call date of ____, 20__.]

The Underwriter has offered the Series 2024 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 2024 Bonds to the public at a price that is no higher than such initial offering prices[, except for the following maturities: _____].

3. **Redemption Provisions:**

Optional Redemption

The Series 2024 Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part, on any date on or after May 1, 20[___] at the Redemption Price of the principal amount of the Series 2024 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption

The Series 2024 Bond maturing May 1, 20[___], are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below.

<u>Year</u>	<u>Amortization Installment</u>
	\$

*

* Maturity

The Series 2024 Bond maturing May 1, 20[___], are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below.

<u>Year</u>	<u>Amortization Installment</u>
-------------	---------------------------------

\$

*

* Maturity

The Series 2024 Bond maturing May 1, 20[___], are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below.

<u>Year</u>	<u>Amortization Installment</u>
-------------	---------------------------------

\$

*

* Maturity

As more particularly set forth in the Indenture, any Series 2024 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2024 Bonds. Amortization Installments are also subject to recalculation, as provided in the Second Supplemental Indenture, as the result of the redemption of Series 2024 Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2024 Bonds as set forth in the Second Supplemental Indenture.

Extraordinary Mandatory Redemption

The Series 2024 Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Redemption Date at the Redemption Price of one hundred percent (100%) of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(i) on or after the Date of Completion of the Assessment Area Two Project, by application of moneys transferred from the Series 2024 Acquisition and Construction Account to the Series 2024 Prepayment Subaccount as provided for in the Indenture; or

(ii) from amounts, including Series 2024 Prepayments, required by the Indenture to be deposited into the Series 2024 Prepayment Subaccount; or

(iii) from amounts transferred from the Series 2024 Reserve Account to the Series 2024 Prepayment Subaccount resulting from a reduction in the Series 2024 Reserve Account Requirement as provided for in the Indenture; or

(iv) on the date on which the amount on deposit in the Series 2024 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2024 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2024 Bonds shall be called for redemption, the particular Series 2024 Bonds or portions of Series 2024 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture, or as provided or directed by DTC.

EXHIBIT C

BOND COUNSEL'S SUPPLEMENTAL OPINION

[____], 2024

FMSbonds, Inc.
North Miami Beach, Florida

Re: \$[____] Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two)

Ladies and Gentlemen:

We have acted as Bond Counsel to the Ridge at Heath Brook Community Development District (the "District"), a community development district established and existing pursuant to Chapter 190, Florida Statutes (the "Act"), in connection with the issuance by the District of its \$[____] original aggregate principal amount of Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Series 2024 Bonds"). In such capacity, we have rendered our final approving opinion (the "Opinion") of even date herewith relating to the Series 2024 Bonds. The Series 2024 Bonds are secured pursuant to that certain Master Trust Indenture, dated as of January 1, 2023, as supplemented by that certain Second Supplemental Trust Indenture, dated as of August 1, 2024 (together, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee.

In connection with the rendering of the Opinion, we have reviewed records of the acts taken by the District in connection with the authorization, sale and issuance of the Series 2024 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 [____], 2024 (the "Purchase Contract"), for the purchase of the Series 2024 Bonds. Capitalized words used, but not defined, herein shall have the meanings ascribed thereto in the Purchase Contract.

Based upon the forgoing, under existing law, we are of the opinion that:

1. The Series 2024 Bonds are not subject to the registration requirement of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

2. We have reviewed the statements contained in the Limited Offering Memorandum under the sections captioned "DESCRIPTION OF THE SERIES 2024 BONDS" (other than any information therein relating to DTC or the book-entry system, as to which no opinion is expressed) and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS" (other than the portion thereof captioned "– Prepayment of Series 2024 Assessments" as to which no opinion is expressed) and insofar as such statements purport to be summaries of certain provisions

of the Series 2024 Bonds, the Act and the Indenture, they constitute a fair summary of the information purported to be summarized therein and the statements in the Limited Offering Memorandum on the cover relating to the Opinion and under the caption "TAX MATTERS" are accurate statements or summaries of the matters therein set forth. It should be noted that such summaries do not purport to summarize all of the provisions of, and are qualified in their entirety by, the complete documents or provisions which are summarized.

We express no opinion as to the information contained in the Limited Offering Memorandum other than as provided in paragraph 2 above. The opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation or duty to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

This letter is furnished by us as Bond Counsel. No attorney-client relationship has existed or exists between our firm and yours in connection with the Series 2024 Bonds or by virtue of this letter. This letter is delivered to you solely for your benefit as Underwriter and may not be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not be, relied upon by holders of the Series 2024 Bonds.

Very truly yours,

EXHIBIT D

FORM OF CERTIFICATE FOR DEVELOPER

Forestar (USA) Real Estate Group Inc., a Delaware corporation (the "Developer") DOES HEREBY CERTIFY that:

1. This Certificate of Developer is furnished pursuant to Section 8(c)(10) of the Bond Purchase Contract dated [____], 2024 (the "Purchase Contract") between Ridge at Heath Brook Community Development District (the "District") and FMSbonds, Inc. (the "Underwriter") relating to the sale by the District of its \$[____] original aggregate principal amount of Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Series 2024 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract.

2. The Developer is a corporation organized and existing under the laws of the State of Delaware and authorized to transact business 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 the Series 2024 Bonds, pursuant to a Preliminary Limited Offering Memorandum dated [____], 2024, and a final Limited Offering Memorandum dated [____], 2024 (collectively, the "Limited Offering Memoranda").

4. The Declaration of Consent (2024 Bonds) dated [____], 2024, executed by the Developer and to be recorded in the public records of Marion County, Florida (the "Declaration of Consent"), [the Continuing Disclosure Agreement dated [____], 2024 by and among the Developer and the District (the "Continuing Disclosure Agreement"), the Completion Agreement (2024 Bonds) by and between the District and the Developer dated as of the Closing Date (the "Completion Agreement"), the Acquisition Agreement by and between the District and the Developer dated as of September 8, 2021 (the "Acquisition Agreement"), the Collateral Assignment Agreement (2024 Bonds), in recordable form, by and between the District and the Developer dated as of the Closing Date (the "Collateral Assignment"), and the True-Up Agreement in recordable form by and between the District and the Developer dated as of the Closing Date (the "True-Up Agreement" and together with the Declaration of Consent, the Continuing Disclosure Agreement, the Completion Agreement, the Acquisition Agreement, and the Collateral Assignment, the "Documents")] constitute valid and binding obligations of the Developer enforceable against the Developer in accordance with their terms.

5. The Developer has reviewed and approved the information contained in the Limited Offering Memoranda under the captions "THE CAPITAL IMPROVEMENT PLAN AND THE ASSESSMENT AREA TWO PROJECT," "THE DEVELOPMENT," "THE DEVELOPER AND THE BUILDER," "LITIGATION – The Developer" and "CONTINUING DISCLOSURE" (as it relates to the Developer and Builder only) and with respect to the [Developer / Landowners / Primary Landowners] and the development of the Assessment Area Two Project and the District Lands (as defined in the Limited Offering Memoranda) under the caption "BONDOWNERS' RISKS" and warrant and represent that such information did not as of their respective dates, and

does not as of the date hereof, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, the Developer is not aware of any other information in the Limited Offering Memoranda that contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

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

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

8. The Developer hereby consents to the levy of the Series 2024 Assessments on the District Lands within the District owned by the Developer. The levy of the Series 2024 Assessments on the District Lands within the District owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which either the Developer is a party or to which any of its properties 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 their 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 our knowledge, the Developer is not in default under any resolution, ordinance, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which it is subject or by which its properties are or may be bound, which would have a material adverse effect on the consummation of the transactions contemplated by the Documents or on the development of the Assessment Area Two Project and the District Lands and the Developer is not delinquent in the payment of any ad valorem, federal and state taxes associated with the development of the Assessment Area Two Project and the District Lands.

11. Except as otherwise disclosed in the Limited Offering Memoranda, there is no action, suit or proceeding 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 the Documents, (b) contesting or affecting the validity or enforceability of the Documents, or any and all such other agreements or documents as may be required to be executed, or the transactions contemplated thereunder, or (c) contesting or affecting the establishment or existence of the Developer or its businesses, assets, properties or conditions, financial or otherwise, or contesting or affecting any of the powers of the Developer.

12. 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 of the Assessment Area Two Project and the District Lands as described in the Limited Offering Memoranda, including applying for all necessary permits. Except as otherwise described in the Limited Offering Memoranda, (a) the District Lands are zoned and properly designated for their 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 its ability to complete or cause the completion of development of the Assessment Area Two Project and the District Lands 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 Assessment Area Two Project and the District Lands as described in the Limited Offering Memoranda will not be obtained as required.

13. The Developer acknowledges that it will have no rights under Chapter 170, Florida Statutes, as amended, to prepay, without interest, the Series 2024 Assessments imposed on lands in the District owned by it within thirty (30) days following completion of the Assessment Area Two Project and acceptance thereof by the District.

14. Except as disclosed in the Preliminary Limited Offering Memorandum, the Developer has not failed to comply with any of its continuing disclosure undertakings entered into in connection with Rule 15c2-12 of the Securities and Exchange Act of 1934, as amended.

15. The Developer is not insolvent or in default of any obligations to pay special assessments.

Dated: [_____], 2024.

**FORESTAR (USA) REAL ESTATE
GROUP INC.**, a Delaware corporation

By: _____

Name: _____

Title: _____

EXHIBIT E

CERTIFICATE OF ENGINEERS

ATWELL, LLC (the "Engineers"), DOES HEREBY CERTIFY, that:

1. This certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Contract dated [____], 2024 (the "Purchase Contract"), by and between Ridge at Heath Brook Community Development District (the "District") and FMSbonds, Inc. with respect to the \$[____] Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Series 2024 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 [____], 2024 (the "Preliminary Limited Offering Memorandum") and the Limited Offering Memorandum dated [____], 2024 (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda"), as applicable.

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

3. The plans and specifications for the Assessment Area Two Project (as described in the Limited Offering Memoranda and the Report (as defined below) and the master and community subdivision infrastructure improvements (as described in the Report) 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 Assessment Area Two Project were obtained or are expected to be obtained in the ordinary course.

4. The Engineers prepared the Engineer's Report for the Ridge at Heath Brook Community Development District dated June 21, 2022 (restated May 2, 2023) (the "Master Report"), as supplemented by the Second Supplemental Engineer's Report for the Ridge at Heath Brook Community Development District dated [July 12], 2024 (the "Supplemental Report" and collectively, the "Report"). The Report was prepared in accordance with generally accepted engineering principles. The Report is included as "APPENDIX A: ENGINEER'S REPORT" to the Limited Offering Memoranda and a description of the Report and certain other information relating to the Assessment Area Two Project are included in the Limited Offering Memoranda under the captions "THE CAPITAL IMPROVEMENT PLAN AND THE ASSESSMENT AREA TWO 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 Limited Offering Memoranda and to the references to the Engineers in the Limited Offering Memoranda.

6. The Assessment Area Two Project to the extent constructed has been constructed in sound workmanlike manner and in accordance with industry standards.

7. The benefits from the Assessment Area Two Project to the lands subject to the Series 2024 Assessments will be at least equal to or in excess of the amount of Series 2024 Assessments.

8. The price being paid by the District to the Developer for acquisition of the improvements included within the Assessment Area Two Project does not exceed the lesser of the cost of the Assessment Area Two Project or the fair market value of the assets acquired by the District.

9. Except as otherwise described in the Limited Offering Memoranda, (a) all government permits required in connection with the construction of the Assessment Area Two Project as described in the Limited Offering Memoranda have been received or are expected to be received in the ordinary course, (b) we are not aware of any default of any zoning condition, land use permit or development agreement which would adversely affect the ability to complete development of the Assessment Area Two Project and the District Lands 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 of the Assessment Area Two Project as described in the Limited Offering Memoranda will not be obtained in due course as required by the Developer, or any other person or entity, necessary for the development of the Assessment Area Two Project as described in the Limited Offering Memoranda and all appendices thereto.

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

Date: [____], 2024

ATWELL, LLC

By: _____

Print Name: _____

Title: _____

EXHIBIT F

CERTIFICATE OF DISTRICT MANAGER AND METHODOLOGY CONSULTANT

[____], 2024

Ridge at Heath Brook Community Development District
City of Ocala, Florida

FMSbonds Inc.
North Miami Beach, Florida

GrayRobinson, P.A.
Tampa, Florida

Re: \$[____] Ridge at Heath Brook Community Development District Capital
Improvement Revenue Bonds, Series 2024 (Assessment Area Two)

Ladies and Gentlemen:

The undersigned representative of Wrathell, Hunt & Associates, LLC ("Wrathell"), DOES
HEREBY CERTIFY:

1. This certificate is furnished pursuant to Section 8(c)(18) of the Bond Purchase Contract dated [____], 2024 (the "Purchase Contract"), by and between Ridge at Heath Brook Community Development District (the "District") and FMSbonds, Inc. with respect to the \$[____] Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Series 2024 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 [____], 2024 (the "Preliminary Limited Offering Memorandum") and the Limited Offering Memorandum dated [____], 2024 (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda") relating to the Series 2024 Bonds, as applicable.

2. Wrathell has acted as district manager and methodology consultant to the District in connection with the sale and issuance by the District of the Series 2024 Bonds and have participated in the preparation of the Limited Offering Memoranda.

3. In connection with the issuance of the Series 2024 Bonds, we have been retained by the District to prepare the Amended Master Special Assessment Methodology Report dated October 7, 2022, as supplemented by the Second Supplemental Special Assessment Methodology Report dated [____], 2024 (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 District Lands, the Assessment Area Two 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 captions "THE DISTRICT," "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS," "LITIGATION – The District," "CONTINGENT FEES," "FINANCIAL INFORMATION," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE," and in "APPENDIX E: 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 2024 Bonds, or in any way contesting or affecting the validity of the Series 2024 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 2024 Bonds, or the existence or powers of the District.

8. The Series 2024 Assessments, as initially levied, and as may be reallocated from time to time as permitted by resolutions adopted by the District with respect to the Series 2024 Assessments, are supported by sufficient benefit from the Assessment Area Two Project, are fairly and reasonably allocated across the lands subject to the Series 2024 Assessments, and are sufficient to enable the District to pay the debt service on the Series 2024 Bonds through the final maturity thereof.

9. Wrathell hereby acknowledges its agreement to serve as the Dissemination Agent for the District for the Series 2024 Bonds and undertake the obligations of the Dissemination Agent as set forth in the Continuing Disclosure Agreement dated [_____], 2024 (the "Disclosure Agreement") by and among the District, Forestar (USA) Real Estate Group Inc., and Wrathell, as Dissemination Agent, and acknowledged by Wrathell, as District Manager, and U.S. Bank Trust Company, National Association, as trustee. Wrathell hereby represents that it is aware of the continuing disclosure requirements set forth in the Disclosure Agreement and Rule 15c2-12 promulgated under the Securities Act of 1933, as amended, that it has policies and procedures in

place to ensure its compliance with its obligations under the Disclosure Agreement, and that it will comply with its obligations under the Disclosure Agreement.

Dated: [_____], 2024.

**WRATHELL, HUNT & ASSOCIATES,
LLC**, a Florida limited liability company

By: _____

Name: _____

Title: _____

Exhibit B – Form of Supplemental Indenture

SECOND SUPPLEMENTAL TRUST INDENTURE

BETWEEN

RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT

AND

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
AS TRUSTEE**

Dated as of August 1, 2024

**[\$[Bond Amount] Capital Improvement Revenue Bonds, Series 2024
(Assessment Area Two)**

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

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SECOND SUPPLEMENTAL TRUST INDENTURE

THIS SECOND SUPPLEMENTAL TRUST INDENTURE (this "Second Supplemental Indenture") is dated as of August 1, 2024, between **RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT** (the "District") and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as trustee (the "Trustee"), a national banking association, authorized to accept and execute trusts of the character herein set forth, with its designated corporate trust office located at 500 West Cypress Creek Road, Suite 460, Fort Lauderdale, Florida 33309, Attention: Corporate Trust Department.

WHEREAS, the District entered into a Master Trust Indenture, dated as of January 1, 2023 (the "Master Indenture" and together with this Second Supplemental Indenture, the "Indenture") with the Trustee to secure the issuance of its Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds (the "Bonds"), issuable in one or more Series from time to time; and

WHEREAS, pursuant to Resolution No. 2022-06, adopted by the Governing Body of the District on February 4, 2022, the District has authorized the issuance, sale and delivery of not to exceed \$21,985,000 of Bonds, to be issued in one or more Series of Bonds as authorized under the Master Indenture, which Bonds were validated by final judgment of the Fifth Judicial Circuit of Florida, in and for Marion County on June 27, 2022, the appeal period for which expired with no appeal having been taken; and

WHEREAS, the Governing Body of the District duly adopted Resolution No. 2022-14, on August 5, 2022, providing for the acquisition, construction and installation of assessable capital improvements (the "Capital Improvement Plan"), providing estimated Costs of the Capital Improvement Plan, defining assessable property to be benefited by the Capital Improvement Plan, defining the portion of the Costs of the Capital Improvement Plan with respect to which Assessments will be imposed and the manner in which such Assessments shall be levied against such benefited property within the District, directing the preparation of an assessment roll, and stating the intent of the District to issue Bonds of the District secured by such Assessments to finance the Costs of the acquisition, construction and installation of the Capital Improvement Plan and the Governing Body of the District duly adopted Resolution No. 2023-01, on October 7, 2022, following a public hearing conducted in accordance with the Act, to fix and establish the Assessments and the benefited property; and

WHEREAS, pursuant to Resolution No. 2024-[], adopted by the Governing Body of the District on July [12], 2024, the District has authorized the issuance, sale and delivery of, among other things, its \$[Bond Amount] Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Series 2024 Bonds"), which are issued hereunder as an issue of Bonds under the Master Indenture, and has ratified and confirmed the

Master Indenture and authorized the execution and delivery of this Second Supplemental Indenture to secure the issuance of the Series 2024 Bonds and to set forth the terms of the Series 2024 Bonds; and

WHEREAS, the District will apply the proceeds of the Series 2024 Bonds to (a) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project (as defined herein), (b) pay certain costs associated with the issuance of the Series 2024 Bonds, (c) make a deposit into the Series 2024 Reserve Account to be held for the benefit of all of the Series 2024 Bonds, and (d) pay a portion of the interest to become due on the Series 2024 Bonds; and

WHEREAS, the Series 2024 Bonds will be payable from and secured in part by revenues derived from Assessments imposed, levied and collected by the District with respect to property specially benefited by the Assessment Area Two Project (the "Series 2024 Assessments"); and

WHEREAS, the execution and delivery of the Series 2024 Bonds and of this Second Supplemental Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the Series 2024 Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Second Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the Series 2024 Trust Estate (hereinafter defined) have been done;

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

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the Series 2024 Bonds by the purchaser or purchasers thereof, and other good and valuable consideration, receipt of which is hereby acknowledged, and in order to further secure the payment of the principal and Redemption Price of, and interest on, all Series 2024 Bonds Outstanding from time to time, according to their tenor and effect, and such other payments required to be made under the Master Indenture or hereunder, and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this Second Supplemental Indenture and in the Series 2024 Bonds (a) has executed and delivered this Second Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell, convey, transfer, assign and pledge unto the Trustee, and unto its successors in the trusts established under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture and the provisions of the Master Indenture pertaining to the application thereof for or to the purposes and on the terms set forth in the Master Indenture, the revenues derived by the District from

the Series 2024 Assessments (the "Series 2024 Pledged Revenues") and the Funds and Accounts (except for the Series 2024 Rebate Account) established hereby (the "Series 2024 Pledged Funds") which shall constitute the Trust Estate securing the Series 2024 Bonds (the "Series 2024 Trust Estate");

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

IN TRUST NEVERTHELESS, except as in each such case may otherwise be provided in the Master Indenture, upon the terms and trusts in the Indenture set forth for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the Series 2024 Bonds issued or to be issued under and secured by this Second Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any one Series 2024 Bond over any other Series 2024 Bond by reason of priority in their issue, sale or execution;

PROVIDED HOWEVER, that if the District, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the Series 2024 Bonds or any Series 2024 Bond of a particular maturity issued, secured and Outstanding under this Second Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the Series 2024 Bonds and this Second Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Master Indenture and this Second Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of the Master Indenture and this Second Supplemental Indenture, then upon such final payments, this Second Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all Series 2024 Bonds or any Series 2024 Bond of a particular maturity, otherwise this Second Supplemental Indenture shall remain in full force and effect;

THIS SECOND SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Series 2024 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 expressed in the Master Indenture (except as amended directly or by implication by this Second Supplemental Indenture) and this Second Supplemental Indenture, 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 2024 Bonds, as follows:

ARTICLE I DEFINITIONS

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

"Arbitrage Certificate" shall mean the Certificate as to Arbitrage and Certain Other Tax Matters of the District dated as of [Closing Date].

"Assessment Area Two" shall mean the 145 residential units within Phase 2 of the District, as more fully described in the Engineer's Report and the Assessment Methodology.

"Assessment Area Two Project" shall mean that portion of the Capital Improvement Plan to be financed in part with the proceeds of the Series 2024 Bonds on deposit in the Series 2024 Acquisition and Construction Account, as more particularly described in the Engineer's Report.

"Assessment Methodology" shall mean the Master Special Assessment Methodology Report, dated February 4, 2022, as supplemented by the [Final Second Supplemental Special Assessment Methodology Report], dated [_____], 2024, each prepared by the Methodology Consultant.

"Authorized Denomination" shall mean, with respect to the Series 2024 Bonds, on the date of issuance, the denomination 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 2024 Bonds at the time of initial delivery of the Series 2024 Bonds, such Beneficial Owner must either execute and deliver to the District and the Underwriter on the date of delivery of the Series 2024 Bonds an 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.

"Beneficial Owners" shall have the meaning given such term by DTC so long as it is the registered Owner through its Nominee, Cede & Co., of the Series 2024 Bonds as to which such reference is made to enable such Series 2024 Bonds to be held in book-entry only form, and shall otherwise mean the registered Owner on the registration books of the District maintained by the Bond Registrar.

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

"Bond Participants" shall mean those broker-dealers, banks and other financial institutions from time to time for which the Bond Depository holds Series 2024 Bonds as securities depository.

"Collateral Assignment" shall mean the [Collateral Assignment] between the District and the Developer, dated as of [Closing Date].

"Completion Agreement" shall mean the [Completion Agreement] between the District and the Developer, dated as of [Closing Date].

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement, by and among the District, the Developer and Wrathell, Hunt & Associates, LLC, as dissemination agent, dated as of [Closing Date].

"Delinquent Assessment Interest" shall mean Series 2024 Assessment Interest deposited by the District with the Trustee on or after May 1 of the year in which such Series 2024 Assessment Interest has, or would have, become delinquent under State law or the Series 2024 Assessment Proceedings applicable thereto.

"Delinquent Assessment Principal" shall mean Series 2024 Assessment Principal deposited by the District with the Trustee on or after May 1 of the year in which such Series 2024 Assessment Principal has, or would have, become delinquent under State law or the Series 2024 Assessment Proceedings applicable thereto.

"Delinquent Assessments" shall mean, collectively, Delinquent Assessment Principal and Delinquent Assessment Interest.

"Developer" shall mean Forestar (USA) Real Estate Group Inc., a Delaware corporation.

"Engineer's Report" shall mean the Engineer's Report, dated June 21, 2022, as supplemented by the [Second Supplemental Engineer's Report], dated [_____], 2024, each prepared by Atwell, LLC, copies of which are attached hereto as Exhibit A.

"Interest Payment Date" shall mean each May 1 and November 1, commencing November 1, 2024.

"Majority Owners" shall mean the Beneficial Owners of more than fifty percent (50%) in principal amount of the Outstanding Series 2024 Bonds.

"Methodology Consultant" shall mean Wrathell, Hunt & Associates, LLC.

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

"Quarterly Redemption Date" shall mean each February 1, May 1, August 1 and November 1.

"Redemption Date" shall mean a Quarterly Redemption Date in the case of a partial redemption of Outstanding Series 2024 Bonds, or any date in the case of the redemption of all of the Outstanding Series 2024 Bonds.

"Reserve Account Release Conditions #1" shall mean, collectively, that (a) all lots subject to the Series 2024 Assessments have been developed and platted, and (b) there are no Events of Default occurring or continuing under the Master Indenture. The Consulting Engineer shall provide a written certification to the District and the Trustee certifying that the event in clause (a) has occurred and the District Manager shall provide a written certification to the District and the Trustee affirming clause (b), on which certifications the Trustee may conclusively rely.

"Reserve Account Release Conditions #2" shall mean, collectively, that (a) all of the Reserve Account Release Conditions #1 have been satisfied, (b) all homes within Assessment Area Two have been built and have received a certificate of occupancy, (c) all of the principal portion of the Series 2024 Assessments has been assigned to such homes, (d) all Series 2024 Assessments are being collected pursuant to the Uniform Method, and (e) there are no Events of Default occurring or continuing under the Master Indenture. The District Manager shall provide a written certification to the District and the Trustee certifying that the events in clauses (a) through (d) have occurred and affirming clause (e), on which certifications the Trustee may conclusively rely.

"Series 2024 Assessment Interest" shall mean the interest on the Series 2024 Assessments which is pledged to the Series 2024 Bonds.

"Series 2024 Assessment Principal" shall mean the principal amount of Series 2024 Assessments received by the District which represents a proportionate amount of the principal of and Amortization Installments of the Series 2024 Bonds, other than applicable Delinquent Assessment Principal and Series 2024 Prepayments.

"Series 2024 Assessment Proceedings" shall mean the proceedings of the District with respect to the establishment, levy and collection of the Series 2024 Assessments which include Resolution Nos. 2022-14, 2023-01 and 2024-[], adopted by the Governing Body of the District, and any supplemental proceedings undertaken by the District with respect to the Series 2024 Assessments and the Assessment Methodology as approved thereby.

"Series 2024 Assessment Revenues" shall mean all revenues derived by the District from the Series 2024 Assessments, including Delinquent Assessments, proceeds from any foreclosure of the lien of Delinquent Assessments and any statutory interest on the Delinquent Assessments collected by the District in excess of the rate of interest on the Series 2024 Bonds.

"Series 2024 Assessments" shall mean the non-ad valorem special assessments imposed, levied and collected by the District in accordance with the Series 2024 Assessment Proceedings.

"Series 2024 Investment Obligations" shall mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District:

- (a) Government Obligations;
- (b) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or such other government – sponsored agencies which may presently exist or be hereafter created; provided that, such bonds, debentures, notes or other evidences of indebtedness are fully guaranteed as to both principal and interest by the 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; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody's and S&P at the time of purchase;
- (c) Both (i) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by Moody's and S&P, and (ii) shares of money market mutual funds that invest only in the obligations described in (a) and (b) above;
- (d) Money market deposit accounts, time deposits, and certificates of deposits issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P; and
- (e) Commercial paper (having maturities of not more than 270 days) rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P.

Under all circumstances, the Trustee shall be entitled to conclusively rely that any investment directed in writing by an Authorized Officer of the District is permitted under the Indenture and is a legal investment for funds of the District.

"Series 2024 Prepayment Interest" shall mean the interest on the Series 2024 Prepayments received by the District.

"Series 2024 Prepayments" shall mean the excess amount of Series 2024 Assessment Principal received by the District over the Series 2024 Assessment Principal included within a Series 2024 Assessment appearing on any outstanding and unpaid tax bill or direct collect invoice, whether or not mandated to be prepaid in accordance with the Series 2024 Assessment Proceedings. Anything herein or in the Master Indenture to the contrary notwithstanding, the term Series 2024 Prepayments shall not mean the proceeds of any Refunding Bonds or other borrowing of the District.

"Series 2024 Reserve Account Requirement" shall mean an amount equal to fifty percent (50%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #1 are met, at which time and thereafter, Series 2024 Reserve Account Requirement shall mean an amount equal to twenty-five percent (25%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #2 are met, at which time and thereafter, Series 2024 Reserve Account Requirement shall mean an amount equal to ten percent (10%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024 Bonds, as of the time of any such calculation. On the date of initial issuance of the Series 2024 Bonds, the Series 2024 Reserve Account Requirement shall be \$[RAR].

"Substantially Absorbed" shall mean the date on which the principal amount of the Series 2024 Assessments equaling seventy-five percent (75%) of the then Outstanding principal amount of the Series 2024 Bonds is levied on tax parcels within Assessment Area Two with respect to which a certificate of occupancy has been issued for a structure thereon, as certified by an Authorized Officer and upon which the Trustee may conclusively rely.

"True-Up Agreement" shall mean the [True-Up Agreement] between the District and the Developer, dated as of [Closing Date].

"Underwriter" shall mean FMSbonds, Inc., the underwriter of the Series 2024 Bonds.

ARTICLE II AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2024 BONDS

Section 201. Authorization of Series 2024 Bonds; Book-Entry Only Form. The Series 2024 Bonds are hereby authorized to be issued in one Series in the aggregate principal amount of \$[Bond Amount] for the purposes enumerated in the recitals hereto to be designated "Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two)." The Series 2024 Bonds shall be substantially in the form attached hereto as Exhibit B. Each Series 2024 Bond shall bear the designation "2024R" and shall be numbered consecutively from 1 upwards.

The Series 2024 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2024 Bond for each maturity thereof. Upon initial issuance, the ownership of each such Series 2024 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the initial Bond Depository. Except as provided in this Section 201, all of the Outstanding Series 2024 Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC.

With respect to Series 2024 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co., or any Bond Participant with respect to any ownership interest in the Series 2024 Bonds, (b) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Series 2024 Bonds, including any notice of redemption, or (c) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2024 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent shall treat and consider the person in whose name each Series 2024 Bond is registered in the registration books kept by the Bond Registrar as the absolute Owner of such Series 2024 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2024 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2024 Bond, for the purpose of registering transfers with respect to such Series 2024 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2024 Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein

and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2024 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated Series 2024 Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new Nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the words "Cede & Co." in this Second Supplemental Indenture shall refer to such new Nominee of DTC, and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, the Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC (a) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding Series 2024 Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, is not in the best interest of the Beneficial Owners of the Series 2024 Bonds, or (b) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the Series 2024 Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, but may be registered in whatever name or names Owners transferring or exchanging the Series 2024 Bonds shall designate, in accordance with the provisions hereof.

Section 202. Terms. The Series 2024 Bonds shall be issued as [] ([]) Term Bonds, shall be dated as of the date of their issuance and delivery to the initial purchasers thereof, shall bear interest at the fixed interest rates per annum and shall mature in the amounts and on the dates set forth below:

<u>Number</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP</u>
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Section 203. Dating; Interest Accrual. Each Series 2024 Bond shall be dated [Closing Date]. Each Series 2024 Bond shall also bear its date of authentication. Each Series 2024 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication (a) is an Interest Payment Date to which interest on such Series 2024 Bond has been paid, in which event such Series 2024 Bond shall bear interest from its date of authentication, or (b) is prior to the first Interest Payment Date for the Series 2024 Bonds, in which event such Series 2024 Bond shall bear interest from

its date. Interest on the Series 2024 Bonds shall be due and payable on each May 1 and November 1, commencing November 1, 2024, and shall be computed on the basis of a 360-day year comprised of twelve (12) thirty (30) day months.

Section 204. Denominations. The Series 2024 Bonds shall be issued in Authorized Denominations.

Section 205. Paying Agent. The District appoints the Trustee as Paying Agent for the Series 2024 Bonds.

Section 206. Bond Registrar. The District appoints the Trustee as Bond Registrar for the Series 2024 Bonds.

Section 207. Conditions Precedent to Issuance of Series 2024 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2024 Bonds, all the Series 2024 Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of:

- (a) certified copies of the Series 2024 Assessment Proceedings;
- (b) executed copies of the Master Indenture and this Second Supplemental Indenture;
- (c) a customary Bond Counsel opinion;
- (d) the District Counsel opinion required by the Master Indenture;
- (e) a certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2024 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Second Supplemental Indenture;
- (f) an Engineer's Certificate and a copy of the Engineer's Report, which sets forth the estimated Costs of the Assessment Area Two Project;
- (g) a certificate of the Methodology Consultant addressing the validity of the Series 2024 Assessments;
- (h) a certified copy of the final judgment of validation in respect of the Bonds together with a certificate of no appeal; and
- (i) an executed Collateral Assignment, Completion Agreement and True-Up Agreement.

Payment to the Trustee of the net proceeds of the Series 2024 Bonds in the amount of \$[NP] shall conclusively evidence that the foregoing conditions precedent have been met to the satisfaction of the District and the Underwriter.

ARTICLE III REDEMPTION OF SERIES 2024 BONDS

Section 301. Bonds Subject to Redemption. The Series 2024 Bonds are subject to redemption prior to maturity as provided in the form thereof attached hereto as Exhibit B. Interest on Series 2024 Bonds which are called for redemption shall be paid on the date of redemption from the Series 2024 Interest Account or from the Series 2024 Revenue Account to the extent moneys in the Series 2024 Interest Account are insufficient for such purpose. Moneys in the Series 2024 Optional Redemption Subaccount shall be applied in accordance with Section 506 of the Master Indenture to the optional redemption of Series 2024 Bonds.

ARTICLE IV DEPOSIT OF SERIES 2024 BOND PROCEEDS AND APPLICATION THEREOF; ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF

Section 401. Establishment of Accounts. There are hereby established, as needed, the following Accounts:

(a) within the Acquisition and Construction Fund held by the Trustee, a Series 2024 Acquisition and Construction Account and a Series 2024 Costs of Issuance Account;

(b) within the Debt Service Fund held by the Trustee: (i) a Series 2024 Debt Service Account and therein a Series 2024 Sinking Fund Account, a Series 2024 Interest Account and a Series 2024 Capitalized Interest Account; and (ii) a Series 2024 Redemption Account and therein a Series 2024 Prepayment Subaccount and a Series 2024 Optional Redemption Subaccount;

(c) within the Reserve Fund held by the Trustee, a Series 2024 Reserve Account, which shall be held for the benefit of all of the Series 2024 Bonds, without distinction as to Series 2024 Bonds and without privilege or priority of one Series 2024 Bond over another;

(d) within the Revenue Fund held by the Trustee, a Series 2024 Revenue Account; and

(e) within the Rebate Fund held by the Trustee, a Series 2024 Rebate Account.

Section 402. Use of Series 2024 Bond Proceeds. The net proceeds of sale of the Series 2024 Bonds in the amount of \$[NP] (consisting of \$[Bond Amount].00 principal amount of Series 2024 Bonds [less/plus] [net] original issue [discount/premium] in the amount of \$[OID/OIP] and less underwriter's discount in the amount of \$[UD]), shall as soon as practicable upon the delivery thereof to the Trustee by the District pursuant to Section 207 of the Master Indenture, be applied as follows:

(a) \$[RAR], representing the Series 2024 Reserve Account Requirement at the time of issuance of the Series 2024 Bonds, shall be deposited to the credit of the Series 2024 Reserve Account;

(b) \$[COI], representing the costs of issuance relating to the Series 2024 Bonds, shall be deposited to the credit of the Series 2024 Costs of Issuance Account;

(c) \$[CAPI], representing Capitalized Interest on the Series 2024 Bonds through and including November 1, 2024, shall be deposited to the credit of the Series 2024 Capitalized Interest Account; and

(d) \$[CD] shall be deposited to the credit of the Series 2024 Acquisition and Construction Account.

Section 403. Series 2024 Acquisition and Construction Account; Series 2024 Costs of Issuance Account. (a) Amounts on deposit in the Series 2024 Acquisition and Construction Account shall be applied to pay Costs of the Assessment Area Two Project upon compliance with the requisition provisions set forth in Section 503(b) of the Master Indenture and on the form attached hereto as Exhibit C. The Trustee shall have no duty to verify that any requested disbursement from the Series 2024 Acquisition and Construction Account is for a Cost of the Assessment Area Two Project. The Consulting Engineer shall establish a Date of Completion for the Assessment Area Two Project, and any balance remaining in the Series 2024 Acquisition and Construction Account after such Date of Completion (taking into account the moneys then on deposit therein to pay any accrued but unpaid Costs of the Assessment Area Two Project which are required to be reserved in the Series 2024 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineer delivered to the District and the Trustee establishing such Date of Completion), shall be transferred to the Series 2024 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2024 Bonds in accordance with Section 301 hereof and in the manner prescribed in the form of Series 2024 Bond attached hereto as Exhibit B. Notwithstanding the foregoing, the District shall not establish a Date of Completion until both the Reserve Account Release Conditions #1 and the Reserve Account Release Conditions #2 have been satisfied and moneys have been transferred from the Series 2024 Reserve Account to the Series

2024 Acquisition and Construction Account as a result of such satisfaction pursuant to Section 405 hereof. At such time as there are no amounts on deposit in the Series 2024 Acquisition and Construction Account, such Account shall be closed.

(b) The amount deposited in the Series 2024 Costs of Issuance Account shall, at the written direction of an Authorized Officer to the Trustee, be used to pay the costs of issuance relating to the Series 2024 Bonds. On the earlier to occur of (x) the written direction of an Authorized Officer or (y) six (6) months from the date of issuance of the Series 2024 Bonds, any amounts deposited in the Series 2024 Costs of Issuance Account for which the Trustee has not received a requisition to pay such costs shall be transferred over and deposited into the Series 2024 Acquisition and Construction Account and used for the purposes permitted therefor. Any deficiency in the amount allocated to pay the costs of issuance relating to the Series 2024 Bonds shall be paid from excess moneys on deposit in the Series 2024 Revenue Account pursuant to Section 408(d) FOURTH hereof. When such deficiency has been satisfied and no moneys remain therein, the Series 2024 Costs of Issuance Account shall be closed.

Section 404. Series 2024 Capitalized Interest Account. Amounts on deposit in the Series 2024 Capitalized Interest Account shall, until and including November 1, 2024, be transferred into the Series 2024 Interest Account and applied to the payment of interest first coming due on the Series 2024 Bonds in accordance with Section 408(d) hereof, and thereafter transferred into the Series 2024 Acquisition and Construction Account, whereupon the Series 2024 Capitalized Interest Account shall be closed.

Section 405. Series 2024 Reserve Account. The Series 2024 Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2024 Reserve Account Requirement. Except as otherwise provided herein or in the Master Indenture, amounts on deposit in the Series 2024 Reserve Account shall be used only for the purpose of making payments into the Series 2024 Interest Account and the Series 2024 Sinking Fund Account to pay Debt Service on the Series 2024 Bonds, when due, without distinction as to Series 2024 Bonds and without privilege or priority of one Series 2024 Bond over another, to the extent the moneys on deposit in such Accounts available therefor are insufficient and for no other purpose. The Series 2024 Reserve Account shall consist only of cash and Series 2024 Investment Obligations.

Anything herein or in the Master Indenture to the contrary notwithstanding, on the forty-fifth (45th) day preceding each Quarterly Redemption Date (or, if such forty-fifth (45th) day is not a Business Day, on the first Business Day preceding such forty-fifth (45th) day), the Trustee is hereby authorized and directed to recalculate the Series 2024 Reserve Account Requirement. Following such recalculation, the Trustee shall promptly notify the District of any excess on deposit in the Series 2024 Reserve Account whereupon the District shall direct the Trustee in writing to transfer such

excess on deposit in the Series 2024 Reserve Account (a) resulting from Prepayments of Series 2024 Assessments into the Series 2024 Prepayment Subaccount and applied as a credit against the Prepayment otherwise required to be made by the owner of such lot or parcel subject to such Prepayment and thereafter applied to the extraordinary mandatory redemption of the Series 2024 Bonds, (b) resulting from a reduction of the Series 2024 Reserve Account Requirement as the result of either the Reserve Account Release Conditions #1 or the Reserve Account Release Conditions #2 being met into the Series 2024 Acquisition and Construction Account and used for the purposes of such Account, or (c) resulting from investment earnings as provided in Section 408(f) herein.

On the earliest date on which there is on deposit in the Series 2024 Reserve Account sufficient moneys, after taking into account other moneys available therefor, to pay and redeem all of the Outstanding Series 2024 Bonds, together with accrued interest and redemption premium, if any, on such Series 2024 Bonds to the earliest Redemption Date permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2024 Reserve Account into the Series 2024 Prepayment Subaccount to pay and redeem all of the Outstanding Series 2024 Bonds on the earliest Redemption Date permitted for redemption therein and herein.

Anything herein or in the Master Indenture to the contrary notwithstanding, amounts on deposit in the Series 2024 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

Section 406. Amortization Installments; Selection of Bonds for Redemption. (a) The Amortization Installments established for the Series 2024 Bonds shall be as set forth in the form of Series 2024 Bonds attached hereto.

(b) Upon any redemption of Series 2024 Bonds (other than Series 2024 Bonds redeemed in accordance with scheduled Amortization Installments and other than Series 2024 Bonds redeemed at the direction of the District accompanied by a cash flow certificate as required by Section 506(b) of the Master Indenture), the Trustee shall cause Series 2024 Bonds to be redeemed in such amounts and having such maturities so as to result in Amortization Installments recalculated, which recalculation shall be performed by the District, in such manner as shall amortize all the Outstanding Series 2024 Bonds of all of the maturities in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining terms of all of the Series 2024 Bonds.

Section 407. Tax Covenants. The District shall comply with the Arbitrage Certificate, including but not limited to the Tax Regulatory Covenants set forth as an exhibit to the Arbitrage Certificate, as amended and supplemented from time to time in accordance with their terms.

Section 408. Series 2024 Revenue Account; Application of Revenues and Investment Earnings. (a) The Trustee is hereby authorized and directed to deposit any and all amounts required to be deposited in the Series 2024 Revenue Account by this Section 408 or by any other provision of the Master Indenture or this Second Supplemental Indenture, and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The Series 2024 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee.

(b) The Trustee shall deposit into the Series 2024 Revenue Account (i) Series 2024 Assessment Revenues other than Series 2024 Prepayments (which Series 2024 Prepayments shall be identified by the District to the Trustee as such in writing upon deposit, upon which certification the Trustee may conclusively rely, and which shall be deposited into the Series 2024 Prepayment Subaccount), (ii) Series 2024 Prepayment Interest, and (iii) any other revenues required by other provisions of the Indenture to be deposited into the Series 2024 Revenue Account.

(c) On the forty-fifth (45th) day preceding each Quarterly Redemption Date (or if such forty-fifth (45th) day is not a Business Day, on the Business Day preceding such forty-fifth (45th) day), the Trustee shall determine the amount on deposit in the Series 2024 Prepayment Subaccount and, if the balance therein is greater than zero, shall, upon written direction from the District, transfer from the Series 2024 Revenue Account for deposit into the Series 2024 Prepayment Subaccount an amount sufficient to increase the amount on deposit therein to the nearest integral multiple of \$5,000 (provided that there are sufficient funds remaining in the Series 2024 Revenue Account to pay Debt Service coming due on the Series 2024 Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2024 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2024 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2024 Bonds set forth in the form of Series 2024 Bonds attached hereto, Section 301 hereof, and Article III of the Master Indenture.

(d) On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall first transfer from the Series 2024 Capitalized Interest Account to the Series 2024 Interest Account the lesser of (x) the amount of interest coming due on the Series 2024 Bonds on such May 1 or November 1, less the amount already on deposit in the Series 2024 Interest Account, or (y) the amount remaining in the Series 2024 Capitalized Interest Account. Following the foregoing transfer, on such May 1 or November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall then transfer amounts

on deposit in the Series 2024 Revenue Account to the Accounts designated below in the following amounts and in the following order of priority:

FIRST, to the Series 2024 Interest Account, the amount, if any, equal to the difference between the amount of interest payable on all Series 2024 Bonds then Outstanding on such May 1 or November 1, and (i) the amount transferred from the Series 2024 Capitalized Interest Account in accordance with this Section 408(d) and (ii) the amount already on deposit in the Series 2024 Interest Account not previously credited;

SECOND, on May 1, 20[___], and on each May 1 thereafter, to the Series 2024 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2024 Bonds subject to mandatory sinking fund redemption on such May 1 and the amount already on deposit in the Series 2024 Sinking Fund Account not previously credited;

THIRD, to the Series 2024 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2024 Reserve Account Requirement with respect to the Series 2024 Bonds; and

FOURTH, the balance shall first be deposited into the Series 2024 Costs of Issuance Account to fund any deficiencies in the amount allocated to pay the costs of issuance relating to the Series 2024 Bonds, and then the balance shall be retained in the Series 2024 Revenue Account.

(e) On any date required by the Arbitrage Certificate, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2024 Revenue Account to the Series 2024 Rebate Account the amount due and owing to the United States, which amount shall be paid to the United States when due in accordance with such Arbitrage Certificate.

(f) Anything herein or in the Master Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2024 Bonds shall be invested only in Series 2024 Investment Obligations. Earnings on investments in the Series 2024 Acquisition and Construction Account, the Series 2024 Interest Account and the Series 2024 Capitalized Interest Account shall be retained, as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the Funds and Accounts other than the Series 2024 Reserve Account, and other than as set forth above, shall be deposited, as realized, to the credit of the Series 2024 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2024 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in Section 509 of the Master Indenture) in the Series 2024 Reserve Account as of the most recent date on which amounts on deposit in the Series 2024 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2024 Reserve Account since such date which have created a deficiency, then earnings on investments in the Series 2024 Reserve Account shall be deposited into the Series 2024 Capitalized Interest Account through November 1, 2024, and thereafter shall be deposited into the Series 2024 Revenue Account and used for the purpose of such Account; or

(ii) if there was a deficiency (as defined in Section 509 of the Master Indenture) in the Series 2024 Reserve Account as of the most recent date on which amounts on deposit in the Series 2024 Reserve Account were valued by the Trustee, or if after such date withdrawals have been made from the Series 2024 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2024 Reserve Account shall be retained in the Series 2024 Reserve Account until the amount on deposit therein is equal to the Series 2024 Reserve Account Requirement, and then earnings on investments in the Series 2024 Reserve Account shall be deposited into the Series 2024 Capitalized Interest Account through November 1, 2024, and thereafter shall be deposited into the Series 2024 Revenue Account and used for the purpose of such Account.

The foregoing determination and disbursement shall be made prior to any recalculation and transfer of excess amounts on deposit in the Series 2024 Reserve Account made pursuant to Section 405 hereof.

ARTICLE V CONCERNING THE TRUSTEE

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

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

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

ARTICLE VI ADDITIONAL BONDS

Section 601. No Parity Bonds; Limitation on Parity Assessments. Other than Refunding Bonds issued to refund the then Outstanding Series 2024 Bonds, the issuance of which results in net present value Debt Service savings, the District shall not, while any Series 2024 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2024 Trust Estate. The District further covenants and agrees that so long as the Series 2024 Assessments have not been Substantially Absorbed, it will not issue Bonds or other debt obligations secured by Assessments on any lands subject to the Series 2024 Assessments without the written consent of the Majority Owners. Notwithstanding the immediately preceding sentence, the District may impose Assessments on property subject to the Series 2024 Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District without the consent of the Majority Owners.

ARTICLE VII MISCELLANEOUS

Section 701. Confirmation of Master Indenture. As supplemented by this Second Supplemental Indenture, the Master Indenture is in all respects ratified and confirmed, and this Second Supplemental Indenture shall be read, taken and construed as a part of the Master Indenture so that all of the rights, remedies, terms, conditions, covenants and agreements of the Master Indenture, except insofar as modified herein, shall apply and remain in full force and effect with respect to this Second Supplemental Indenture and to the Series 2024 Bonds issued hereunder.

Section 702. Continuing Disclosure Agreement. Contemporaneously with the execution and delivery hereof, the District has executed and delivered the Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. The District covenants and agrees to comply with the provisions of the Continuing Disclosure Agreement. However, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but instead shall be enforceable as provided in the Continuing Disclosure Agreement.

Section 703. Additional Covenant Regarding Assessments. In addition to, and not in limitation of, the covenants contained elsewhere in this Second Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the Series 2024 Assessment Proceedings heretofore adopted with respect to the Series 2024 Assessments, including the Assessment Methodology, and to levy the Series 2024 Assessments and collect any required true-up payments

set forth in the Assessment Methodology in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2024 Bonds, when due.

Section 704. Collection of Assessments. (a) Anything herein or in the Master Indenture to the contrary notwithstanding, when permitted by law, Series 2024 Assessments levied on platted lots no longer owned by the Developer and pledged hereunder to secure the Series 2024 Bonds shall be collected pursuant to the Uniform Method, and Series 2024 Assessments levied on unplatted lands and platted lots owned by the Developer and pledged hereunder to secure the Series 2024 Bonds shall be collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless otherwise directed by the Trustee acting at the direction of the Majority Owners upon the occurrence and continuance of an Event of Default.

(b) Series 2024 Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by each landowner no later than thirty (30) days prior to each respective Interest Payment Date.

Section 705. Foreclosure of Assessment Lien. Notwithstanding Section 814 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2024 Assessments and Series 2024 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2024 Assessments and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2024 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount less than or equal to the balance due on the Series 2024 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive, in its corporate name or in the name of a special purpose entity, title to the property for the benefit of the Owners of the Series 2024 Bonds; provided that the Trustee shall have the right acting at the direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section 705. The District, either through its own actions or actions caused to be taken through the Trustee, shall have the power to lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2024 Revenue Account. The District, either through its own actions or actions caused to be taken through the Trustee, agrees that it shall, after being provided assurances satisfactory to it of payment of its fees, costs and expenses for doing so, be required to take the measures provided by law for listing for sale of property acquired by it as trustee for the benefit of the Owners of the Series 2024 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners. The Trustee may, upon direction from the Majority Owners, pay costs associated with any actions taken by

the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

Section 706. Owner Direction and Consent with Respect to Series 2024 Acquisition and Construction Account Upon Occurrence of Event of Default. In accordance with the provisions of the Indenture, the Series 2024 Bonds are payable solely from the Series 2024 Pledged Revenues and the Series 2024 Pledged Funds held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District hereby acknowledges that (a) the Series 2024 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2024 Acquisition and Construction Account then held by the Trustee, (b) upon the occurrence of an Event of Default with respect to the Series 2024 Bonds, the Series 2024 Pledged Funds may not be used by the District (whether to pay Costs of the Assessment Area Two Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the occurrence of the Event of Default the District had incurred a binding obligation with third parties for work on the Assessment Area Two Project and payment is for such work, and (c) upon the occurrence of an Event of Default with respect to the Series 2024 Bonds, the Series 2024 Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The District shall not enter into any binding agreement with respect to the Assessment Area Two Project that will cause the expenditure of additional funds from the Series 2024 Trust Estate after the occurrence and during the continuance of an Event of Default unless authorized in writing by the Majority Owners.

Section 707. Assignment of District's Rights Under Collateral Assignment. Subject to the terms of the Collateral Assignment, the District hereby assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of the Series 2024 Bonds. The Trustee shall not be deemed to have accepted any obligation under the Collateral Assignment by virtue of such assignment.

Section 708. Enforcement of True-Up Agreement and Completion Agreement. The District, either through its own actions, or actions caused to be taken through the Trustee, covenants that it shall strictly enforce all of the provisions of the True-Up Agreement and the Completion Agreement and, upon the occurrence and continuance of a default under either or both of such Agreements, the District covenants and agrees that the Trustee, at the direction of the Majority Owners, may, subject to the provisions of Section 912 of the Master Indenture, act on behalf of and in the District's stead to enforce the provisions of such Agreements and to pursue all available remedies under applicable law or in equity. Anything herein or in the Master Indenture to the contrary notwithstanding, failure of the District to enforce, or permit the Trustee to enforce in its stead, all of the provisions of the True-Up Agreement and the Completion Agreement upon demand of the Majority Owners, or

the Trustee at the direction of the Majority Owners, shall constitute an Event of Default under the Indenture, provided, however, that the District shall have a reasonable opportunity to cure.

Section 709. Payment of Rebate Amount. Anything herein or in the Master Indenture to the contrary notwithstanding, the District shall cause a Rebate Analyst to determine the Rebate Amount, if any, at the times and in the manner provided in the Tax Regulatory Covenants attached as an exhibit to the Arbitrage Certificate. If a Rebate Amount shall be due, the District shall deliver to the Trustee the written direction of an Authorized Officer to pay from the Series 2024 Rebate Account, or from any other available funds as shall be provided in such written direction, the Rebate Amount to the District for remittance to the Internal Revenue Service. The Trustee may conclusively rely on such written direction and shall have no responsibility for the calculation or payment of the Rebate Amount, if any. Notwithstanding Section 507(b) of the Master Indenture, the District shall not be required to provide the report of the Rebate Analyst to the Trustee.

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IN WITNESS WHEREOF, Ridge at Heath Brook Community Development District has caused this Second Supplemental Indenture to be signed in its name and on its behalf by its Chair, and its official seal to be hereunto affixed and attested by its Assistant Secretary, thereunto duly authorized, and to evidence its acceptance of the trusts hereby created, the Trustee has caused this Second Supplemental Indenture to be signed in its name and on its behalf by its duly authorized Vice President.

(SEAL)

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT
DISTRICT**

Attest:

Assistant Secretary

By:_____
Chair, Board of Supervisors

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

By:_____
Vice President

EXHIBIT A

DESCRIPTION OF ASSESSMENT AREA TWO PROJECT

[See Report of Consulting Engineer Attached Hereto]

EXHIBIT B

FORM OF SERIES 2024 BONDS

No. 2024R-

\$[]

**UNITED STATES OF AMERICA
STATE OF FLORIDA
RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT REVENUE BOND, SERIES 2024
(ASSESSMENT AREA TWO)**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
%	May 1, 20[]	[Closing Date]	

Registered Owner: CEDE & CO.

Principal Amount:

RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT, a community development district duly established and existing pursuant to Chapter 190, Florida Statutes (the "District"), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered Owner set forth above, or registered assigns, on the maturity date shown hereon, unless this Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture hereinafter mentioned) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for or, if no interest has been paid, from the Dated Date shown above on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing on November 1, 2024, until payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (hereinafter defined), be paid to the registered Owner hereof at the close of business on the regular Record Date for such interest, which shall be the fifteenth (15th) day of the calendar month preceding such Interest Payment Date or, if such day is not a Business Day, on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 of the Master Indenture (hereinafter defined), the payment of interest and principal or Redemption

Price or Amortization Installments shall be made by the Paying Agent (hereinafter defined) to such person who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of this Bond. Any payment of principal, Amortization Installment or Redemption Price shall be made only upon presentation hereof at the designated corporate trust office of U.S. Bank Trust Company, National Association, located in Fort Lauderdale, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"), unless the Bonds are held in the book-entry system in which case presentation shall not be required. Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner set forth above if such Owner requests such method of payment in writing on or prior to the regular Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner set forth above owns not less than \$1,000,000 in aggregate principal amount of the Series 2024 Bonds, as defined below). Interest on this Bond will be computed on the basis of a 360-day year comprised of twelve (12) thirty (30) day months. During any period that this Bond is registered in the name of Cede & Co., as Nominee of DTC, the provisions of the Supplemental Indenture (hereinafter defined) relating to the book-entry only system shall apply, including the payment provisions thereof. Capitalized terms used herein and not otherwise defined shall have the same meaning as set forth in the hereinafter defined Indenture.

This Bond is one of a duly authorized issue of Bonds of the District designated "Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two)" in the aggregate principal amount of \$[Bond Amount] (the "Series 2024 Bonds") issued under a Master Trust Indenture, dated as of January 1, 2023 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), as supplemented by a Second Supplemental Trust Indenture, dated as of August 1, 2024 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture"), between the District and the Trustee (the Series 2024 Bonds together with any other Bonds issued under and governed by the terms of the Master Indenture are hereinafter collectively referred to as the "Bonds"). The District will apply the proceeds of the Series 2024 Bonds to (a) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project, (b) pay certain costs associated with the issuance of the Series 2024 Bonds, (c) make a deposit into the Series 2024 Reserve Account to be held for the benefit of all of the Series 2024 Bonds, and (d) pay a portion of the interest to become due on the Series 2024 Bonds.

NEITHER THIS BOND NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THIS BOND AND THE SERIES

OF WHICH IT IS A PART AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON AND THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE TERMS HEREOF. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE TERMS HEREOF SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2024 PLEDGED REVENUES AND THE SERIES 2024 PLEDGED FUNDS PLEDGED TO THE SERIES 2024 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

This Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes, and other applicable provisions of law and pursuant to the Indenture, executed counterparts of which Indenture are on file at the corporate trust office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Series 2024 Bonds issued under the Indenture, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, Amortization Installments and Redemption Price of, and the interest on, the Series 2024 Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Series 2024 Assessments, the terms and conditions under which the Series 2024 Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Indenture and the rights of the Owners of the Series 2024 Bonds and, by the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. The Series 2024 Bonds are equally and ratably secured by the Series 2024 Trust Estate, without preference or priority of one Series 2024 Bond over another. The Supplemental Indenture does not authorize the issuance of any additional Bonds ranking on parity with the Series 2024 Bonds as to the lien and pledge of the Series 2024 Trust Estate except, under certain circumstances, Refunding Bonds, and the Supplemental Indenture contains provisions limiting the imposition of capital Assessments on property subject to the Series 2024 Assessments.

The Series 2024 Bonds are issuable only as registered bonds without coupons in current interest form in Authorized Denominations. This Bond is transferable by the registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Trustee in Fort Lauderdale, Florida, as Bond Registrar (the "Bond Registrar"), upon surrender of this Bond, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory

to the Bond Registrar, subject to such reasonable regulations as the District or the Bond Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new Bond or Bonds, in the same aggregate principal amount as the Bond or Bonds transferred, will be issued to the transferee. At the corporate trust office of the Bond Registrar in Fort Lauderdale, Florida, in the manner and subject to the limitations and conditions provided in the Master Indenture and without cost, except for any tax or other governmental charge, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of Authorized Denominations and bearing interest at the same rate or rates.

The Series 2024 Bonds are subject to redemption prior to maturity at the option of the District in whole or in part on any date on or after May 1, 20[___], at the Redemption Price of the principal amount of the Series 2024 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

The Series 2024 Bond maturing May 1, 20[___], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>May 1 of the Year</u>	<u>Amortization Installment</u>	<u>May 1 of the Year</u>	<u>Amortization Installment</u>
------------------------------	-------------------------------------	------------------------------	-------------------------------------

* Final maturity

The Series 2024 Bond maturing May 1, 20[___], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

[Remainder of Page Intentionally Left Blank]

<u>May 1 of the Year</u>	<u>Amortization Installment</u>	<u>May 1 of the Year</u>	<u>Amortization Installment</u>
------------------------------	-------------------------------------	------------------------------	-------------------------------------

* Final maturity

The Series 2024 Bond maturing May 1, 20[___], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>May 1 of the Year</u>	<u>Amortization Installment</u>	<u>May 1 of the Year</u>	<u>Amortization Installment</u>
------------------------------	-------------------------------------	------------------------------	-------------------------------------

* Final maturity

As more particularly set forth in the Indenture, any Series 2024 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2024 Bonds. Amortization Installments are also subject to recalculation, as provided in the Supplemental Indenture, as the result of the redemption of Series 2024 Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2024 Bonds as set forth in the Supplemental Indenture.

The Series 2024 Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Redemption Date at the Redemption Price of one hundred percent (100%) of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Date of Completion of the Assessment Area Two Project, by application of moneys transferred from the Series 2024 Acquisition and Construction Account to the Series 2024 Prepayment Subaccount as provided for in the Indenture; or

(b) from amounts, including Series 2024 Prepayments, required by the Indenture to be deposited into the Series 2024 Prepayment Subaccount; or

(c) from amounts transferred from the Series 2024 Reserve Account to the Series 2024 Prepayment Subaccount resulting from a reduction in the Series 2024 Reserve Account Requirement as provided for in the Indenture; or

(d) on the date on which the amount on deposit in the Series 2024 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2024 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2024 Bonds shall be called for redemption, the particular Series 2024 Bonds or portions of Series 2024 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture, or as provided or directed by DTC.

Notice of each redemption of Series 2024 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the date of redemption to each registered Owner of Series 2024 Bonds to be redeemed at the address of such registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the Series 2024 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 2024 Bonds or such portions thereof on such date, interest on such Series 2024 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2024 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2024 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

Pursuant to the Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events or upon the later

deposit of moneys therefor as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

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

In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Series 2024 Bonds then Outstanding under the Indenture may become and may be declared due and payable before the stated maturities thereof, with the interest accrued thereon.

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

Any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for two (2) years after the date when such Bond has become due and payable, either at its stated maturity date or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bond became due and payable, shall be paid to the District, and thereupon and thereafter no claimant shall have any rights against the Paying Agent to or in respect of such moneys.

If the District deposits or causes to be deposited with the Trustee cash or Federal Securities sufficient to pay the principal or Redemption Price of any Series 2024 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of the Series 2024 Bonds as to the Series 2024 Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

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

This Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the resolutions of the District to happen, exist and be performed

precedent to and in the issuance of this Bond and the execution of the Indenture, have happened, exist and have been performed as so required. This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the Certificate of Authentication endorsed hereon.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Ridge at Heath Brook Community Development District has caused this Bond to bear the signature of the Chair of its Board of Supervisors and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Assistant Secretary to the Board of Supervisors.

Attest:

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT
DISTRICT**

Assistant Secretary

By: _____
Chair, Board of Supervisors

(SEAL)

CERTIFICATE OF AUTHENTICATION

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

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

Date of Authentication:

[Closing Date] _____

By: _____
Vice President

CERTIFICATE OF VALIDATION

This Bond is one of a Series of Bonds which were validated by judgment of the Fifth Judicial Circuit of Florida, in and for Marion County rendered on June 27, 2022.

Chair, Board of Supervisors,
Ridge at Heath Brook
Community Development District

[FORM OF ABBREVIATIONS]

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

TEN COM as tenants in common

TEN ENT as tenants by the entireties

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

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

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

[FORM OF ASSIGNMENT]

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

Dated:

Social Security Number or Employer:

Identification Number of Transferee:

Signature guaranteed:

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

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

EXHIBIT C

FORM OF REQUISITION FOR ASSESSMENT AREA TWO PROJECT

The undersigned, an Authorized Officer of Ridge at Heath Brook Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), dated as of January 1, 2023 (the "Master Indenture"), as supplemented by the Second Supplemental Trust Indenture between the District and the Trustee, dated as of August 1, 2024 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

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

(E) Fund or Account and subaccount, if any, from which disbursement to be made:

The undersigned hereby certifies that:

☐ obligations in the stated amount set forth above have been incurred by the District, that each disbursement set forth above is a proper charge against the Series 2024 Acquisition and Construction Account referenced above, that each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Assessment Area Two Project and each represents a Cost of the Assessment Area Two Project, and has not previously been paid out of such Account;

OR

☐ this requisition is for costs of issuance payable from the Series 2024 Costs of Issuance Account that has not previously been paid out of such Account.

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

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

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

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT
DISTRICT**

By: _____
Authorized Officer

**CONSULTING ENGINEER'S APPROVAL FOR
NON-COST OF ISSUANCE REQUESTS ONLY**

If this requisition is for a disbursement from other than the Series 2024 Costs of Issuance Account, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Assessment Area Two Project and is consistent with (a) the applicable acquisition or construction contract, (b) the plans and specifications for the portion of the Assessment Area Two Project with respect to which such disbursement is being made, and (c) the report of the Consulting Engineer attached as an exhibit to the Supplemental Indenture, as such report shall have been amended or modified on the date hereof.

Consulting Engineer

EXHIBIT D
FORM OF INVESTOR LETTER

[Date]

FMSbonds, Inc.
The FMSbonds Building
4775 Technology Way
Boca Raton, Florida 33431

Re: FMSbonds Account Number _____

To Whom it May Concern:

By signing this letter, I confirm that I have the authority to act on behalf of the above referenced account and this account meets the definition of an accredited investor based upon one or more of the criteria listed below. Federal securities laws define an accredited investor in Rule 501 of Regulation D as:

1. A bank, insurance company, registered investment company, business development company, or small business investment company;
2. An employee benefit plan, within the meaning of the Employee Retirement Income Security Act, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of \$5 million;
3. A charitable organization, corporation, or partnership with assets exceeding \$5 million;
4. A director, executive officer, or general partner of the company selling the securities;
5. A business in which all the equity owners are accredited investors;
6. A natural person who has individual net worth, or joint net worth with the person's spouse, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person;
7. A natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year; or
8. A trust with assets in excess of \$5 million, not formed to acquire the securities offered, whose purchases a sophisticated person makes.

I represent the following securities to be suitable for my investment objectives. A Copy of the offering document for the following security has been provided to me and I am aware that additional copies and other information may be found online at www.fmsbonds.com and www.emma.msrb.org.

Description _____
CUSIP _____
Rate _____
Maturity _____
Rating _____

Thank you,

Signature

Date

Signature

Date

Exhibit C – Form of Preliminary Limited Offering Memorandum

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED [____], 2024

NEW ISSUE - BOOK-ENTRY ONLY
LIMITED OFFERING

NOT RATED

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX MATTERS," interest on the Series 2024 Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes, except as otherwise described herein under the caption "TAX MATTERS" and (b) not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, interest on the Series 2024 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. See "TAX MATTERS" herein for a general discussion of Bond Counsel's opinion and other tax considerations.

[\$2,840,000]*
RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
(CITY OF OCALA, FLORIDA)
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2024
(ASSESSMENT AREA TWO)

Dated: Date of Issuance

Due: As set forth below

The Ridge at Heath Brook Community Development District Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Series 2024 Bonds") are being issued by the Ridge at Heath Brook Community Development District (the "District") only in fully registered form, without coupons, in denominations of \$5,000 or any integral multiple thereof.

The Series 2024 Bonds will bear interest at the fixed rates set forth below, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable semi-annually on each May 1 and November 1, commencing [November 1, 2024]. The Series 2024 Bonds, when issued, will be registered in the name of Cede & Co., as Nominee for The Depository Trust Company ("DTC") of New York, New York. Purchases of beneficial interests in the Series 2024 Bonds will be made only in book-entry form. Accordingly, principal of and interest on the Series 2024 Bonds will be paid from the Series 2024 Trust Estate (as hereinafter defined) by U.S. Bank Trust Company, National Association, as trustee (the "Trustee") directly to Cede & Co. as the registered Owner thereof. Disbursements of such payments to the Direct Participants (as hereinafter defined) is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of Direct Participants and the Indirect Participants (as hereinafter defined), as more fully described herein. Any purchaser of a beneficial interest of a Series 2024 Bond must maintain an account with a broker or dealer who is, or acts through, a Direct Participant to receive payment of the principal of and interest on such Series 2024 Bond. See "DESCRIPTION OF THE SERIES 2024 BONDS - Book-Entry Only System" herein.

Proceeds of the Series 2024 Bonds will be applied to: (i) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project (as defined herein), (ii) pay certain costs associated with the issuance of the Series 2024 Bonds, (iii) make a deposit into the Series 2024 Reserve Account to be held for the benefit of all of the Series 2024 Bonds, and (iv) pay a portion of the interest to become due on the Series 2024 Bonds. See "ESTIMATED SOURCES AND USES OF SERIES 2024 BOND PROCEEDS."

The District, which is the issuer of the Series 2024 Bonds, is a local unit of special purpose government of the State of Florida (the "State"), created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 2021-58 of the City Council of the City of Ocala, Florida (the "City"), adopted on June 15, 2021, as amended by Ordinance No. 2023-35, adopted on February 21, 2023 (collectively, the "Ordinance"). The Series 2024 Bonds are being issued pursuant to the Act, Resolution Nos. 2022-06 and 2024-[____] adopted by the Board of Supervisors of the District (the "Board") on February 4, 2022 and [July 12], 2024, respectively, and a Master Trust Indenture, dated as of January 1, 2023 (the "Master Indenture"), as supplemented by a Second Supplemental Trust Indenture dated as of August 1, 2024 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee. The Series 2024 Bonds are equally and ratably secured by the Series 2024 Trust Estate, without preference or priority of one Series 2024 Bond over another. The "Series 2024 Pledged Revenues" consist of all right, title and interest of the District in, to and under, subject to the terms and conditions of the Indenture, the revenues derived by the District from the Series 2024 Assessments and the "Series 2024 Pledged Funds" consist of all of the Funds and Accounts (except for the Series 2024 Rebate Account) established under the Second Supplemental Indenture, which together shall constitute the Trust Estate securing the Series 2024 Bonds (the "Series 2024 Trust Estate"). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS."

The Series 2024 Bonds are subject to optional, mandatory sinking fund and extraordinary mandatory redemption prior to maturity. See "DESCRIPTION OF THE SERIES 2024 BONDS – Redemption Provisions" herein.

NEITHER THE SERIES 2024 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE STATE. THE SERIES 2024 BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE SERIES 2024 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE SERIES 2024 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2024 PLEDGED REVENUES AND THE SERIES 2024 PLEDGED FUNDS PLEDGED TO THE SERIES 2024 BONDS, ALL AS PROVIDED IN THE SERIES 2024 BONDS AND IN THE INDENTURE.

The Series 2024 Bonds involve a degree of risk (see "BONDOWNERS' RISKS" herein) and are not suitable for all investors (see "SUITABILITY FOR INVESTMENT" herein). The Underwriter named below is limiting this offering to "accredited investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2024 Bonds. The Series 2024 Bonds are not credit enhanced or rated and no application has been made for credit enhancement or a rating with respect to the Series 2024 Bonds.

This cover page contains information for quick reference only. It is not a summary of the Series 2024 Bonds. Investors must read the entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE

\$ _____ – ____% Series 2024 Term Bond due November 1, 20____, Yield ____%, Price ____ CUSIP # _____**
\$ _____ – ____% Series 2024 Term Bond due November 1, 20____, Yield ____%, Price ____ CUSIP # _____**
\$ _____ – ____% Series 2024 Term Bond due November 1, 20____, Yield ____%, Price ____ CUSIP # _____**

The Series 2024 Bonds are offered for delivery when, as and if issued by the District and subject to the receipt of the approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Kutak Rock LLP, Tallahassee, Florida, for the Developer by its counsel, J. Wayne Crosby, P.A., Winter Park, Florida, and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. It is expected that the Series 2024 Bonds will be delivered in book-entry form through the facilities of DTC on or about _____, 2024.

Dated: _____, 2024.

FMSbonds, Inc.

* Preliminary, subject to change.

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

RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS

[Christian Cotter*, Chairperson
Mary Moulton*, Vice-Chairperson
Mark Roscoe*, Assistant Secretary
Ty Vincent*, Assistant Secretary
Ryan Zook**, Assistant Secretary]

* Employee of, or affiliated with, the Developer (as defined herein)

** Employee of, or affiliated with, the Builder (as defined herein)]

DISTRICT MANAGER/METHODOLOGY CONSULTANT

Wrathell, Hunt & Associates, LLC
Boca Raton, Florida

DISTRICT COUNSEL

Kutak Rock LLP
Tallahassee, Florida

BOND COUNSEL

Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

DISTRICT ENGINEER

Atwell, LLC
Maitland, 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 2024 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2024 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 THE BUILDER OR IN THE STATUS OF THE DEVELOPMENT, ASSESSMENT AREA TWO, THE DISTRICT OR THE ASSESSMENT AREA TWO PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 2024 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 2024 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 CITY, MARION COUNTY, FLORIDA, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2024 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," "SHOULD," "INTENDS," "EXPECTS," "BELIEVES," "ANTICIPATES," OR "ESTIMATES." 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 AND THE DEVELOPER'S CONTROL. BECAUSE THE DISTRICT AND THE DEVELOPER CANNOT PREDICT ALL FACTORS THAT MAY AFFECT FUTURE DECISIONS, ACTIONS, EVENTS, OR FINANCIAL CIRCUMSTANCES, WHAT ACTUALLY HAPPENS MAY BE DIFFERENT FROM WHAT IS INCLUDED IN FORWARD-LOOKING STATEMENTS.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT AND THE DEVELOPER DO NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM AND WWW.EMMA.MSRB.ORG. THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS PRINTED IN ITS ENTIRETY DIRECTLY FROM EITHER OF SUCH WEBSITES.

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

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LIMITED OFFERING MEMORANDUM

\$[2,840,000]*

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
(CITY OF OCALA, FLORIDA)
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2024
(ASSESSMENT AREA TWO)**

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page and appendices attached hereto, is to set forth certain information in connection with the offering for sale by the Ridge at Heath Brook Community Development District (the "District") of its \$[2,840,000]* Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Series 2024 Bonds").

THE SERIES 2024 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2024 BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF CHAPTER 517, FLORIDA STATUTES, AND THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2024 BONDS. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2024 BONDS. SEE "BONDOWNERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

The District, which is the issuer of the Series 2024 Bonds, is a local unit of special purpose government of the State of Florida (the "State"), created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 2021-58 of the City Council of the City of Ocala, Florida (the "City"), adopted on June 15, 2021, as amended by Ordinance No. 2023-35, adopted on February 21, 2023 (collectively, the "Ordinance"). The District was created for the purpose of delivering certain community development services and facilities for the benefit of the District Lands (as hereinafter defined) and has previously determined to undertake, in one or more stages, the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of the District Lands. The Act authorizes the District to issue bonds for the purposes of, among others, financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, or equipping water management, water supply, sewer and wastewater management, bridges or culverts, public roads, street lights and other basic infrastructure projects within or without the boundaries of the District as provided in the Act.

The District Lands are located entirely in the City within Marion County, Florida (the "County") and currently encompass approximately 75.796 gross acres planned for 137 residential lots (the "District Lands"). The District Lands are expected to be part of a larger approximately 104.9 acre development planned for a 391-unit residential community to be known as "Ridge at Heath Brook" (the "Development"). The Development is located east of SW Highway 200 and west of Interstate 75, a main north/south

* Preliminary, subject to change.

transportation artery in the State. More generally the Development is located 45 minutes south of Gainesville and 1 hour north of Orlando.

Land development associated with the Development is being phased. The District previously issued its Series 2023 Bonds (as defined herein) to finance a portion of the Assessment Area One Project (as defined herein). [All 137 lots planned for Assessment Area One have been developed and platted]. See "THE DEVELOPMENT – Update on Assessment Area One" herein for more information. Assessment Area Two contains 145 [platted lots] ("Assessment Area Two"). Assessment Area Three is planned to contain 109 lots ("Assessment Area Three"). The Series 2024 Bonds are being issued to finance the District's acquisition of a portion of the public infrastructure improvements associated with Assessment Area Two (the "Assessment Area Two Project").

The Series 2024 Bonds will be secured by the Series 2024 Assessments which will be levied on approximately 145 platted lots ("Assessment Area Two"). See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein. The District anticipates filing a petition with the City in the future to amend the boundaries of the District to include the remaining approximately 29 acres of the planned Development after the Developer acquires such lands and issuing additional series of bonds to fund future infrastructure on such lands, which bonds would be secured by special assessments levied on lands separate and distinct from the lands in Assessment Area Two. See "THE DISTRICT – General Information" for more information on such anticipated annexations.

Forestar (USA) Real Estate Group Inc., a Delaware corporation (the "Developer"), is developing the lands in the Development and selling [all 145] developed lots within Assessment Area Two to D.R. Horton, Inc., a Delaware corporation ("Horton" or the "Builder" [and if it owns lots in AA2 we will define the two as either "Landowners" or "Primary Landowners" if there are homeowners]) who is [marketing, constructing and selling homes to homebuyers]. As of [____], 2024, Horton has acquired [____] of the 145 platted lots from the Developer and sold and closed [____] homes with end users, with an additional [____] homes under contract and approximately [____] homes under construction. The Developer owns the remaining [____] platted lots in Assessment Area Two. [The Developer and the Builder are sometimes referred to herein individually as a "Primary Landowner" and collectively as the "Primary Landowners".] See "THE DEVELOPMENT – Builder Contract" and "THE DEVELOPER AND THE BUILDER" herein for additional information.

The Series 2024 Bonds are being issued pursuant to the Act, Resolution Nos. 2022-06 and 2024-[____] adopted by the Board of Supervisors of the District (the "Board") on February 4, 2022 and [July 12], 2024, respectively, and a Master Trust Indenture, dated as of January 1, 2023 (the "Master Indenture"), as supplemented by a Second Supplemental Trust Indenture dated as of August 1, 2024 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). All capitalized terms used in this Limited Offering Memorandum that are defined in the Indenture and not defined herein shall have the respective meanings set forth in the Indenture. See "APPENDIX B: COPY OF MASTER INDENTURE AND PROPOSED FORM OF SECOND SUPPLEMENTAL INDENTURE" attached hereto.

The Series 2024 Bonds are equally and ratably secured by the Series 2024 Trust Estate, without preference or priority of one Series 2024 Bond over another. The "Series 2024 Pledged Revenues" consist of all right, title and interest of the District in, to and under, subject to the terms and conditions of the Indenture, the revenues derived by the District from the Series 2024 Assessments and the "Series 2024 Pledged Funds" consist of all of the Funds and Accounts (except for the Series 2024 Rebate Account) established under the Second Supplemental Indenture, which together shall constitute the Trust Estate

securing the Series 2024 Bonds (the "Series 2024 Trust Estate"). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS."

Proceeds of the Series 2024 Bonds will be applied to: (i) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project, (ii) pay certain costs associated with the issuance of the Series 2024 Bonds, (iii) make a deposit into the Series 2024 Reserve Account to be held for the benefit of all of the Series 2024 Bonds, and (iv) pay a portion of the interest to become due on the Series 2024 Bonds. See "ESTIMATED SOURCES AND USES OF SERIES 2024 BOND PROCEEDS."

There follows in this Limited Offering Memorandum a brief description of the District, Assessment Area Two, the Assessment Area Two Project, the Development, the Developer, the Builder and summaries of the terms of the Series 2024 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 document and statute, and all references to the Series 2024 Bonds are qualified by reference to the form thereof and the information with respect thereto contained in the Indenture. A copy of the Master Indenture and the proposed form of the Second Supplemental Indenture appear as APPENDIX B hereto.

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

DESCRIPTION OF THE SERIES 2024 BONDS

General Description

The Series 2024 Bonds are being issued only in fully registered form, in denominations of \$5,000 or any integral multiple thereof; provided, however, if any initial Beneficial Owner does not purchase at least \$100,000 of the Series 2024 Bonds at the time of initial delivery of the Series 2024 Bonds, such Beneficial Owner must either execute and deliver to the District and the Underwriter on the date of delivery of the Series 2024 Bonds an investor letter substantially in the form attached to the Second Supplemental Indenture 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. The Series 2024 Bonds will initially be sold only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, as amended, and the rules promulgated thereunder by the Florida Department of Financial Services. The limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2024 Bonds.

Each Series 2024 Bond shall be dated the date of initial delivery. Each Series 2024 Bond shall also bear its date of authentication. Each Series 2024 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such Series 2024 Bond has been paid, in which event such Series 2024 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2024 Bonds, in which event such Series 2024 Bond shall bear interest from its date. Interest on the Series 2024 Bonds shall be due and payable on each May 1 and November 1, commencing [November 1, 2024] and shall be computed on the basis of a 360-day year of twelve 30-day months.

The Series 2024 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2024 Bond for each maturity thereof. Upon initial issuance, the ownership of each such Series 2024 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of The Depository Trust Company, New York, New York ("DTC"), the initial

Bond Depository. Except as provided in the Second Supplemental Indenture, all of the Outstanding Series 2024 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as Nominee of DTC. See "DESCRIPTION OF THE SERIES 2024 BONDS - Book-Entry Only System" herein.

The Second Supplemental Indenture provides that, with respect to Series 2024 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant.

U.S. Bank Trust Company, National Association is the Trustee, Registrar and Paying Agent for the Series 2024 Bonds.

Redemption Provisions

Optional Redemption

The Series 2024 Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part, on any date on or after May 1, 20[___] at the Redemption Price of the principal amount of the Series 2024 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption

The Series 2024 Bond maturing May 1, 20[___], are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below.

<u>Year</u>	<u>Amortization Installment</u>
--------------------	--

\$

*

* Maturity

The Series 2024 Bond maturing May 1, 20[___], are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below.

<u>Year</u>	<u>Amortization Installment</u>
-------------	---------------------------------

\$

*

* Maturity

The Series 2024 Bond maturing May 1, 20[___], are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below.

<u>Year</u>	<u>Amortization Installment</u>
-------------	---------------------------------

\$

*

* Maturity

As more particularly set forth in the Indenture, any Series 2024 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2024 Bonds. Amortization Installments are also subject to recalculation, as provided in the Second Supplemental Indenture, as the result of the redemption of Series 2024 Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2024 Bonds as set forth in the Second Supplemental Indenture.

Extraordinary Mandatory Redemption

The Series 2024 Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Redemption Date at the Redemption Price of one hundred percent (100%) of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(i) on or after the Date of Completion of the Assessment Area Two Project, by application of moneys transferred from the Series 2024 Acquisition and Construction Account to the Series 2024 Prepayment Subaccount as provided for in the Indenture; or

(ii) from amounts, including Series 2024 Prepayments, required by the Indenture to be deposited into the Series 2024 Prepayment Subaccount; or

(iii) from amounts transferred from the Series 2024 Reserve Account to the Series 2024 Prepayment Subaccount resulting from a reduction in the Series 2024 Reserve Account Requirement as provided for in the Indenture; or

(iv) on the date on which the amount on deposit in the Series 2024 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2024 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2024 Bonds shall be called for redemption, the particular Series 2024 Bonds or portions of Series 2024 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture, or as provided or directed by DTC.

Notice of Redemption

Notice of each redemption of Series 2024 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the date of redemption to each registered Owner of Series 2024 Bonds to be redeemed at the address of such registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the Series 2024 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 2024 Bonds or such portions thereof on such date, interest on such Series 2024 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2024 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2024 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

Pursuant to the Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events or upon the later deposit of moneys therefor as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

Purchase of Series 2024 Bonds

At the written direction of the District, the Trustee shall apply moneys from time to time available in the Series 2024 Fund Sinking Account to the purchase of Series 2024 Bonds, at prices not higher than the principal amount thereof, in lieu of redemption. See "APPENDIX B: COPY OF MASTER INDENTURE AND PROPOSED FORM OF SECOND SUPPLEMENTAL INDENTURE" attached hereto for more information.

Book-Entry Only System

THE INFORMATION IN THIS CAPTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND NEITHER THE DISTRICT NOR THE

UNDERWRITER MAKES ANY REPRESENTATION OR WARRANTY OR TAKES ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

DTC will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered bonds 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 bond certificate will be issued for each maturity of the Series 2024 Bonds 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 (the "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 (the "Indirect Participants"). DTC has a Standard and Poor's rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission (the "SEC"). More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2024 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024 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 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 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 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an 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 made among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2024 Bonds, as the case may be, to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 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 2024 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 Registrar on the 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 Registrar or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Paying Agent for the Series 2024 Bonds. 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 the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2024 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2024 Bond certificates will be printed and delivered to DTC.

NEITHER THE DISTRICT NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DIRECT PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE SERIES 2024 BONDS. THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DIRECT PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE SERIES 2024 BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM.

SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS

General

NEITHER THE SERIES 2024 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THE SERIES 2024 BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE SERIES 2024 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE SERIES 2024 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2024 PLEDGED REVENUES AND THE SERIES 2024 PLEDGED FUNDS PLEDGED TO THE SERIES 2024 BONDS, ALL AS PROVIDED IN THE SERIES 2024 BONDS AND IN THE INDENTURE.

The Series 2024 Bonds are equally and ratably secured by the Series 2024 Trust Estate, without preference or priority of one Series 2024 Bond over another. The Series 2024 Trust Estate consists of all right, title and interest of the District in, to and under, subject to the terms and conditions of the Indenture, the revenues derived by the District from the Series 2024 Assessments (the "Series 2024 Pledged Revenues") and the Funds and Accounts (except for the Series 2024 Rebate Account) established under the Second Supplemental Indenture (the "Series 2024 Pledged Funds") which shall constitute the Trust Estate securing the Series 2024 Bonds (the "Series 2024 Trust Estate"). The "Series 2024 Assessments" are the non-ad valorem special assessments imposed, levied and collected by the District in accordance with the Series 2024 Assessment Proceedings. The Series 2024 Bonds will be secured by assessments on Assessment Area Two.

Non-ad valorem assessments are not based on millage and are not taxes, but can become a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. The Series 2024 Assessments will constitute a lien against the land as to which the Series 2024 Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

Covenant to Levy the Series 2024 Assessments

The District will covenant in the Indenture to comply with the terms of the Series 2024 Assessment Proceedings heretofore adopted with respect to the Series 2024 Assessments, including the Assessment Methodology (as defined herein), and to levy Series 2024 Assessments and collect any required true-up payments set forth in the Assessment Methodology in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2024 Bonds when due.

If any Series 2024 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 2024 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 2024 Assessment when it might have done so, the District has additionally covenanted to either (i) take all necessary steps to cause a new Series 2024 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 2024 Assessment from legally available moneys, which moneys shall be deposited into the Series 2024 Revenue Account. See "BONDOWNERS' RISKS" herein. In case any such subsequent Series 2024 Assessment shall also be annulled, the District shall obtain and make other Series 2024 Assessments until a valid Series 2024 Assessment shall be made.

Prepayment of Series 2024 Assessments

Pursuant to the Series 2024 Assessment Proceedings, an owner of property subject to the Series 2024 Assessments may pay all or a portion (up to two times) of the principal balance of such Series 2024 Assessments remaining due at any time if there is also paid an amount equal to the interest that would otherwise be due on such balance on the next succeeding Interest Payment Date for the Series 2024 Bonds, or, if prepaid during the forty-five (45) day period preceding such Interest Payment Date, on the second succeeding Interest Payment Date. See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein.

Pursuant to the Act, an owner of property subject to the levy of Series 2024 Assessments may pay the entire balance of the Series 2024 Assessments remaining due, without interest, within thirty (30) days after the Assessment Area Two Project has been completed or acquired by the District, and the Board has adopted a resolution accepting the Assessment Area Two Project pursuant to Chapter 170.09, Florida Statutes. [The Primary Landowners, as the majority owners of the property within Assessment Area Two, will covenant to waive this right with respect to the property they own in Assessment Area Two in connection with the issuance of the Series 2024 Bonds pursuant to Declarations of Consent. Such declarations will be recorded in the public records of the County, and the covenants contained therein will be binding on their successors in interest.] [Such waivers by the Primary Landowners shall not impact the above prepayment rights of the other current landowners in Assessment Area Two.] See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein. [confirm any sale of lots to Builder/homeowners]

The Series 2024 Bonds are subject to extraordinary mandatory redemption as indicated under "DESCRIPTION OF THE SERIES 2024 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" from optional prepayments of Series 2024 Assessments by property owners. See "APPENDIX E: ASSESSMENT METHODOLOGY" attached hereto.

Limitation on Issuance of Additional Obligations

Pursuant to the Second Supplemental Indenture, other than Refunding Bonds issued to refund the then Outstanding Series 2024 Bonds, the issuance of which results in net present value Debt Service savings, the District shall not, while any Series 2024 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2024 Trust Estate. The District will further covenant and agree that so long as the Series 2024 Assessments have not been Substantially Absorbed, it will not issue Bonds or other debt obligations secured by Assessments on any lands subject to the Series 2024 Assessments without the written consent of the Majority Owners. Notwithstanding the immediately preceding sentence, the District may impose Assessments on property subject to the Series 2024 Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District without the consent of the Majority Owners. "Substantially Absorbed" is defined in the Second Supplemental Indenture to mean the date on which the principal amount of the Series 2024 Assessments equaling seventy-five percent (75%) of the then Outstanding principal amount of the Series 2024 Bonds is levied on tax parcels within Assessment Area Two with respect to which a certificate of occupancy has been issued for a structure thereon, as certified by an Authorized Officer and upon which the Trustee may conclusively rely.

The District and/or other public entities may impose taxes or other special assessments on the same properties encumbered by the Series 2024 Assessments without the consent of the Owners of the Series 2024 Bonds. The District is expected to impose certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the Series 2024 Assessments, on the same lands upon which the Series 2024 Assessments are imposed, to fund the maintenance and operation of the District. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" and "BONDOWNERS' RISKS" herein.

Series 2024 Acquisition and Construction Account

Pursuant to the Second Supplemental Indenture, there is established within the Acquisition and Construction Fund held by the Trustee a Series 2024 Acquisition and Construction Account. Amounts on deposit in the Series 2024 Acquisition and Construction Account shall be applied to pay Costs of the Assessment Area Two Project upon compliance with the requisition provisions set forth in Section 503(b) of the Master Indenture and on the form attached as an exhibit to the Second Supplemental Indenture. The Trustee shall have no duty to verify that any requested disbursement from the Series 2024 Acquisition and Construction Account is for a Cost of the Assessment Area Two Project. The Consulting Engineer shall establish a Date of Completion for the Assessment Area Two Project, and any balance remaining in the Series 2024 Acquisition and Construction Account after such Date of Completion (taking into account the moneys then on deposit therein to pay any accrued but unpaid Costs of the Assessment Area Two Project which are required to be reserved in the Series 2024 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineer delivered to the District and the Trustee establishing such Date of Completion), shall be transferred to the Series 2024 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2024 Bonds in accordance with the Second Supplemental Indenture and in the manner prescribed in the form of Series 2024 Bond attached as an exhibit to the Second Supplemental Indenture. Notwithstanding the foregoing, the District shall not establish a Date of Completion until both the Reserve Account Release Conditions #1 (as defined herein) and the Reserve Account Release Conditions #2 (as defined herein) have been satisfied and moneys have been transferred from the Series 2024 Reserve Account to the Series 2024 Acquisition and Construction Account as a result of such satisfaction pursuant to the Second Supplemental Indenture. At such time as there are no amounts on deposit in the Series 2024 Acquisition and Construction Account, such Account shall be closed.

In accordance with the provisions of the Indenture, the Series 2024 Bonds are payable solely from the Series 2024 Pledged Revenues and the Series 2024 Pledged Funds held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District acknowledges that (i) the Series 2024 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2024 Acquisition and Construction Account then held by the Trustee, (ii) upon the occurrence of an Event of Default with respect to the Series 2024 Bonds, the Series 2024 Pledged Funds may not be used by the District (whether to pay Costs of the Assessment Area Two Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the occurrence of the Event of Default the District had incurred a binding obligation with third parties for work on the Assessment Area Two Project and payment is for such work, and (iii) upon the occurrence of an Event of Default with respect to the Series 2024 Bonds, the Series 2024 Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The District shall not enter into any binding agreement with respect to the Assessment Area Two Project that will cause the expenditure of additional funds from the Series 2024 Trust Estate after the occurrence and during the continuance of an Event of Default unless authorized in writing by the Majority Owners.

Series 2024 Reserve Account

The Second Supplemental Indenture establishes a Series 2024 Reserve Account within the Reserve Fund for the Series 2024 Bonds, which shall be held for the benefit of all of the Series 2024 Bonds, without distinction as to Series 2024 Bonds and without privilege or priority of one Series 2024 Bond over another. The Series 2024 Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2024 Reserve Account Requirement. "Series 2024 Reserve Account Requirement" is defined in the Second Supplemental Indenture to mean an amount equal to fifty percent (50%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #1 are met, at which time and thereafter, Series 2024 Reserve Account Requirement shall mean an amount equal to twenty-five percent (25%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #2 are met, at which time and thereafter, Series 2024 Reserve Account Requirement shall mean an amount equal to ten percent (10%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024 Bonds, as of the time of any such calculation. On the date of initial issuance of the Series 2024 Bonds, the Series 2024 Reserve Account Requirement shall be \$_____.

"Reserve Account Release Conditions #1" shall mean, collectively, that (a) all lots subject to the Series 2024 Assessments have been developed and platted, and (b) there are no Events of Default occurring or continuing under the Master Indenture. The Consulting Engineer shall provide a written certification to the District and the Trustee certifying that the event in clause (a) has occurred and the District Manager shall provide a written certification to the District and the Trustee affirming clause (b), on which certifications the Trustee may conclusively rely.

"Reserve Account Release Conditions #2" shall mean, collectively, that (a) all of the Reserve Account Release Conditions #1 have been satisfied, (b) all homes within Assessment Area Two have been built and have received a certificate of occupancy, (c) all of the principal portion of the Series 2024 Assessments has been assigned to such homes, (d) all Series 2024 Assessments are being collected pursuant to the Uniform Method, and (e) there are no Events of Default occurring or continuing under the Master Indenture. The District Manager shall provide a written certification to the District and the Trustee certifying that the events in clauses (a) through (d) have occurred and affirming clause (e), on which certifications the Trustee may conclusively rely.

Except as otherwise provided in the Indenture, amounts on deposit in the Series 2024 Reserve Account shall be used only for the purpose of making payments into the Series 2024 Interest Account and the Series 2024 Sinking Fund Account to pay Debt Service on the Series 2024 Bonds, when due, without distinction as to Series 2024 Bonds and without privilege or priority of one Series 2024 Bond over another, to the extent the moneys on deposit in such Accounts available therefor are insufficient and for no other purpose. The Series 2024 Reserve Account shall consist only of cash and Series 2024 Investment Obligations.

Anything in the Indenture to the contrary notwithstanding, on the forty-fifth (45th) day preceding each Quarterly Redemption Date (or, if such forty-fifth (45th) day is not a Business Day, on the first Business Day preceding such forty-fifth (45th) day), the Trustee is authorized and directed to recalculate the Series 2024 Reserve Account Requirement. Following such recalculation, the Trustee shall promptly notify the District of any excess on deposit in the Series 2024 Reserve Account whereupon the District shall direct the Trustee in writing to transfer such excess on deposit in the Series 2024 Reserve Account (a) resulting from Prepayments of Series 2024 Assessments into the Series 2024 Prepayment Subaccount and applied as credit against the Prepayment otherwise required by the owner of such lot or parcel subject to such Prepayment and thereafter applied to the extraordinary mandatory redemption of the Series 2024

Bonds, (b) resulting from a reduction of the Series 2024 Reserve Account Requirement as the result of either the Reserve Account Release Conditions #1 or the Reserve Account Release Conditions #2 being met into the Series 2024 Acquisition and Construction Account and used for the purposes of such Account, or (c) resulting from investment earnings as provided in the Second Supplemental Indenture.

On the earliest date on which there is on deposit in the Series 2024 Reserve Account sufficient moneys, after taking into account other moneys available therefor, to pay and redeem all of the Outstanding Series 2024 Bonds, together with accrued interest and redemption premium, if any, on such Series 2024 Bonds to the earliest Redemption Date permitted therein and in the Second Supplemental Indenture, then the Trustee shall transfer the amount on deposit in the Series 2024 Reserve Account into the Series 2024 Prepayment Subaccount to pay and redeem all of the Outstanding Series 2024 Bonds on the earliest Redemption Date permitted for redemption therein and in the Second Supplemental Indenture.

Anything in the Indenture to the contrary notwithstanding, amounts on deposit in the Series 2024 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

Deposit and Application of the Series 2024 Pledged Revenues

(a) Pursuant to the Second Supplemental Indenture, the Trustee is authorized and directed to deposit any and all amounts required to be deposited in the Series 2024 Revenue Account by the Indenture, and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The Series 2024 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee.

(b) The Trustee shall deposit into the Series 2024 Revenue Account (i) Series 2024 Assessment Revenues other than Series 2024 Prepayments (which Series 2024 Prepayments shall be identified by the District to the Trustee as such in writing upon deposit, upon which certification the Trustee may conclusively rely, and which shall be deposited into the Series 2024 Prepayment Subaccount), (ii) Series 2024 Prepayment Interest, and (iii) any other revenues required by other provisions of the Indenture to be deposited into the Series 2024 Revenue Account.

(c) On the forty-fifth (45th) day preceding each Quarterly Redemption Date (or if such forty-fifth (45th) day is not a Business Day, on the Business Day preceding such forty-fifth (45th) day), the Trustee shall determine the amount on deposit in the Series 2024 Prepayment Subaccount and, if the balance therein is greater than zero, shall, upon written direction from the District, transfer from the Series 2024 Revenue Account for deposit into the Series 2024 Prepayment Subaccount an amount sufficient to increase the amount on deposit therein to the nearest integral multiple of \$5,000 (provided that there are sufficient funds remaining in the Series 2024 Revenue Account to pay Debt Service coming due on the Series 2024 Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2024 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2024 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2024 Bonds set forth in the form of Series 2024 Bonds attached to the Second Supplemental Indenture and the provisions of the Indenture.

(d) On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall transfer amounts on deposit in the

Series 2024 Revenue Account to the Accounts designated below in the following amounts and in the following order of priority:

FIRST, to the Series 2024 Interest Account, the amount, if any, equal to the difference between the amount of interest payable on all Series 2024 Bonds then Outstanding on such May 1 or November 1, and the amount already on deposit in the Series 2024 Interest Account not previously credited;

SECOND, on November 1, 20[___], and on each November 1 thereafter, to the Series 2024 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2024 Bonds subject to mandatory sinking fund redemption on such November 1 and the amount already on deposit in the Series 2024 Sinking Fund Account not previously credited;

THIRD, to the Series 2024 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2024 Reserve Account Requirement with respect to the Series 2024 Bonds; and

FOURTH, the balance shall first be deposited into the Series 2024 Costs of Issuance Account to fund any deficiencies in the amount allocated to pay the costs of issuance relating to the Series 2024 Bonds, and then the balance shall be retained in the Series 2024 Revenue Account.

On any date required by the Arbitrage Certificate, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2024 Revenue Account to the Series 2024 Rebate Account the amount due and owing to the United States, which amount shall be paid to the United States when due in accordance with such Arbitrage Certificate.

Investments

Anything in the Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2024 Bonds shall be invested only in Series 2024 Investment Obligations. Earnings on investments in the Series 2024 Acquisition and Construction Account and the Series 2024 Interest Account shall be retained, as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the Funds and Accounts other than the Series 2024 Reserve Account, and other than as set forth above, shall be deposited, as realized, to the credit of the Series 2024 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2024 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in the Master Indenture) in the Series 2024 Reserve Account as of the most recent date on which amounts on deposit in the Series 2024 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2024 Reserve Account since such date which have created a deficiency, then earnings on investments in the Series 2024 Reserve Account shall be deposited into the Series 2024 Revenue Account and used for the purpose of such Account; or

(ii) if there was a deficiency (as defined in the Master Indenture) in the Series 2024 Reserve Account as of the most recent date on which amounts on deposit in the Series 2024 Reserve Account were valued by the Trustee, or if after such date withdrawals have been made from the Series 2024 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2024 Reserve Account shall be retained in the Series 2024 Reserve Account until the amount on deposit therein is equal to the Series 2024 Reserve Account Requirement, and then earnings on investments in the Series 2024 Reserve Account shall be deposited into the Series 2024 Revenue Account and used for the purpose of such Account.

The foregoing determination and disbursement shall be made prior to any recalculation and transfer of excess amounts on deposit in the Series 2024 Reserve Account made pursuant to the Second Supplemental Indenture.

Provisions Relating to Bankruptcy or Insolvency of Landowner

The following provisions of the Master Indenture shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel, or tax parcels which are in the aggregate, subject to at least five percent (5%) of the Series 2024 Assessments pledged to the Series 2024 Bonds then Outstanding (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding").

The District will acknowledge and agree in the Indenture that, although the Series 2024 Bonds were issued by the District, the Owners of the Series 2024 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 an Insolvent Taxpayer:

(a) the District will agree that it shall make a reasonable attempt to timely seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2024 Bonds then Outstanding, prior to making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2024 Assessments relating to the Series 2024 Bonds then Outstanding, the then Outstanding Series 2024 Bonds or any rights of the Trustee under the Indenture (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2024 Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(b) the District will agree that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2024 Assessments relating to the Series 2024 Bonds then Outstanding, the Series 2024 Bonds then Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(c) the District will agree that it shall make a reasonable attempt to timely seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2024 Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(d) the Trustee shall have the right, by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the Series 2024 Assessments relating to the Series 2024 Bonds then Outstanding would have the right to pursue and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the Series 2024 Assessments relating to the Series 2024 Bonds then Outstanding, to seek substantive consolidation, to seek

to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code; and

(e) the District shall not challenge the validity or amount of any claim submitted in good faith by the Trustee in such Proceeding or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District's claim and rights with respect to the Series 2024 Assessments relating to the Series 2024 Bonds then Outstanding or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District will agree that the Trustee shall have the right to (i) file a proof of claim with respect to the Series 2024 Assessments pledged to the Series 2024 Bonds then Outstanding, (ii) deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) defend any objection filed to said proof of claim.

The District will acknowledge and agree in the Indenture that it shall not be a defense to a breach of the foregoing covenants that it has acted on advice of counsel in not complying with the foregoing covenants.

Notwithstanding the provisions of the immediately preceding paragraphs, nothing in the Master Indenture shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for Operation and Maintenance Assessments, and the District shall be free to pursue such a claim for Operation and Maintenance Assessments in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for Operation and Maintenance Assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the Series 2024 Assessments relating to the Series 2024 Bonds then Outstanding whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (d) above.

Events of Default and Certain Remedies upon an Event of Default

The Master Indenture provides that each of the following shall be an "Event of Default" under the Indenture with respect to the Series 2024 Bonds, but no other Series of Bonds unless otherwise provided in the Supplemental Indenture relating to such Series:

- (a) any payment of Debt Service on the Series 2024 Bonds is not made when due;
- (b) the District shall for any reason be rendered incapable of fulfilling its obligations under the Indenture;
- (c) the District admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself or for the whole or any part of the Assessment Area Two Project;
- (d) the District is adjudged insolvent by a court of competent jurisdiction, or is adjudged bankrupt on a petition in bankruptcy filed against the District, or an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee

of the District or of the whole or any part of its property and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof;

(e) the District shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof;

(f) under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District's assets or any part thereof, and such custody or control shall not be terminated within ninety (90) days from the date of assumption of such custody or control;

(g) any portion of the Series 2024 Assessments shall have become Delinquent Assessments and, as the result thereof, the Indenture provides for the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in the Series 2024 Reserve Account to pay Debt Service on the Series 2024 Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the Series 2024 Reserve Account to pay Debt Service on the Series 2024 Bonds);

(h) the District shall default in the due and punctual performance of any of the material covenants, conditions, agreements and provisions contained in the Series 2024 Bonds or in the Indenture on the part of the District to be performed (other than a default in the payment of Debt Service on the Series 2024 Bonds when due, which is an Event of Default under subsection (a) above) and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the District by the Trustee or, if the Trustee is unwilling or unable to act, by Owners of not less than ten percent (10%) in aggregate principal amount of the Series 2024 Bonds then Outstanding and affected by such default; and

(i) more than twenty percent (20%) of the Operation and Maintenance Assessments levied by the District on tax parcels subject to the Series 2024 Assessments are not paid by the date such are due and payable.

No Series of Bonds issued under the Master Indenture are subject to acceleration unless the Assessments securing such Bonds have been accelerated. Upon the happening and continuance of any Event of Default specified above with respect to the Series 2024 Bonds, the Trustee may protect and enforce the rights of the Owners of the Series 2024 Bonds under State law, and under the Indenture and the Series 2024 Bonds, by such proceedings in equity or at law, either for the specific performance of any covenant or agreement contained in the Master Indenture or in aid or execution of any power in the Indenture granted or for the enforcement of any proper legal or equitable remedy, as the Trustee shall deem most effectual to protect and enforce such rights.

The Majority Owners of the Series 2024 Bonds then Outstanding shall, subject to the requirements of the Master Indenture, have the right, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee under the Master Indenture, provided that such directions shall not be in conflict with any rule of law or the Master Indenture and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unduly prejudicial to the rights of the Owners of such Series 2024 Bonds not parties to such direction or would subject the Trustee to personal liability or expense. Notwithstanding the foregoing, the Trustee shall have the right to select and retain legal counsel of its choosing to represent it in any such proceedings. The Trustee may take any other action which is not inconsistent with any direction under this paragraph.

No Owner of such Series 2024 Bonds shall have any right to pursue any other remedy under the Master Indenture or such Series 2024 Bonds unless: (a) an Event of Default shall have occurred and is continuing; (b) the Majority Owners of the Series 2024 Bonds then Outstanding have requested the Trustee, in writing, to exercise the powers granted in the Master Indenture or to pursue such remedy in its or their name or names; (c) the Trustee has been offered indemnity satisfactory to it against costs, expenses and liabilities reasonably anticipated to be incurred; (d) the Trustee has declined to comply with such request, or has failed to do so, within sixty (60) days after its receipt of such written request and offer of indemnity; and (e) no direction inconsistent with such request has been given to the Trustee during such sixty (60) day period by the Majority Owners of the Series 2024 Bonds then Outstanding. The exercise of such rights is further subject to the provisions of the Master Indenture. No Owner or Owners of such Series 2024 Bonds shall have any right in any manner whatsoever to enforce any right under the Master Indenture, except in the manner provided in the Master Indenture.

The District covenants and agrees that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, the provisions for the foreclosure of liens of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the direction of, and on behalf of, the Majority Owners, from time to time, of the Series 2024 Bonds. Notwithstanding anything to the contrary in the Master Indenture, and unless otherwise directed by the Majority Owners of the Series 2024 Bonds and allowed pursuant to federal or State law, the District acknowledges and agrees that (y) upon failure of any property owner to pay an installment of Assessments collected directly by the District when due, that the entire Assessment on the tax parcel as to which such Delinquent Assessment appertains, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law and the District shall promptly, but in any event within 120 days, cause to be brought the necessary legal proceedings for the foreclosure of liens of Delinquent Assessments, including interest and penalties with respect to such tax parcel and (z) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as now provided by law in suits to foreclose mortgages. See "APPENDIX B: COPY OF MASTER INDENTURE AND PROPOSED FORM OF SECOND SUPPLEMENTAL INDENTURE" attached hereto for more information.

ENFORCEMENT OF ASSESSMENT COLLECTIONS

General

The primary source of payment for the Series 2024 Bonds is the collection of the Series 2024 Assessments imposed on certain lands in Assessment Area Two within the District that are specially benefited by the Assessment Area Two Project pursuant to the Series 2024 Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX E: ASSESSMENT METHODOLOGY."

The imposition, levy, and collection of Series 2024 Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Marion County Tax Collector ("Tax Collector") or the Marion County Property Appraiser ("Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, the Series 2024 Assessments during any year. Such delays in the collection of the Series 2024 Assessments would have a material adverse effect on the ability of the District to make full or punctual payment of Debt Service on the Series 2024 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2024 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 2024 Bonds. For

the Series 2024 Assessments to be valid, the Series 2024 Assessments must meet two requirements: (1) the benefit from the Assessment Area Two Project to the lands subject to the Series 2024 Assessments must exceed or equal the amount of the Series 2024 Assessments, and (2) the Series 2024 Assessments must be fairly and reasonably allocated across all such benefitted properties.

Pursuant to the Act, and the Series 2024 Assessment Proceedings, the District may collect the Series 2024 Assessments through a variety of methods. See "BONDOWNERS' RISKS." The Series 2024 Assessments levied on platted lots are expected to be added to the County tax roll and collected pursuant to the Uniform Method. For unplatted lands (and platted lots for the initial tax year), the District is expected to directly issue annual bills to the [Primary Landowners] requiring payment of the Series 2024 Assessments, and will enforce that bill through foreclosure proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" and "APPENDIX E: ASSESSMENT METHODOLOGY." The following is a description of certain statutory provisions relating to each of these collection methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

Direct Billing & Foreclosure Procedure

As noted above, and pursuant to Chapters 170 and 190 of the Florida Statutes, the District may directly levy, collect and enforce the Series 2024 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 2024 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 2024 Assessments and the ability to foreclose the lien of such Series 2024 Assessments upon the failure to pay such Series 2024 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 2024 Assessments. See "BONDOWNERS' RISKS."

Uniform Method Procedure

Subject to certain conditions, and for developed lands (as described above), the District may alternatively elect to collect the Series 2024 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 2024 Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2024 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 2024 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 2024 Assessments. In other words, any partial prepayment by a landowner must be distributed in equal proportion to all taxing districts and levying authorities.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by State 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 2024 Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2024 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 Debt Service on the Series 2024 Bonds.

Under the Uniform Method, if the Series 2024 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 2024 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 2024 Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2024 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 Series 2024 Assessment Proceedings to discharge the lien of the Series 2024 Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2024 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 2024 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 2024 Assessments), interest, costs and charges on the real property described in the certificate.

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

For any holder other than the County, a tax certificate expires seven (7) 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. 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.

Except for certain governmental liens, certain easements, 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, accrued taxes, and liens of any nature against the property are canceled and a deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of Series 2024 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 2024 Assessments, which are the primary source of payment of the Series 2024 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 headings of this Limited Offering Memorandum. Certain additional risks are associated with the Series 2024 Bonds offered hereby and are set forth below. Prospective investors in the Series 2024 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 2024 Bonds and have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. This heading does not purport to summarize all risks that may be associated with purchasing or owning the Series 2024 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 2024 Bonds.

Concentration of Land Ownership

As of the date hereof, the [Developer][Landowners] own[s] all of the assessable lands within Assessment Area Two, which are the lands that will be subject to the Series 2024 Assessments securing the Series 2024 Bonds. Payment of the Series 2024 Assessments is primarily dependent upon their timely payment by the Developer and the other future landowners in Assessment Area Two. Non-payment of the Series 2024 Assessments by any of the landowners could have a substantial adverse impact upon the District's ability to pay Debt Service on the Series 2024 Bonds. See "THE DEVELOPER AND THE BUILDER" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 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 2024 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Developer and any other landowner to pay the Series 2024 Assessments; (ii) the Tax Collector to sell tax certificates in relation to

such property with respect to the Series 2024 Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2024 Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2024 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 2024 Bonds, including, without limitation, enforcement of the obligation to pay Series 2024 Assessments and the ability of the District to foreclose the lien of the Series 2024 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 2024 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 2024 Bonds could have a material adverse impact on the interest of the Owners thereof.

A 2011 bankruptcy court decision in Florida held that the governing body of a community development district, and not the bondholders or indenture trustee, was the creditor of the landowners/debtors in bankruptcy with respect to claims for special assessments, and thus only the district could vote to approve or disapprove a reorganization plan submitted by the debtors in the case. The district voted in favor of the plan. The governing body of the district was at that time elected by the landowners rather than qualified electors. Under the reorganization plan that was approved, a two-year moratorium was placed on the debtor landowners' payment of special assessments. As a result of this non-payment of assessments, debt service payments on the district's bonds were delayed for two years or longer. The Master Indenture provides for the delegation of certain rights from the District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an insolvent Landowner. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner" herein. The District cannot express any view whether such delegation would be enforceable.

Series 2024 Assessments Are Non-Recourse

The principal security for the payment of the principal and interest on the Series 2024 Bonds is the timely collection of the Series 2024 Assessments. The Series 2024 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 2024 Assessments or that they will pay such Series 2024 Assessments even though financially able to do so. Neither the Developer nor any other subsequent landowners have any personal obligation to pay the Series 2024 Assessments. Neither the Developer nor any subsequent landowners are guarantors of payment of any Series 2024 Assessments, and the recourse for the failure of the Developer or any subsequent landowner to pay the Series 2024 Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2024 Assessments, as described herein. Therefore the likelihood of collection of the Series 2024 Assessments may ultimately depend on the market value of the land subject to the Series 2024 Assessments. While the ability of the Developer or subsequent landowners to pay the Series 2024 Assessments is a relevant factor, the willingness of the Developer or subsequent landowners to pay the Series 2024 Assessments, which may also be affected by the value of the land subject to the Series 2024 Assessments, is also an important factor in the collection of Series 2024 Assessments. The failure of the Developer or subsequent landowners to pay the Series 2024 Assessments could render the District unable to collect delinquent Series 2024 Assessments and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of Debt Service on the Series 2024 Bonds.

Regulatory and Environmental Risks

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

The value of the land within the District, the success of the Development, the development of Assessment Area Two and the likelihood of timely payment of principal and interest on the Series 2024 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 2024 Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received. Such information is being provided solely for informational purposes, and nothing herein or in such assessments grants any legal rights or remedies in favor of the Series 2024 Bondholders in the event any recognized environmental conditions are later found to be present on District Lands. Nevertheless, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the lands in Assessment Area Two.

The value of the lands subject to the Series 2024 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 2024 Bonds. The Series 2024 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 Assessment Area Two 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/have] the right to modify or change plans for development of the Development from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of the District.

Other Taxes and Assessments

The willingness and/or ability of an owner of benefited land to pay the Series 2024 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 2024 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 2024 Assessments. In addition, lands within the District may also be subject to assessments by property owners' and homeowners' associations. See "THE DEVELOPMENT – Taxes, Fees and Assessments" herein for additional information.

Under Florida law, a landowner may contest the assessed valuation determined for its property that forms the basis of ad-valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2024 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 2024 Assessment, even though the landowner is not contesting the amount of the Series 2024 Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem assessments and at least 75% of their ad valorem taxes before they become delinquent. Likewise, taxpayers who challenge the denial of an exemption or classification or a determination that their improvements were substantially complete must pay all non-ad valorem assessments and the amount of ad valorem taxes that they admit in good faith to be owing. If a taxpayer fails to pay property taxes as set forth above, the Value Adjustment Board considering the taxpayer's challenge is required to deny such petition by written decision by April 20 of such year.

Limited Secondary Market for Series 2024 Bonds

The Series 2024 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2024 Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2024 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2024 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2024 Bonds, depending on the progress of development of the Development and the lands within Assessment Area Two, as applicable, existing real estate and financial market conditions and other factors.

Inadequacy of Reserve Account

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2024 Assessments, may not adversely affect the timely payment of Debt Service on the Series 2024 Bonds because of the moneys on deposit in the Series 2024 Reserve Account. The ability of the Series 2024 Reserve Account to fund deficiencies caused by delinquencies in the payment of the Series 2024 Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2024 Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys in the Series 2024 Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2024 Assessments, the moneys on deposit in the Series 2024 Reserve Account would be rapidly depleted and the ability of the District to pay Debt Service on the Series 2024 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Series 2024 Reserve Account and such other Funds, Accounts and subaccounts created under the Master Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Series 2024 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 2024 Assessments in order to provide for the

replenishment of the Series 2024 Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Series 2024 Reserve Account" herein for more information about the Series 2024 Reserve Account.

Legal Delays

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2024 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 2024 Bonds to allow funds on deposit under the Indenture to be used to pay the costs of the foreclosure action. Under the Internal Revenue Code of 1986, as amended (the "Code"), there are limitations on the amounts of proceeds from the Series 2024 Bonds that can be used for such purpose.

IRS Examination and Audit Risk

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

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the

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

It has been reported that the IRS has closed audits of other community development districts in the State with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within the timeframe established by the applicable state law or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. Currently, all of the members of the Board of the District were elected by the landowners and none were elected by qualified electors. The 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. 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 2024 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 2024 Bonds are advised that, if the IRS does audit the Series 2024 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 2024 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 2024 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 2024 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 2024 Bonds would adversely affect the availability of any secondary market for the Series 2024 Bonds. Should interest on the Series 2024 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2024 Bonds be required to pay income taxes on the interest received on such Series 2024 Bonds and related penalties, but because the interest rate on such Series 2024 Bonds will not be adequate to compensate Owners of the Series 2024 Bonds for the income taxes due on such interest, the value of the Series 2024 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2024 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2024 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2024 BONDS SHOULD EVALUATE

WHETHER THEY CAN OWN THE SERIES 2024 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2024 BONDS BECOMES TAXABLE AND/OR THE DISTRICT IS EVER DETERMINED TO NOT BE A POLITICAL SUBDIVISION FOR PURPOSES OF THE CODE AND/OR SECURITIES ACT (AS HEREINAFTER DEFINED).

Loss of Exemption from Securities Registration

The Series 2024 Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, because of the exemption for securities issued by political subdivisions. It is possible that federal or state regulatory authorities could in the future determine that the District is not a political subdivision for purposes of federal and state securities laws, including without limitation as the result of a determination by the IRS, judicial or otherwise, of the District's status for purposes of the Code. In such event, the District and purchasers of Series 2024 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 2024 Bonds would need to ensure that subsequent transfers of the Series 2024 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act and applicable state securities laws.

Federal Tax Reform

Various legislative proposals are mentioned from time to time by members of Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. In addition, the IRS may, in the future, issue rulings that have the effect of challenging the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations of states and their political subdivisions, such as the Series 2024 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 2024 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 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation. See also "TAX MATTERS" herein.

State Tax Reform

It is impossible to predict what new proposals may be presented regarding tax reform and/or community development districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. On October 31, 2014, the Auditor General of the State released a 31-page report which requests legislative action to establish parameters on the amount of bonds a community development district may issue and provide additional oversight for community development district bonds. This report renewed requests made by the Auditor General in 2011 that led to the Governor of the State issuing an Executive Order on January 11, 2012 (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor ("OPB") to examine the role of special districts in the State. As of the date hereof, the OPB has not made any recommendations pursuant to the Executive Order nor has the Florida legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for the Series 2024 Bonds. It should be noted that Section 190.016(14) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under the Act that it will not limit or alter the rights of the district to levy and collect the ... assessments... and to fulfill the terms of any agreement made with the holders of such bonds ... and that it will not impair the rights or remedies of such holders."

Insufficient Resources or Other Factors Causing Failure to Complete Development

The cost to finish the Assessment Area Two Project will exceed the net proceeds from the Series 2024 Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the Assessment Area Two Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Assessment Area Two Project. Further, the Indenture sets forth certain limitations on the issuance of additional bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Limitation on Issuance of Additional Obligations" for more information.

Although the Developer will agree to fund or cause to be funded the completion of the Assessment Area Two Project regardless of the insufficiency of proceeds from the Series 2024 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 AND THE BUILDER" herein for more information.

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

Pandemics and Other Public Health Emergencies

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

Cybersecurity

The District relies on a technological environment to conduct its operations. The District, its agents and other third parties the District does business with or otherwise relies upon are subject to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to such parties' digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. No assurances can be given that any such attack(s) will not materially impact the operations or finances of the District, which could impact the timely payment of Debt Service on the Series 2024 Bonds.

Prepayment and Redemption Risk

In addition to being subject to optional and mandatory sinking fund redemptions, the Series 2024 Bonds are subject to extraordinary mandatory redemption, including, without limitation, as a result of prepayments of the Series 2024 Assessments by the Developer or subsequent owners of the property within

Assessment Area Two. Any such redemptions of the Series 2024 Bonds would be at the principal amount of such Series 2024 Bonds being redeemed plus accrued interest to the date of redemption. In such event, owners of the Series 2024 Bonds may not realize their anticipated rate of return on the Series 2024 Bonds and owners of any Premium Bonds (as defined herein) may receive less than the price they paid for the Series 2024 Bonds. See "DESCRIPTION OF THE SERIES 2024 BONDS – Redemption Provisions," "– Purchase of Series 2024 Bonds" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Prepayment of Series 2024 Assessments" herein for more information.

Payment of Series 2024 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 2024 Assessments levied on such property. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.

ESTIMATED SOURCES AND USES OF SERIES 2024 BOND PROCEEDS

Source of Funds

Principal Amount of Series 2024 Bonds	\$ _____
[Plus/Less: Net Original Issue Premium/Discount]	_____
Total Sources	\$ _____

Use of Funds

Deposit to Series 2024 Acquisition and Construction Account	\$ _____
Deposit to Series 2024 Interest Account ⁽¹⁾	_____
Deposit to Series 2024 Reserve Account	_____
Costs of Issuance, including Underwriter's Discount ⁽²⁾	_____
Total Uses	\$ _____

-
- (1) Costs of issuance include, without limitation, legal fees and other costs associated with the issuance of the Series 2024 Bonds.
- (2) Costs of issuance include, without limitation, legal fees and other costs associated with the issuance of the Series 2024 Bonds.

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DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled Debt Service on the Series 2024 Bonds:

Period Ending <u>November 1</u>	Principal (<u>Amortization</u>)	<u>Interest</u>	<u>Total Debt Service</u>
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TOTALS

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THE DISTRICT

General Information

The District, which is the issuer of the Series 2024 Bonds, is a local unit of special purpose government of the State, created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 2021-58 of the City Council of the City of Ocala, Florida, adopted on June 15, 2021, as amended by Ordinance No. 2023-35, adopted on February 21, 2023 (collectively, the "Ordinance"). The District encompasses approximately 75.796 gross acres that are located entirely in the City of Ocala (the "City") within Marion County, Florida (the "County"). The District is located east of SW Highway 200 and west of Interstate 75, a main north/south transportation artery in the state. More generally, the District is located 45 minutes south of Gainesville and 1 hour north of Orlando.

The District anticipates filing a petition with the City in the future to amend the boundaries of the District to include the remaining approximately 29 acres of the planned Development after the Developer acquires such lands. The District anticipates issuing additional bonds in the future to finance a portion of the development costs associated with such lands and such additional bonds are expected to be secured by special assessments levied on lands outside of Assessment Area Two. The expansion lands will not be subject to the Series 2024 Assessments that secure the Series 2024 Bonds. [is the expansion still planned?]

Legal Powers and Authority

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

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

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

The Act exempts all property owned by the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any bondholders to pursue any remedy for enforcement of any lien or pledge of the District in connection with its bonds, including the Series 2024 Bonds.

Board of Supervisors

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

At the initial election held within 90 days after formation of the District, the landowners in the District elected two Supervisors to four-year terms and three Supervisors to two-year terms. Thereafter, the elections take place every two years, with the first such election being held on the first Tuesday in November, and subsequent elections being held on a date in November established by the Board. Upon the later of six years after the initial appointment of Supervisors and the year when the District next attains at least 250 qualified electors, Supervisors whose terms are expiring will begin to be elected (as their terms expire) by qualified electors of the District. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the District and the State and a citizen of the United States. At the election where Supervisors are first elected by qualified electors, two Supervisors must be qualified electors and be elected by qualified electors, each elected to four-year terms. The seat of the remaining Supervisor whose term is expiring at such election shall be filled by a Supervisor who is elected by the landowners for a four-year term and who is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and must be elected by qualified electors to serve staggered four-year terms.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be qualified electors and be elected by qualified electors in the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

The Act provides that it shall not be an impermissible conflict of interest under Florida law governing public officials for a Supervisor to be a stockholder, officer or employee of a landowner or of any entity affiliated with a landowner.

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

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
[Christian Cotter*	Chairperson	November 2025
Mary Moulton*	Vice-Chairperson	November 2025
Mark Roscoe*	Assistant Secretary	November 2023
Ty Vincent*	Assistant Secretary	November 2023
Ryan Zook**	Assistant Secretary	November 2023

* Employee of, or affiliated with, the Developer.

** Employee of, or affiliated with, the Builder.]

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

The District Manager and Other Consultants

The chief administrative official of the District is the District Manager (as hereinafter defined). The Act provides that a district manager has charge and supervision of the works of the District and is responsible for preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, for maintaining and operating the equipment owned by the District, and for performing such other duties as may be prescribed by the Board.

The District has retained Wrathell, Hunt & Associates, LLC, Boca Raton, Florida, to serve as its district manager ("District Manager"). The District Manager's office is located at 2300 Glades Rd., Ste. #410W, Boca Raton, Florida 33431.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, as Bond Counsel; Atwell, LLC, Maitland, Florida, as District Engineer; and Kutak Rock LLP, Tallahassee, Florida, as District Counsel. The Board has also retained Wrathell, Hunt & Associates, LLC, to serve as Methodology Consultant for the Series 2024 Bonds.

Outstanding Bond Indebtedness

The District previously issued its Capital Improvement Revenue Bonds, Series 2023 (Assessment Area One) (the "Series 2023 Bonds") on January 24, 2023, in the original aggregate principal amount of \$2,325,000, of which \$2,290,000 was outstanding as of June 25, 2024. The Series 2023 Bonds are secured by the special assessments assigned to the lands within Assessment Area One of the District, which lands are separate and distinct from the lands within Assessment Area Two that are subject to the Assessment Area Two Special Assessments securing the Series 2024 Bonds.

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THE CAPITAL IMPROVEMENT PLAN AND THE ASSESSMENT AREA TWO PROJECT

Atwell, LLC (the "District Engineer") prepared the Engineer's Report for the Ridge at Heath Brook Community Development District, dated June 21, 2022 and restated May 2, 2023 (the "Master Engineer's Report"), as supplemented by the Second Supplemental Engineer's Report for the Ridge at Heath Brook Community Development District, dated [July] 2024 (the "Supplemental Engineer's Report" and together with the Master Engineer's Report, the "Engineer's Report"). The Engineer's Report sets forth certain public infrastructure improvements for the development of the 391 residential lots planned for the Development, as more particularly described in the Engineer's Report attached hereto as APPENDIX A (the "Capital Improvement Plan"). [See also "THE DISTRICT – General" for more information on the future land annexations.] The District Engineer estimated the total cost of the Capital Improvement Plan for the entire Development to be approximately \$[17,056,455].

Land development associated with the Development is being phased. Assessment Area One contains [137] platted lots ("Assessment Area One"). Assessment Area Two contains 145 [platted lots] ("Assessment Area Two"). Assessment Area Three is planned to contain 109 lots ("Assessment Area Three"). The portion of the Capital Improvement Plan associated with Assessment Area One is referred to herein as the "Assessment Area One Project." The portion of the Capital Improvement Plan associated with Assessment Area Two is referred to herein as the "Assessment Area Two Project."

The District previously issued its Series 2023 Bonds to finance a portion of the Assessment Area One Project. [All 137 lots planned for Assessment Area One have been developed and platted]. See "THE DEVELOPMENT – Update on Assessment Area One" herein for more information.

The Series 2024 Bonds are being issued to finance a portion of the Assessment Area Two Project. The District Engineer, in the Engineer's Report, estimated the total cost of the Assessment Area Two Project to be approximately \$_____, as more particularly described below.

<u>Assessment Area Two Project Description</u>	<u>Estimated Costs</u>
Potable Water	\$_____
Sanitary Sewer	_____
Roadway/Curbing	_____
Undergrounding of Conduit	_____
Stormwater Improvements	_____
Earthwork (stormwater ponds)	_____
Hardscape/Landscape/Irrigation/Entry Features	_____
Amenity	_____
Professional Services	_____
Contingency	_____
Total	\$_____

Land development associated with Assessment Area Two is [substantially complete] with final completion expected by _____ 2024. A plat for the 145 lots planned for Assessment Area Two was recorded on _____. The Developer estimates that the total land development costs associated with Assessment Area Two will be approximately \$____ million (excluding the cost of the Amenity). As of _____, 2024, the Developer has spent approximately \$____ million on land development associated with Assessment Area Two [please include above CIP costs plus any additional development costs].

The net proceeds of the Series 2024 Bonds to be deposited in the Series 2024 Acquisition and Construction Account are expected to be approximately \$2.43 million* and will be used by the District towards the construction and/or acquisition of a portion of the Assessment Area Two Project from the Developer. [The Developer will enter into a completion agreement that will obligate the Developer to complete the Assessment Area Two Project.] [depending on status, to discuss] See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

The District anticipates issuing additional bonds in the future in order to finance a portion of the public infrastructure improvement associated with lands in Assessment Area Three. Such bonds will be secured by assessments levied on lands which are separate and distinct from the lands subject to the Series 2024 Assessments securing the Series 2024 Bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Limitation on Issuance of Additional Obligations" herein for more information.

The District Engineer has indicated that all engineering permits necessary to construct the Assessment Area Two Project that are set forth in the Engineer's Report have been obtained or are reasonably expected to be obtained in the ordinary course of business. In addition to the Engineer's Report, please refer to "THE DEVELOPMENT – Development Approvals" for a more detailed description of the zoning and permitting status of the Development. See "APPENDIX A: ENGINEER'S REPORT" attached hereto for more information regarding the above improvements.

[Remainder of page intentionally left blank.]

* Preliminary, subject to change.

ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

Wrathell, Hunt & Associates, LLC, Boca Raton, Florida (the "Methodology Consultant"), has prepared the Amended Master Special Assessment Methodology Report dated October 7, 2022 (the "Master Assessment Methodology"), as supplemented by the Preliminary Second Supplemental Special Assessment Methodology Report dated [July 12,] 2024, included herein as APPENDIX E (the "Supplemental Assessment Methodology" and together with the Master Assessment Methodology, the "Assessment Methodology"). The Assessment Methodology sets forth an overall method for allocating the Series 2024 Assessments to be levied against the lands within the District benefited by the Assessment Area Two Project and collected by the District as a result thereof. Once the final terms of the Series 2024 Bonds are determined, the Supplemental Assessment Methodology will be revised to reflect such final terms. Once levied and imposed, the Series 2024 Assessments are a first lien on the land against which assessed until paid or barred by operation of law, co-equal with other taxes and assessments levied by the District, including the operation and maintenance assessments, and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

As set forth in the Assessment Methodology, the Series 2024 Assessments are at issuance levied on the [145] platted lots which comprise Assessment Area Two on a per unit basis below and as set forth in the Assessment Methodology. See "THE DEVELOPMENT – Development Plan/Status" herein and "APPENDIX E: ASSESSMENT METHODOLOGY" attached hereto.

<u>Product Type</u>	<u>No. of Units</u>	Annual Series 2024	Series 2024 Bonds Par
		<u>Assessments</u> <u>Per Unit*</u>	<u>Debt Per Unit</u>
Single-Family 50'	145	\$1,400	\$19,586

*Assessment amounts will be grossed up to include costs of collection of 3% (subject to change) and an early payment discount of 4% (subject to change). See "APPENDIX E: ASSESSMENT METHODOLOGY" attached hereto for more information.

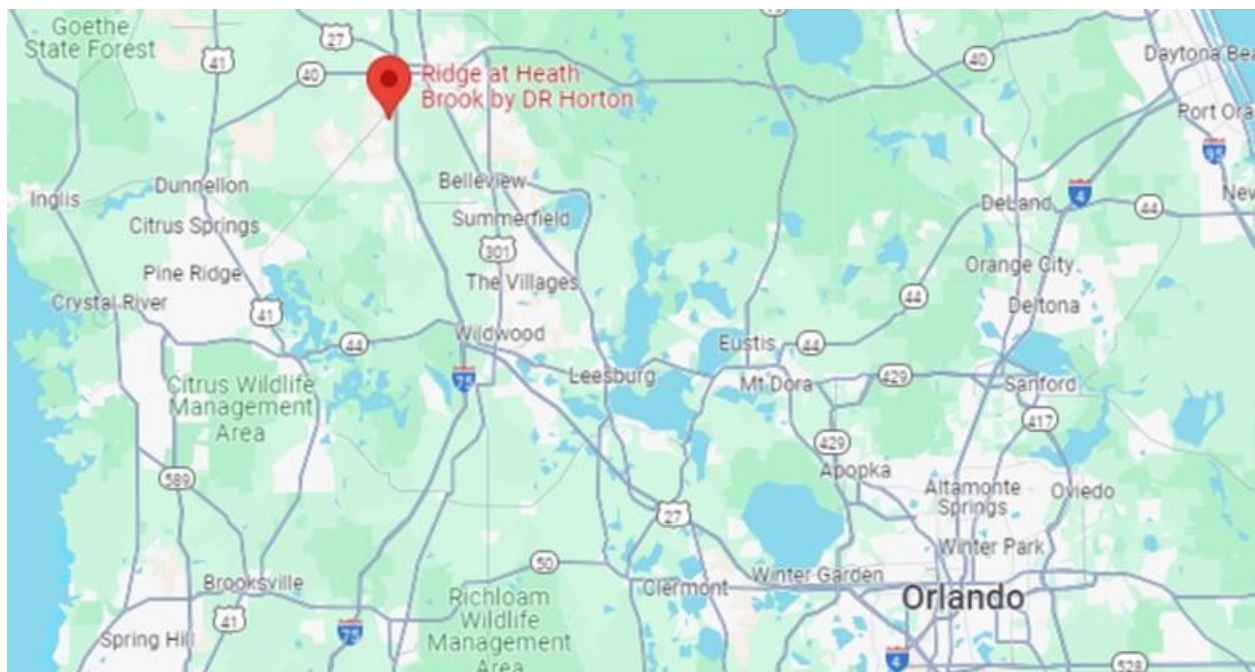
The District anticipates levying assessments to cover its operation and maintenance costs that will initially be approximately [\$282] per 50' unit annually, which amount is subject to change. The land within the District has been and is expected to be subject to taxes and assessments imposed by taxing authorities other than the District. The total millage rate imposed on taxable properties in the District for 2023 was approximately 17.5510 mills, which millage rate is subject to change. These taxes would be payable in addition to the Series 2024 Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the City, the County and the School District of Marion County, Florida may each levy ad valorem taxes and/or special assessments upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. See "BONDOWNERS' RISKS" and "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information, including proposed homeowners associations' assessments.

The information appearing below under the captions "THE DEVELOPMENT" and "THE DEVELOPER AND THE BUILDER" 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 it. 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. Neither of the Primary Landowners are guaranteeing payment of the Series 2024 Bonds or the Series 2024 Assessments.

THE DEVELOPMENT

General

The District Lands encompass approximately [104.9] gross acres located entirely in the City of Ocala (the "City") within Marion County, Florida (the "County") and are being developed as a 391-unit residential community to be known as "Ridge at Heath Brook" (the "Development"). The Development is located east of SW Highway 200 and west of Interstate 75, a main north/south transportation artery in the state. More generally the Development is located 45 minutes south of Gainesville and one hour north of Orlando. Set forth below is a map which depicts the location of the Development.



Land development associated with the Development is being phased. Assessment Area One contains 137 platted lots ("Assessment Area One"). Assessment Area Two contains 145 platted lots ("Assessment Area Two"). Assessment Area Three is planned to contain 109 lots ("Assessment Area Three"). The portion of the Capital Improvement Plan associated with Assessment Area One is referred to herein as the "Assessment Area One Project." The portion of the Capital Improvement Plan associated with Assessment Area Two is referred to herein as the "Assessment Area Two Project."

The District previously issued its Series 2023 Bonds to finance a portion of the Assessment Area One Project. [All 137] lots planned for Assessment Area One have been developed and platted. See "– Update on Assessment Area One" below for more information.

The Series 2024 Bonds are being issued to finance a portion of the Assessment Area Two Project. The Series 2024 Bonds will be secured by the Series 2024 Assessments which will be levied [on the 145 platted lots which comprise Assessment Area Two]. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein.

The District anticipates issuing additional bonds in the future in order to finance a portion of the public infrastructure improvement associated with lands in Assessment Area Three. Such bonds will be secured by assessments levied on lands which are separate and distinct from the lands subject to the Series 2024 Assessments securing the Series 2024 Bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Limitation on Issuance of Additional Obligations" herein for more information.

Forestar (USA) Real Estate Group Inc., a Delaware corporation (the "Developer"), is the developer of the lands in the Development and is selling developed lots to D.R. Horton, Inc., a Delaware corporation ("Horton" or the "Builder") who is marketing, constructing and selling homes to homebuyers. As of _____, 2024, Horton has acquired ____ of the [145] platted lots from the Developer and sold and closed ____ homes with end users, with an additional ____ homes under contract and approximately ____ homes under construction within Assessment Area Two. [The Developer and the Builder are sometimes referred to herein individually as a "Primary Landowner" and collectively as the "Primary Landowners".] See "THE DEVELOPMENT – Builder Contract" and "THE DEVELOPER AND THE BUILDER" herein for additional information.

Homes will range in size from approximately [1,672 square feet to 3,561] square feet and price points will range from approximately [\$335,990 to \$495,990]. The target customers for residential units within the Development are first time homebuyers and move-up buyers. See "– Residential Product Offerings" herein for more information.

Update on Assessment Area One

The District previously issued its Series 2023 Bonds to finance a portion of the Assessment Area One Project. [All 137 lots] planned for Assessment Area One have been developed and platted. As of _____, 2024, approximately ____ homes have closed with end users and an additional ____ homes are under contract pending closing, with ____ homes under construction within Assessment Area One.

Land Acquisition and Finance Plan

The Developer acquired the Development in a series of transactions totaling approximately \$_____ which was purchased with Developer equity.

The Developer estimates that the total land development costs associated with Assessment Area Two will be approximately \$_____ million (excluding the cost of the Amenity). As of _____, 2024, the Developer has spent approximately \$_____ million on land development associated with Assessment Area Two. The net proceeds of the Series 2024 Bonds to be deposited in the Series 2024 Acquisition and Construction Account are expected to be approximately \$2.43 million* and will be used by the District towards the funding and/or acquisition of a portion of the Assessment Area Two Project from the

* Preliminary, subject to change.

Developer. [The Developer will enter into a completion agreement that will obligate the Developer to complete the Assessment Area Two Project.] [tbd] See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

Development Plan / Status

Land development associated with Assessment Area Two is substantially complete, with final completion expected by _____ 2024. A plat for the 145 lots planned for Assessment Area Two was recorded on _____. Lot closings with Horton commenced in _____ at which point sales within Assessment Area Two commenced. As of _____, 2024, Horton owns ____ lots within Assessment Area Two, the Developer owns ____ lots, and ____ homes have closed with end users with an additional ____ homes under contract pending closing and ____ homes under construction.

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

Builder Contract

The Developer has entered into a Purchase and Sale Agreement dated _____, 202_ (the "Purchase and Sale Agreement"), with Horton for the sale of [all 145] lots within Assessment Area Two, for a purchase price of approximately \$_____ per single-family 50' lot plus an additional consideration of [2%] per annum per lot, which additional consideration began to accrue on lots remaining after the first takedown described below until the closing of such lots. In connection therewith, Horton made an escrow deposit of \$_____. Lots are being purchased in several takedowns, and as of _____, 2024, Horton has acquired ____ lots (and has sold and closed ____ homes with end users) within Assessment Area Two. The remaining lots in Assessment Area Two are expected to be acquired by Horton in a series of takedowns. Horton's obligation to close on the remaining lots under the Purchase and Sale Agreement is conditioned, among other things, upon the completion of the development of such lots. In the event the Developer is not able to satisfy the conditions in the Purchase and Sale Agreement, there is a risk that Horton will not close on any additional lots within Assessment Area Two. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein. [terms to come]

Residential Product Offerings

The target customers for units within Assessment Area Two are first time homebuyers and move-up buyers. Below is a summary of the expected types of units and price points for units in Assessment Area Two. [from last deal, not sure if any updates, no floorplans or prices currently listed on the Horton website]

<u>Product Type</u>	<u>Square Footage</u>	<u>Beds/Baths</u>	<u>Starting Price Point</u>
Single-Family 50'	[1,672 – 3,561]	[3 to 5 Bedrooms, 2 to 3.5 Baths]	[\$335,990 - \$495,990]

Development Approvals

The land within the District, including, without limitation, the land therein subject to the Series 2024 Assessments, is zoned to allow for the contemplated residential uses described herein. All permits

have been received by jurisdictional agencies to allow for the development contemplated herein or are reasonably expected to be received in the ordinary course. [any outstanding permits for AA2?] [Any material development obligations? i.e. transportation concurrency/offsite obligations?] [school concurrency for AA2?]

Environmental

The Developer obtained a Phase I Environmental Site Assessment dated [July 18, 2022] (the "ESA"), covering the land in the Development. The ESA revealed no recognized environmental conditions in connection with the Development. See "BONDOWNERS' RISK - Regulatory and Environmental Risks" herein for more information regarding potential environmental risks. [need copy of July 2022 ESA]

Amenities

The Development is planned to contain an approximately 1.59-acre community site with an approximately 4,500 square foot clubhouse (175 square feet under air conditioning), a resort-style swimming pool, tot lot, various recreation fields, and sport courts (collectively, the "Amenity"). Construction of the Amenity is complete at a total approximate cost of [\$1.73 million].

Utilities

Potable water and wastewater treatment for the Development are expected to be provided by the City of Ocala. Electric power is expected to be provided by Ocala Electric Utility. All utility services are available to the property.

[confirm water, sewer and reclaimed water capacity for AA2?]

Taxes, Fees and Assessments

As set forth in the Assessment Methodology, the Series 2024 Assessments are at issuance levied on the [145] platted lots which comprise Assessment Area Two on a per unit basis below and as set forth in the Assessment Methodology. See "THE DEVELOPMENT – Development Plan/Status" herein and "APPENDIX E: ASSESSMENT METHODOLOGY" attached hereto.

<u>Product Type</u>	<u>No. of Units</u>	Annual Series 2024	Series 2024 Bonds Par
		<u>Assessments</u> <u>Per Unit*</u>	<u>Debt Per Unit</u>
Single-Family 50'	145	\$1,400	\$19,586

* Assessment amounts will be grossed up to include costs of collection of 3% (subject to change) and an early payment discount of 4% (subject to change). See "APPENDIX E: ASSESSMENT METHODOLOGY" attached hereto for more information.

The District anticipates levying assessments to cover its operation and maintenance costs that will initially be approximately [\$282] per 50' unit annually, which amount is subject to change. In addition, residents will be required to pay homeowners association fees, which are currently estimated to be [\$102] per month per unit in the aggregate and which is subject to change. The land within the District has been and is expected 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 for 2023 was approximately 17.5510 mills, which millage rate is subject to change. These taxes would be payable in addition to the Series 2024 Assessments and any other assessments levied by the District. In addition, exclusive of voter approved

millages levied for general obligation bonds, as to which no limit applies, the City, the County and the School District of Marion County, Florida may each levy ad valorem taxes and/or special assessments upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year.

Education

The public schools for children residing in the Development are currently Saddlewood Elementary School, Liberty Middle School, and West Port High School, which are located approximately 1.1 miles, 3.3 miles, and 3.5 miles from the Development, respectively, and which were rated "B", "C" and "B", respectively, by the Florida Department of Education in 2023. The Marion County School Board may change school boundaries from time to time and there is no requirement that students residing in the Development be permitted to attend the schools which are closest to the Development.

Competition

The following communities have been identified by the Developer as being competitive with the Development, because of their proximity to the Development, price ranges and product types. Those communities include Ocala Preserve, Stone Creek, and On Top of the World. [add/remove any?]

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

Developer Agreements

[TBD depending on development status - The Developer will enter into a completion agreement that will obligate the Developer to the Assessment Area Two Project. In addition, the Developer will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment"), pursuant to which the Developer will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Developer, development rights relating the Assessment Area Two Project. That said, the Developer has previously granted similar rights ("Prior Collateral Assignment") in connection with the issuance of the Series 2023 Bonds, and such rights under such Prior Collateral Assignment are superior to and may take priority over the rights granted under the Collateral Assignment. [In addition, any mortgagees or the Builder may have certain development rights and other rights assigned to it under the terms of their mortgage or Builder Contract relating to the Development, which may be superior to such rights that might otherwise be assigned to the District under the terms of the Collateral Assignment.] Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2024 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 Assessment Area Two Project or the development of Assessment Area Two. 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 Assessment Area Two increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX E: ASSESSMENT METHODOLOGY" attached hereto for additional information regarding the "true-up mechanism." Such obligations of the Developer are unsecured obligations. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" and "THE DEVELOPER AND THE BUILDER" herein for more information regarding the Developer.]

THE DEVELOPER AND THE BUILDER

Forestar (USA) Real Estate Group Inc., a Delaware corporation (the "Developer"), is a wholly-owned subsidiary of Forestar Group Inc. ("Forestar"). Forestar is a national, well-capitalized residential lot development company focused primarily on making investments in land acquisition and development to sell finished single-family residential lots to homebuilders. As of the date hereof, Forestar is a majority-owned subsidiary of D.R. Horton, Inc. ("Horton" or the "Builder" and together with the Developer, the "Primary Landowners").

Both Forestar's (under the symbol FOR), and Horton's (under the symbol DHI), common stock trades on the New York Stock Exchange. Forestar and Horton are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith file reports, proxy statements and other information, including financial statements, with the Securities and Exchange Commission (the "SEC"). Such filings, particularly Forestar's and Horton's annual and quarterly reports filed on Form 10-K and Form 10-Q, set forth certain data relative to the consolidated results of operations and financial position of Horton, Forestar, and their subsidiaries as of such date. The SEC maintains an Internet web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC, including Forestar and Horton. The address of such Internet web site is www.sec.gov. All documents subsequently filed by Forestar or Horton pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in such manner as the SEC prescribes.

NEITHER THE DEVELOPER, HORTON NOR ANY OF THE OTHER ENTITIES LISTED ABOVE ARE GUARANTEEING PAYMENT OF THE SERIES 2024 BONDS OR THE SERIES 2024 ASSESSMENTS. NONE OF THE ENTITIES LISTED HEREIN, OTHER THAN THE DEVELOPER AND HORTON, HAS ENTERED INTO ANY AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2024 BONDS.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Bond Counsel, the form of which is attached hereto as APPENDIX C, the interest on the Series 2024 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under existing statutes, regulations, rulings and court decisions; provided, however, with respect to certain corporations, interest on the Series 2024 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. Failure by the District to comply subsequent to the issuance of the Series 2024 Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (as previously defined, the "Code"), including but not limited to requirements regarding the use, expenditure and investment of Series 2024 Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2024 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The District has covenanted to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2024 Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2024 Bonds, including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2024 Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2024 Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2024 Bonds being included in gross income for federal income tax purposes retroactive to their date of issuance.

Collateral Tax Consequences

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should be aware that the ownership of the Series 2024 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2024 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2024 Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2024 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2024 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2024 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES REFERRED TO ABOVE. PROSPECTIVE SERIES 2024 BONDHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISORS FOR INFORMATION IN THAT REGARD.

Florida Taxes

In the opinion of Bond Counsel, the Series 2024 Bonds and interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined in said Chapter 220.

Other Tax Matters

Interest on the Series 2024 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2024 Bonds should consult their tax advisors as to the income tax status of interest on the Series 2024 Bonds in their particular state or local jurisdictions.

The Inflation Reduction Act, H.R. 5376 (the "IRA"), was passed by both houses of the U.S. Congress and was signed by the President on August 16, 2022. As enacted, the IRA includes a 15 percent alternative minimum tax to be imposed on the "adjusted financial statement income", as defined in the IRA, of certain corporations. Interest on the Series 2024 Bonds will be included in the "adjusted financial statement income" of such corporations for purposes of computing the corporate alternative minimum tax. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential tax consequences of owning the Series 2024 Bonds.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are

similar to the Series 2024 Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Series 2024 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2024 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2024 Bonds.

On February 23, 2016, the Internal Revenue Service issued a notice of proposed rulemaking (the "Proposed Regulations") and notice of public hearing containing proposed regulations that provided guidance regarding the definition of political subdivision for purposes of the rules for tax-exempt bonds, including determinations of entities that are valid issuers of tax-exempt bonds. 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." The Proposed Regulations were officially withdrawn on October 20, 2017. See also "BONDOWNERS' RISKS – IRS Examination and Audit Risk" herein.

Original Issue Discount

Certain of the Series 2024 Bonds (the "Discount Bonds") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Discount Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. An initial purchaser who acquires a Discount Bond at the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period such purchaser holds such Discount Bond and will increase its adjusted basis in such Discount Bond by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bond. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

Bond Premium

Certain of the Series 2024 Bonds (the "Premium Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price

is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

AGREEMENT BY THE STATE

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2024 Bonds, that it will not limit or alter the rights of the District to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees, and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

LEGALITY FOR INVESTMENT

The Act provides that the 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 which may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required or voluntary statutory deposits.

SUITABILITY FOR INVESTMENT

In accordance with applicable provisions of State law, the Series 2024 Bonds may initially be sold by the District only to "accredited investors" within the meaning of Chapter 517, Florida Statutes and the rules promulgated thereunder. The limitation of the initial offering to "accredited investors" does not denote restrictions on transfers in any secondary market for the Series 2024 Bonds. Investment in the Series 2024 Bonds poses certain economic risks. No dealer, broker, salesperson or other person has been authorized by the District or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum.

ENFORCEABILITY OF REMEDIES

The remedies available to the Owners of the Series 2024 Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Series 2024 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds will be qualified as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

LITIGATION

The District

There is no litigation of any nature now pending or, to the knowledge of the District threatened against the District, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2024 Bonds, or in any way contesting or affecting (i) the validity of the Series 2024 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 2024 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Series 2024 Assessment Proceedings.

The Developer

The Developer has represented that there is no litigation of any nature now pending or, to the knowledge of the Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Developer to complete the development of the Development or to complete the Assessment Area Two Project as described herein, or materially and adversely affect the ability of the Primary Landowners to pay the Series 2024 Assessments imposed against the land within Assessment Area Two of the District owned by the Primary Landowners.

CONTINGENT FEES

The District has retained Bond Counsel, District Counsel, the District 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 2024 Bonds. Except for the payment of certain fees to District Counsel, the District Engineer and the District Manager, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2024 Bonds.

NO RATING

No application for a rating for the Series 2024 Bonds has been made to any rating agency, nor is there any reason to believe that an investment grade rating for the Series 2024 Bonds would have been obtained if application had been made.

EXPERTS

The Engineer's Report included in APPENDIX A to this Limited Offering Memorandum has been prepared by Atwell, LLC, Maitland, Florida, the District Engineer. APPENDIX A should be read in its entirety for complete information with respect to the subjects discussed therein. Wrathell, Hunt & Associates, LLC, Boca Raton, Florida, as Methodology Consultant, has prepared the Assessment Methodology set forth as APPENDIX E hereto. APPENDIX E should be read in its entirety for complete information with respect to the subjects discussed therein.

FINANCIAL INFORMATION

This District will covenant in the Disclosure Agreement (as defined herein), the proposed form of which is set forth in APPENDIX D hereto, to provide its annual audited financial statements to certain information repositories as described in APPENDIX D, commencing with the audit for the District Fiscal Year ending September 30, 2024. Attached hereto as APPENDIX F is a copy of the District's audited financial statements for the District's fiscal year ended September 30, [2023], as well as the District's

unaudited monthly financial statements for the period ended [_____], 2024. 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 2024 Bonds are not general obligation bonds of the District and are payable solely from the Series 2024 Trust Estate.

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

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

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

CONTINUING DISCLOSURE

The District and the [Developer / Primary Landowners] will enter into the Continuing Disclosure Agreement (the "Disclosure Agreement") in the proposed form of APPENDIX D, for the benefit of the Series 2024 Bondholders (including owners of beneficial interests in such Series 2024 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 D: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or either Primary Landowner to comply with their respective obligations under the Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement would allow the Series 2024 Bondholders (including owners of beneficial interests in such Series 2024 Bonds) to bring an action for specific performance.

The District has previously entered into a continuing disclosure undertakings pursuant to Rule 15c2-12, promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), with respect to its Series 2023 Bonds. [A review of filings made pursuant to such prior undertaking indicates that the District has not materially failed to comply with its requirements thereunder within the last five years.] The District will appoint the District Manager as the dissemination agent in the Disclosure Agreement and anticipates satisfying all future disclosure obligations required pursuant to the Disclosure Agreement. [EMMA review to come]

The Developer has previously entered into continuing disclosure undertakings pursuant to the Rule in connection with the District's Series 2023 Bonds and other special districts. A review of filings made pursuant to such prior undertakings indicates that certain filings required to be made by the Developer were not timely or correctly filed and that corrective filings or notices of late filings, as applicable, were not always filed. The Developer anticipates satisfying all future disclosure obligations required pursuant to the Disclosure Agreement.

UNDERWRITING

FMSbonds, Inc. (the "Underwriter") has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2024 Bonds from the District at a purchase price of \$_____ (representing the par amount of the Series 2024 Bonds [plus/less net 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 2024 Bonds if any are purchased.

The Underwriter intends to offer the Series 2024 Bonds to accredited investors at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Series 2024 Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial offering prices may be changed from time to time by the Underwriter.

VALIDATION

Bonds issued pursuant to the terms of the Master Indenture have been validated by a judgment of the Circuit Court of the Fifth Judicial Circuit Court of Florida in and for Marion County, Florida, rendered on June 27, 2022. 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 2024 Bonds are subject to the approval of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel Kutak Rock LLP, Tallahassee, Florida, for the Developer by its counsel, J. Wayne Crosby, P.A., Winter Park, Florida, and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. GrayRobinson, P.A. represents the Developer in unrelated matters.

The legal opinions of Bond Counsel to be delivered concurrently with the delivery of the Series 2024 Bonds are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date of such opinions. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

MISCELLANEOUS

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

The references herein to the Series 2024 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 2024 Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. This Limited Offering Memorandum is not to be construed as a contract with the purchaser or the Beneficial Owners of any of the Series 2024 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 the District.

RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT

By: _____
Chairperson, Board of Supervisors

APPENDIX A
ENGINEER'S REPORT

APPENDIX B

COPY OF MASTER INDENTURE AND PROPOSED FORM OF SECOND SUPPLEMENTAL INDENTURE

APPENDIX C

PROPOSED FORM OF APPROVING OPINION OF BOND COUNSEL

APPENDIX D

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX E
ASSESSMENT METHODOLOGY

APPENDIX F
DISTRICT'S FINANCIAL STATEMENTS

Exhibit D – Form of Continuing Disclosure Agreement

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of [____], 2024 is executed and delivered by the Ridge at Heath Brook Community Development District (the "Issuer" or the "District"), Forestar (USA) Real Estate Group Inc., a Delaware corporation (the "Developer"), and Wrathell, Hunt & Associates, LLC, a Florida limited liability company, as Dissemination Agent (as defined herein) in connection with the Issuer's Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of January 1, 2023 (the "Master Indenture") and a Second Supplemental Trust Indenture dated as of August 1, 2024 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each entered into by and between the Issuer and U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Fort Lauderdale, Florida, as trustee (the "Trustee"). The Issuer, the Developer and the Dissemination Agent covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer, the Developer and the Dissemination Agent for the benefit of the Beneficial Owners (as defined herein) of the Bonds and to assist the Participating Underwriter (as defined herein) of the Bonds in complying with the Rule (as defined herein). The Issuer has no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction, a governmental regulatory agency, or an attorney specializing in federal securities law, that the Rule requires the Issuer or other Obligated Person (as defined herein) to provide additional information, the Issuer and each Obligated Person agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

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

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

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

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

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

"Assessments" shall mean the non-ad valorem Series 2024 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. Wrathell, Hunt & Associates, LLC has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean Wrathell, Hunt & Associates, LLC, and its successors and assigns.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures located at <http://emma.msrb.org/>.

"EMMA Compliant Format" shall mean a format for any document provided to the MSRB (as hereinafter defined) which is in an electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

"Financial Obligation" means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of an obligation or instrument described in either clause (a) or (b). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall mean the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

"Limited Offering Memorandum" shall mean that Limited Offering Memorandum dated [____], 2024, 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 [February 1, 2025].

"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, 2024 which shall be due no later than March 31, 2025. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided that* the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report, and may be submitted in accordance with State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the Issuer's Fiscal Year (the "Audited Financial Statements Filing Date"). The Issuer shall, or shall cause the Dissemination Agent to, provide to the Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty (30) days after same becomes available, but in no event later than the Annual Filing Date or Audited Financial Statements Filing Date, if applicable. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 6.

(b) If on the fifteenth (15th) day prior to each Annual Filing Date or the Audited Financial Statements Filing Date, as applicable, the Dissemination Agent has not received a copy of the Annual Report or Audited Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be via email) to remind the Issuer of its obligation to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or the Audited Financial Statements, as applicable, in accordance with Section 3(a) above, or (ii) advise the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the times required under this Disclosure Agreement, state the date by which the Annual Report or the Audited Financial Statements for such year, as applicable, will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 6(a)(xvii) has occurred and to immediately send a notice to the Repository in substantially the form attached hereto as Exhibit A.

(c) If the Dissemination Agent has not received an Annual Report by 12:00 noon on the first (1st) Business Day following the Annual Filing Date for the Annual Report or the

Audited Financial Statements by 12:00 noon on the first (1st) Business Day following the Audited Financial Statements Filing Date for the Audited Financial Statements, then a Listed Event as described in Section 6(a)(xvii) shall have occurred and the Dissemination Agent shall immediately send a notice to the Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the Annual Filing Date the name, address and filing requirements of the Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Issuer stating that the Annual Report or Audited Financial Statements has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing all Repositories with which it was filed.

(e) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an EMMA Compliant Format.

4. **Content of Annual Reports.**

(a) Each Annual Report shall be in the form set in Schedule A attached hereto and shall contain the following Annual Financial Information with respect to the Issuer:

(i) All fund balances in all Funds, Accounts and subaccounts for the Bonds and the total amount of Bonds Outstanding, in each case as of December 31st following the end of the most recent prior Fiscal Year.

(ii) The method by which Assessments are being levied (whether on-roll or off-roll) and the amounts being levied by each method in the Assessment Area for the current Fiscal Year, and a copy of the assessment roll (on roll and off roll) for the Assessments certified for collection in the Assessment Area for the current Fiscal Year.

(iii) The method by which Assessments were levied (whether on-roll or off-roll) and the amounts levied by each method in the Assessment Area for the most recent prior Fiscal Year.

(iv) The amount of Assessments collected in the Assessment Area from the property owners during the most recent prior Fiscal Year.

(v) If available, the amount of delinquencies in the Assessment Area greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of the Assessments due in any year, a list of delinquent property owners.

(vi) If available, the amount of tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.

(vii) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.

(viii) The most recent Audited Financial Statements of the Issuer.

(ix) In the event of any amendment or waiver of a provision of this Disclosure Agreement, a description of such amendment or waiver in the next Annual Report, and in each case shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

To the extent any of the items set forth in subsections (i) through (vii) above are included in the Audited Financial Statements referred to in subsection (viii) above, they do not have to be separately set forth (unless Audited Financial Statements are being delivered later than March 31st after the close of the Issuer's Fiscal Year pursuant to Section 3(a) hereof). Any or all of the items listed above may be incorporated by reference from other documents, including limited offering memorandums and official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the SEC. If the document incorporated by reference is a final limited offering memorandum or official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

(b) 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 five (5) days prior to the Quarterly Filing Date. Promptly upon receipt of an electronic copy of the Quarterly Report, but in any event no later than the applicable Quarterly Filing Date, the Dissemination Agent shall provide a Quarterly Report to the Repository.

(b) Each Quarterly Report shall contain an update of the following information to the extent available with respect to the Assessment Area only:

(i) The number of lots planned.

Lot Ownership Information

(ii) The number of lots owned by the Developer.

- (iii) The number of lots owned by the Builder.
- (iv) The number of lots owned by homebuyers.

Lot Status Information

- (v) The number of lots developed.
- (vi) The number of lots platted.

Home Sales Status Information

- (vii) The number of homes sold (but not closed) with homebuyers during quarter.
- (viii) The number of homes sold (and closed) with homebuyers during quarter.
- (ix) The total number of homes sold and closed with homebuyers (cumulative).

Material Changes/Transfers

(x) Material changes to any of the following: (1) builder contracts, if applicable, (2) the number 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 since the date hereof.

(xi) Any sale, assignment or transfer of ownership of lands by the Obligated Person to a third party which will in turn become an Obligated Person hereunder.

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in the Assessment Area (a "Transferor Obligated Person") to a third party (a "Transferee"), which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "Transfer"), the Transferor Obligated Person hereby agrees to use its best efforts to contractually obligate such Transferee to agree to comply with the disclosure obligations of an Obligated Person hereunder for so long as such Transferee is an Obligated Person hereunder, to the same extent as if such Transferee were a party to this Disclosure Agreement (an "Assignment"). The Transferor Obligated Person shall notify the District and the Dissemination Agent in writing of any Transfer within five (5) Business Days of the occurrence thereof. Nothing herein shall be construed to relieve the 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 2024 Reserve Account reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;*
- (v) Substitution of credit or liquidity providers, or their failure to perform;*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;*
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer or any Obligated Person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer or any Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person);
- (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

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

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

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

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

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

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

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

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

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

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

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 Wrathell, Hunt & Associates, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Wrathell, Hunt & Associates, LLC. Wrathell, Hunt & Associates, LLC, may terminate its role as Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the District and each Obligated Person. The District may terminate the agreement hereunder with the Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the Dissemination Agent and each Obligated Person.

9. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the Issuer, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Notwithstanding the above provisions of this Section 9, no amendment to the provisions of Section 5(b) hereof may be made without the consent of each Obligated Person, if any.

10. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

11. **Default.** In the event of a failure of the Issuer, the Disclosure Representative, any Obligated Person or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Beneficial Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and receipt of indemnity satisfactory to the Trustee, shall), or any beneficial owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer, the Disclosure Representative, any Obligated Person or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement by any Obligated Person shall

not be deemed a default by the Issuer hereunder and no default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer, the Disclosure Representative, any Obligated Person, or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

12. **Duties of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement between the District, the 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, each Obligated Person 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 Marion 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 Marion 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 successors or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**RIDGE AT HEATH BROOK COMMUNITY
DEVELOPMENT DISTRICT, AS ISSUER AND
OBLIGATED PERSON**

[SEAL]

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

ATTEST:

By: _____
_____, Secretary

**FORESTAR (USA) REAL ESTATE GROUP
INC., AS OBLIGATED PERSON**

By: _____
Name: _____
Title: _____

**WRATHELL, HUNT & ASSOCIATES, LLC,
and its successors and assigns, AS
DISSEMINATION AGENT**

By: _____
Name: _____
Title: _____

CONSENTED TO AND AGREED TO BY:

DISTRICT MANAGER

**WRATHELL, HUNT & ASSOCIATES,
LLC, AS DISTRICT MANAGER**

By: _____
Name: _____
Title: _____

Acknowledged and agreed to for purposes of
Sections 11, 13 and 17 only:

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, AS TRUSTEE**

By: _____

Name: _____

Title: _____

EXHIBIT A

**FORM OF NOTICE TO REPOSITORIES OF FAILURE
TO FILE [ANNUAL REPORT]
[AUDITED FINANCIAL STATEMENTS][QUARTERLY REPORT]**

Name of Issuer: Ridge at Heath Brook Community Development District

Name of Bond Issue: \$[_____] original aggregate principal amount of Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two)

Obligated Person(s): Ridge at Heath Brook Community Development District;
_____.

Original Date of Issuance: [_____] , 2024

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 [_____] , 2024, 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

Combined Trust Estate Assets	<u>Quarter Ended – 12/31</u>
Acquisition and Construction Fund	
Revenue Fund	
Reserve Fund	
Prepayment Fund	
Other	
Total Bonds Outstanding	
TOTAL	

2. Assessment Certification and Collection Information

1. For the Current District Fiscal Year – Manner in which Assessments are collected (On Roll vs. Off Roll)

	<u>\$ Certified</u>
On Roll	\$ _____
Off Roll	\$ _____
TOTAL	\$ _____

2. Attach to Report the following:
- A. On Roll – Copy of certified assessment roll for the District's current Fiscal Year
- B. Off Roll – List of folios for all off roll Assessments, together with annual Assessment assigned to each folio

3. For the immediately ended Bond Year, provide the levy and collection information

<u>Total Levy</u>	<u>\$ Levied</u>	<u>\$ Collected</u>
On Roll	\$ _____	\$ _____
Off Roll	\$ _____	\$ _____
TOTAL		

4. If available, the amount of delinquencies in the Assessment Area greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amount of the Assessments due in any year, a list of delinquent property owners

5. If available, the amount of tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year

6. The amount of principal and interest to be paid on the Bonds in the current Fiscal Year

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

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**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA**

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Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Ridge at Heath Brook Community Development District
City of Ocala, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Ridge at Heath Brook Community Development District, City of Ocala, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2023, and the respective changes in financial position thereof for the fiscal year then ended accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information Included in the Financial Report

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c) but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



June 24, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Ridge at Heath Brook Community Development District, City of Ocala, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of (\$215,921).
- The change in the District's total net position in comparison with the prior fiscal year was (\$210,673), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2023, the District's governmental funds reported combined ending fund balance of \$121,637, an increase of \$126,885 in comparison with the prior fiscal year. The total fund balance is restricted for debt service and capital projects., and the remainder is unassigned deficit fund balance in the general fund.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by Developer contributions and assessments. The District does not have any business-type activities. The governmental activities of the District include the general government (management) function.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, liabilities exceeded assets at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

NET POSITION SEPTEMBER 30,		
	2023	2022 (Unaudited)
Current and other assets	\$ 171,383	\$ 24,760
Capital assets, net of depreciation	2,013,689	-
Total assets	2,185,072	24,760
Current liabilities	75,993	30,008
Long-term liabilities	2,325,000	-
Total liabilities	2,400,993	30,008
Net position		
Net investment in capital assets	(310,874)	-
Restricted	90,710	-
Unrestricted	4,243	(5,248)
Total net position	\$ (215,921)	\$ (5,248)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

The District's net position decreased during the most recent fiscal year. The majority of the decrease was due to bond issue costs.

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION			
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,			
	2023	2022	
		(Unaudited)	
Revenues:			
Program revenues			
Charges for services	\$ 107,419	\$ -	
Operating grants and contributions	36,503	49,142	
Total revenues	143,922	49,142	
Expenses:			
General government	71,866	54,197	
Bond issue costs	198,130	-	
Interest	84,599	-	
Total expenses	354,595	54,197	
Change in net position	(210,673)	(5,055)	
Net position - beginning	(5,248)	(193)	
Net position - ending	\$ (215,921)	\$ (5,248)	

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2023 was \$354,595. The costs of the District's activities were partially funded by program revenues which were mostly comprised of Developer contributions, assessments, and interest income. In total, expenses, increased from the prior fiscal year, the majority of the increase was the result of bond issuance costs.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2023, the District had \$2,013,689 invested in capital assets for its governmental activities. No depreciation has been taken in the current fiscal year as the District's infrastructure and other capital assets are under construction. More detailed information about the District's capital assets is presented in the notes of the financial statements.

DEBT ADMINISTRATION

Capital Debt

At September 30, 2023, the District had \$2,325,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

It is anticipated that the cost of the general operations of the District will increase during the subsequent fiscal year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Ridge at Heath Brook Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, FL 33431.

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	Governmental Activities
<hr/>	
ASSETS	
Cash and cash equivalents	\$ 3,067
Due from Developer	72,383
Accounts Receivable	13,664
Restricted assets:	
Investments	82,269
Capital assets:	
Nondepreciable	2,013,689
Total assets	<hr/> 2,185,072 <hr/>
LIABILITIES	
Accounts payable	18,886
Developer advance	6,000
Accrued interest payable	51,107
Non-current liabilities:	
Due within one year	35,000
Due in more than one year	2,290,000
Total liabilities	<hr/> 2,400,993 <hr/>
NET POSITION	
Net investment in capital assets	(310,874)
Restricted for debt service	90,710
Unrestricted	4,243
Total net position	<hr/> \$ (215,921) <hr/>

See notes to the financial statements

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
Primary government:				
Governmental activities:				
General government	\$ 71,866	\$ 39,376	\$ 28,868	\$ (3,622)
Interest on long-term debt	84,599	68,043	7,635	(8,921)
Bond issue costs	198,130	-	-	(198,130)
Total governmental activities	354,595	107,419	36,503	(210,673)
				Change in net position (210,673)
				Net position - beginning (5,248)
				Net position - ending \$ (215,921)

See notes to the financial statements

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	Major Funds			Total
	General	Debt Service	Capital Projects	Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 3,067	\$ -	\$ -	\$ 3,067
Investments	-	81,832	437	82,269
Due from Developer	12,398	59,985	-	72,383
Accounts receivable	5,606	8,058	-	13,664
Total assets	<u>\$ 21,071</u>	<u>\$ 149,875</u>	<u>\$ 437</u>	<u>\$ 171,383</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 18,886	\$ -	\$ -	\$ 18,886
Developer advance	6,000	-	-	6,000
Total liabilities	<u>24,886</u>	<u>-</u>	<u>-</u>	<u>24,886</u>
Deferred inflows of resources:				
Unavailable revenue - Developer	12,398	-	-	12,398
Unavailable revenue - other	4,404	8,058	-	12,462
Total deferred inflows of resources	<u>16,802</u>	<u>8,058</u>	<u>-</u>	<u>24,860</u>
Fund balances:				
Restricted for:				
Debt service	-	141,817	-	141,817
Capital projects	-	-	437	437
Unassigned	(20,617)	-	-	(20,617)
Total fund balances	<u>(20,617)</u>	<u>141,817</u>	<u>437</u>	<u>121,637</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 21,071</u>	<u>\$ 141,817</u>	<u>\$ 437</u>	<u>\$ 171,383</u>

See notes to the financial statements

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

Fund balance - governmental funds	\$	121,637
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	2,013,689	
Accumulated depreciation	-	2,013,689

Assets recorded in the governmental fund financial statements that are not available to pay for current-period expenditures are unavailable revenue in the governmental funds.	24,860
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Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(51,107)	
Bonds Payable	(2,325,000)	(2,376,107)
Net position of governmental activities		\$ (215,921)

See notes to the financial statements

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Major Funds			Total
	General	Debt Service	Capital Projects	Governmental Funds
REVENUES				
Special assessments	\$ 34,972	\$ 59,985	\$ -	\$ 94,957
Developer contributions	16,470	5,055	-	21,525
Interest earnings	-	2,580	-	2,580
Total revenues	51,442	67,620	-	119,062
EXPENDITURES				
Current:				
General government	71,866	-	-	71,866
Debt service:				
Interest	-	33,049	-	33,049
Bond issuance costs	-	198,130	-	198,130
Capital outlay	-	-	2,013,689	2,013,689
Total expenditures	71,866	231,179	2,013,689	2,316,734
Excess (deficiency) of revenues over (under) expenditures	(20,424)	(163,559)	(2,013,689)	(2,197,672)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	(437)	437	-
Bond proceeds	-	311,311	2,013,689	2,325,000
Original issue discount	-	(443)	-	(443)
Total other financing sources (uses)	-	310,431	2,014,126	2,324,557
Net change in fund balances	(20,424)	146,872	437	126,885
Fund balances - beginning	(193)	(5,055)	-	(5,248)
Fund balances - ending	\$ (20,617)	\$ 141,817	\$ 437	\$ 121,637

See notes to the financial statements

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds	\$ 126,885
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, the cost of those assets is eliminated in the statement of activities and capitalized in the statement of net position.	2,013,689
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund financial statements.	24,860
Governmental funds report the face amount of Bonds issued as financial resources when debt is first issued, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.	(2,325,000)
In connection with the issuance of the Bonds, the original issue discount/premium is reported as a financing use/source when debt is first issued, whereas this amount is eliminated in the statement of activities and reduces/increases long-term liabilities in the statement of net position.	443
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the funds. The details of the differences are as follows:	
Original issue discount/premium	(443)
The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the governmental fund financial statements.	(51,107)
Change in net position of governmental activities	<u>\$ (210,673)</u>

See notes to the financial statements

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - NATURE OF ORGANIZATION AND REPORTING ENTITY

Ridge at Heath Brook Community Development District (the "District") was established by the City Council of the City of Ocala's approval of Ordinance No. 2021-58 adopted on June 15, 2021 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. The Board exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes. As of September 30, 2023, all the Board members are affiliated with Forestar (USA) Real Estate Group Inc., ("Developer").

The Board has the responsibility for:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on benefited property within the District. Operating and maintenance assessments are based upon the adopted budget and levied annually at a public hearing of the District. Debt service assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection under Florida Statutes. Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by the County Tax Collector on November 1 and due on or before March 31 of each year. Property owners may prepay a portion or all of the debt service assessments on their property subject to various provisions in the Bond documents.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

No depreciation has been taken in the current fiscal year as the District's infrastructure and other capital assets are under construction.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 - BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriations for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2023:

	Amortized Cost	Credit Risk	Maturities
First American Government Obligation Fd Cl Y	\$ 82,269	S&P AAAM	Weighted average of the fund portfolio: 24 days
	<u>\$ 82,269</u>		

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

Interest rate risk – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

However, the Bond Indenture limits the type of investments held using unspent proceeds.

Fair Value Measurement – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 - CAPITAL ASSETS

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Infrastructure under construction	\$ -	\$ 2,013,689	\$ -	\$ 2,013,689
Total capital assets, not being depreciated	-	2,013,689	-	2,013,689
 Governmental activities capital assets, net	 \$ -	 \$ 2,013,689	 \$ -	 \$ 2,013,689

The infrastructure intended to serve the District has been estimated at a total cost of approximately \$17,056,455. A portion of the project costs was expected to be financed with the proceeds from the issuance of Bonds with the remainder to be funded by the Developer and conveyed to the District. Upon completion, certain infrastructure improvements are to be conveyed to others for ownership and maintenance responsibilities. All of the current year additions to capital assets were acquired from the Developer.

NOTE 6 – LONG-TERM LIABILITIES

Series 2023

On January 24, 2023, the District issued \$2,325,000 of Capital Improvement Revenue Bonds, Series 2023 consisting of multiple term bonds with due dates ranging from May 1, 2030 to May 1, 2053, and fixed interest rates ranging from 4.375% - 5.5%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each November 1 and May 1, commencing May 1, 2023. Principal on the Bonds is to be paid serially commencing May 1, 2024 through May 1, 2053.

The Series 2023 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Series 2023 (Continued)

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2023.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2023 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Series 2023	\$ -	\$ 2,325,000	\$ -	\$ 2,325,000	\$ 35,000
Less: Original issue discount	-	443	443	-	-
Total	\$ -	\$ 2,324,557	\$ (443)	\$ 2,325,000	\$ 35,000

At September 30, 2023, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2024	\$ 35,000	\$ 122,656	\$ 157,656
2025	35,000	121,125	156,125
2026	35,000	119,594	154,594
2027	40,000	118,063	158,063
2028	40,000	116,313	156,313
2029-2033	235,000	551,681	786,681
2034-2038	305,000	484,350	789,350
2039-2043	400,000	395,625	795,625
2044-2048	520,000	276,100	796,100
2049-2053	680,000	116,325	796,325
	<u>\$ 2,325,000</u>	<u>\$ 2,421,832</u>	<u>\$ 4,746,832</u>

NOTE 7 – DEVELOPER TRANSACTIONS

The Developer has agreed to fund the general operations of the District. In connection with that agreement, Developer contributions to the general fund were \$16,470 during the fiscal year ended September 30, 2023. The District has recorded a receivable from the Developer of \$12,398 that is classified as unavailable as of September 30, 2023.

For the current fiscal year, Developer assessment revenues in the general and debt service funds were \$34,972 and \$59,985, respectively. The District has recorded a receivable of assessments in the amount of \$59,985 from the Developer in the debt service fund as of September 30, 2023.

NOTE 8 - CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer and major landowners, the loss of which could have a material adverse effect on the District's operations.

NOTE 9 - MANAGEMENT COMPANY

The District has contracted with a management company to perform services which include financial and accounting advisory services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims since inception of the District.

NOTE 11 – DEFICIT FUND EQUITY

The general fund had a deficit fund balance of (\$20,617) as of September 30, 2023. The deficit will be covered by a contribution from the Developer in the subsequent period.

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts <u>Original & Final</u>	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 35,490	\$ 34,972	\$ (518)
Developer Contributions	65,800	16,470	(49,330)
Total revenues	<u>101,290</u>	<u>51,442</u>	<u>(49,848)</u>
EXPENDITURES			
Current:			
General government	101,290	71,866	29,424
Total expenditures	<u>101,290</u>	<u>71,866</u>	<u>29,424</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	(20,424)	<u>\$ (20,424)</u>
Fund balance - beginning		<u>(193)</u>	
Fund balance - ending		<u>\$ (20,617)</u>	

See notes to required supplementary information

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

**RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
CITY OF OCALA, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of District employees compensated in the last pay period of the District's fiscal year being reported.	0
Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported.	5
Employee compensation	\$ -
Independent contractor compensation	\$ 58,576.48
Construction projects to begin on or after October 1; (>\$65K)	Series 2023
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	
Special assessment rate	Operations and maintenance - \$259.05 - \$1,260.42 Debt Service - \$0
Special assessments collected	\$94,957
Outstanding Bonds:	See Note 6 for details



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors
Ridge at Heath Brook Community Development District
City of Ocala, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Ridge at Heath Brook Community Development District, City of Ocala, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated June 24, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Shaw & Associates

June 24, 2024



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Ridge at Heath Brook Community Development District
City of Ocala, Florida

We have examined Ridge at Heath Brook Community Development District, City of Ocala, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2023. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

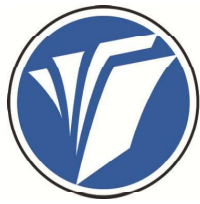
We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Supervisors of Ridge at Heath Brook Community Development District, City of Ocala, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

June 24, 2024



Grau & Associates

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MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Board of Supervisors
Ridge at Heath Brook Community Development District
City of Ocala, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Ridge at Heath Brook Community Development District, City of Ocala, Florida ("District") as of and for fiscal year ended September 30, 2023, and have issued our report thereon dated June 24, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 24, 2024, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of Ridge at Heath Brook Community Development District, City of Ocala, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Ridge at Heath Brook Community Development District, City of Ocala, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

June 24, 2024

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Not applicable. First year audit.

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Not applicable. First year audit.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2023.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2023.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 23.

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

11

RESOLUTION 2024-07

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE RIDGE AT
HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT HEREBY
ACCEPTING THE AUDITED FINANCIAL REPORT FOR THE FISCAL YEAR
ENDED SEPTEMBER 30, 2023**

WHEREAS, the District's Auditor, Grau & Associates, has heretofore prepared and submitted to the Board, for accepting, the District's Audited Financial Report for Fiscal Year 2023;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS
OF THE RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT
DISTRICT;**

1. The Audited Financial Report for Fiscal Year 2023, heretofore submitted to the Board, is hereby accepted for Fiscal Year 2023, for the period ending September 30, 2023; and
2. A verified copy of said Audited Financial Report for Fiscal Year 2023 shall be attached hereto as an exhibit to this Resolution, in the District's "Official Record of Proceedings".

PASSED AND ADOPTED this 12th day of July, 2024.

ATTEST:

**RIDGE AT HEATH BROOK COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

12

RESOLUTION 2024-08

[SUPPLEMENTAL ASSESSMENT RESOLUTION, 2024 BONDS]

A RESOLUTION SETTING FORTH THE SPECIFIC TERMS OF THE DISTRICT'S SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024; MAKING CERTAIN ADDITIONAL FINDINGS AND CONFIRMING AND/OR ADOPTING A SUPPLEMENTAL ENGINEER'S REPORT AND A SUPPLEMENTAL ASSESSMENT REPORT; DELEGATING AUTHORITY TO PREPARE FINAL REPORTS AND UPDATE THIS RESOLUTION; CONFIRMING THE MAXIMUM ASSESSMENT LIEN SECURING THE BONDS; ADDRESSING THE ALLOCATION AND COLLECTION OF THE ASSESSMENTS SECURING THE BONDS; ADDRESSING PREPAYMENTS; ADDRESSING TRUE-UP PAYMENTS; PROVIDING FOR THE SUPPLEMENTATION OF THE IMPROVEMENT LIEN BOOK; AND PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Ridge at Heath Brook Community Development District ("**District**") has previously indicated its intention to undertake, install, establish, construct or acquire certain public improvements and to finance such public improvements through the issuance of bonds secured by the imposition of special assessments on benefited property within the District; and

WHEREAS, the District's Board of Supervisors ("**Board**") has previously adopted, after proper notice and public hearing, Resolution No. 2023-10 ("**Master Assessment Resolution**"), relating to the imposition, levy, collection and enforcement of such special assessments, and establishing a master lien over the property within the District, which lien remains inchoate until the District issues bonds, as provided in the Master Assessment Resolution; and

WHEREAS, the Master Assessment Resolution provides that as each series of bonds is issued to fund all or any portion of the District's improvements, a supplemental resolution may be adopted to set forth the specific terms of the bonds and certify the amount of the lien of the special assessments securing any portion of the bonds, including interest, costs of issuance, the number of payments due, and the application of receipt of any true-up proceeds; and

WHEREAS, on July 12, 2024, and in order to finance all or a portion of what is known as the "2024 Project" (herein, "**Project**"), the District adopted Resolution 2024-06 ("**Delegated Award Resolution**"), which authorized the District to enter into a *Bond Purchase Contract* and sell its Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) ("**Bonds**") within certain parameters set forth in the Delegated Award Resolution; and

WHEREAS, the District intends to secure the Bonds by levying debt service special assessments ("**Assessments**") pursuant to the terms of the Master Assessment Resolution, in accordance with the supplemental trust indenture applicable to the Bonds and associated financing documents; and

WHEREAS, pursuant to and consistent with the Master Assessment Resolution and Delegated Award Resolution, the District desires to authorize the finalization of its Assessments, among other actions.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF
THE RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT AS
FOLLOWS:**

1. **INCORPORATION OF RECITALS.** All of the above representations, findings and determinations contained above are recognized as true and accurate and are expressly incorporated into this Resolution.

2. **AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of Florida law, including Chapters 170, 190 and 197, *Florida Statutes*, and the Master Assessment Resolution.

3. **ADDITIONAL FINDINGS; ADOPTION OF ENGINEER'S REPORT AND SUPPLEMENTAL ASSESSMENT REPORT.** The Board hereby finds and determines as follows:

- a. The *Second Supplemental Engineer's Report* dated July 2024, and attached to this Resolution as **Exhibit A ("Engineer's Report")**, identifies and describes, among other things, the presently expected components and estimated costs of the Project. The District hereby confirms that the Project serves a proper, essential and valid public purpose. The Engineer's Report is hereby approved, adopted, and confirmed in substantial form. The District authorizes and ratifies its use in connection with the sale of the Bonds, subject to any changes deemed necessary under Section 4.a herein.
- b. The *Second Supplemental Special Assessment Methodology Report*, attached to this Resolution as **Exhibit B ("Supplemental Assessment Report")**, applies the *Master Special Assessment Methodology Report*, dated October 7, 2024 ("**Master Assessment Report**") to the Project and the actual terms of the Bonds. The Supplemental Assessment Report is hereby approved, adopted and confirmed in substantial form. The District authorizes and ratifies its use in connection with the sale of the Bonds, subject to any changes deemed necessary under Section 4.a. herein.
- c. Generally speaking, and subject to the terms of **Exhibit A** and **Exhibit B**, the Project benefits all developable property within the "2024 Assessment Area" a/k/a "Assessment Area Two," as further described in **Exhibit C** attached hereto ("**Assessment Area**"). Moreover, the benefits from the Project funded by the Bonds equal or exceed the amount of the special assessments ("**Assessments**"), as described in **Exhibit B**, and such the Assessments are fairly and reasonably allocated across the Assessment Area. It is reasonable, proper, just and right to assess the portion of the costs of the Project to be financed with the Bonds to the specially benefited properties within the Assessment Area as set forth in Master Assessment Resolution and this Resolution.

4. **CONFIRMATION OF MAXIMUM ASSESSMENT LIEN SECURING THE BONDS; DELEGATION OF AUTHORITY FOR DISTRICT STAFF TO ISSUE FINAL REPORTS AND UPDATE THIS RESOLUTION.** As provided in the Master Assessment Resolution, this Resolution is intended to set forth the terms of the Bonds and the final amount of the lien of the Assessments. In connection with the closing on the sale of the Bonds, District Staff is authorized to:

- a. Prepare final versions of the Engineer's Report and Supplemental Assessment Report attached hereto as **Exhibit A** and **Exhibit B**, respectively, to incorporate final pricing terms and make such other revisions as may be deemed necessary, provided however that:
 - i. the Assessments shall be levied and imposed within the parameters of the Master Assessment Resolution and Delegated Award Resolution,
 - ii. the final versions shall be approved by the Chairperson or, in the Chairperson's absence, the Vice Chairperson, and in the absence or unavailability of the Vice Chairman, any other member of the Board, which approval shall be conclusively evidenced by executed of the Bond Purchase Contract and closing on the Bonds, and
 - iii. the actual amounts financed, costs of issuance, expected costs of collection, and the total amount of assessments pledged to the issuance of the Bonds, which amount shall be consistent with the lien imposed by the Master Assessment Resolution, and shall all be as set forth in the final Supplemental Assessment Report.
- b. After pricing of the Bonds, the District Manager is directed to attach a **Composite Exhibit D** to this Resolution showing: (i) Maturities and Coupon of Bonds, (ii) Sources and Uses of Funds for Bonds, and (iii) Annual Debt Service Payment Due on Bonds; and
- c. Upon closing on the District's Bonds, the District's Secretary is hereby authorized and directed to record a Notice of Assessments in the Official Records of the County in which the District is located, or such other instrument evidencing the actions taken by the District. The lien of the Assessments shall be the principal amount due on the Bonds, together with interest and collection costs, and other pledged revenues as set forth in the applicable indenture(s), and shall cover all developable acreage within the Assessment Area, as further provided in the assessment roll included in the Supplemental Assessment Report, and as such land is ultimately defined and set forth in site plans or other designations of developable acreage.

5. **ALLOCATION AND COLLECTION OF THE ASSESSMENTS.**

- a. The Assessments shall be allocated in accordance with **Exhibit B**. The final Assessment Report to be attached as **Exhibit B** shall reflect the actual terms of the issuance of the Bonds.
- b. The Master Assessment Resolution sets forth the terms for collection and enforcement of the Assessments. The District hereby certifies the Assessments for collection to ensure payment of debt service as set forth in **Exhibit B** and **Composite Exhibit D**. The District Manager is directed and authorized to take all actions necessary to collect special assessments on property using methods available to the District authorized by Florida law and the applicable trust indenture in order to provide for the timely payment of debt service (and after taking into account any capitalized interest period, if any). Among other things, the District Manager shall prepare or cause to be prepared each year an

assessment roll for purposes of effecting the collection of the Assessments and present same to the Board as required by law.

6. **IMPACT FEE CREDITS.** Consistent with the Master Assessment Resolution, and without intending to limit the same, and in lieu of receiving impact fee credits from any public improvements financed by the District, the District may elect to receive a contribution of infrastructure, reduce the cost of acquiring the improvements, or otherwise address any impact fee credits applicable to the Project.

7. **PREPAYMENT OF ASSESSMENTS.** Any owner of property subject to the Assessments may, at its option, pre-pay the entire amount of the Assessments any time, or a portion of the amount of the Assessments up to two (2) times (or as otherwise provided by the Supplemental Indenture for the Bonds), plus any applicable interest (as provided for in the Supplemental Indenture for the Bonds), attributable to the property subject to the Assessments owned by such owner. In connection with any prepayment of Assessments, the District may grant a discount equal to all or part of the payee's proportionate share of financing costs (e.g., reserves) to the extent such discounts are provided for under the applicable trust indenture. Except as otherwise set forth herein, the terms of the Master Assessment Resolution addressing prepayment of assessments shall continue to apply in full force and effect.

8. **APPLICATION OF TRUE-UP PAYMENTS.** The terms of the Master Assessment Resolution addressing True-Up Payments, as defined therein, shall continue to apply in full force and effect.

9. **IMPROVEMENT LIEN BOOK.** Immediately following the closing on the District's Bonds, the Assessments as reflected herein shall be recorded by the Secretary of the Board in the District's Improvement Lien Book. The Assessments shall be and shall remain a legal, valid and binding first lien against all benefitted property as described in **Exhibit B** until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

10. **ADDITIONAL AUTHORIZATION.** The Chairman, the Secretary, and all other Supervisors, officers and staff of the District are hereby authorized and directed to take all actions necessary or desirable in connection with the issuance and delivery of the Bonds, and final levy of the Assessments, and the consummation of all transactions in connection therewith, including the execution of all certificates, documents, papers, notices, and agreements necessary to the undertaking and fulfillment of all transactions referred to in or contemplated by the this Resolution. The Vice Chairman is hereby authorized to act in the stead of the Chairman in any undertaking authorized or required of the Chairman hereunder, and in the absence of the Chairman and Vice Chairman, any other member of the District's Board of Supervisors is so authorized, and any Assistant Secretary is hereby authorized to act in the stead of the Secretary in any undertaking authorized or required of the Secretary hereunder.

11. **CONFLICTS.** This Resolution is intended to supplement the Master Assessment Resolution, which remains in full force and effect and is applicable to the Bonds except as modified herein. This Resolution and the Master Assessment Resolution shall be construed to the maximum extent possible to give full force and effect to the provisions of each resolution, provided however that to the extent of any conflict, this Resolution shall control. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

12. **SEVERABILITY.** If any section or part of a section of this Resolution is 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.

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

[CONTINUED ON NEXT PAGE]

APPROVED and **ADOPTED** this 12th day of July, 2024.

ATTEST:

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

Exhibit A: *Second Supplemental Engineer's Report* dated July 2024
Exhibit B: *Final Second Supplemental Special Assessment Methodology*
Exhibit C: *Report* Legal Description of the Assessment Area
Comp. Exhibit D: Maturities and Coupon of 2024 Bonds
Sources and Uses of Funds for 2024 Bonds
Annual Debt Service Payment Due on 2024 Bonds

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

13A

This instrument was prepared by:

Kutak Rock LLP
107 W. College Ave.
Tallahassee, Florida 32301

**COLLATERAL ASSIGNMENT AGREEMENT
(2024 BONDS)**

THIS COLLATERAL ASSIGNMENT AGREEMENT (“Agreement”) is made and entered into by and between:

RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and whose mailing address is c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (**“District”**); and

FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation, the owner and primary developer of lands within the boundary of the District, and whose mailing address is 10700 Pecan Park Blvd., Suite 150, Austin, Texas 78750 (together with its permitted successors and assigns, **“Developer”**).

RECITALS

WHEREAS, the District was established pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (**“Act”**), and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the Act authorizes the District to issue bonds for the purposes, among others, of planning, financing, constructing, and acquiring certain infrastructure, including roadways, stormwater management, utilities (water & sewer), offsite improvements, landscaping/lighting, and other infrastructure within or without the boundaries of the District; and

WHEREAS, the District proposes to issue its Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (**“Bonds”**) to finance certain public infrastructure for the District’s “2024 Project” a/k/a “Assessment Area Two Project” (**“Project”**), which is estimated to cost \$6,325,284 and is defined in the *Second Supplemental Engineer’s Report* dated July 2024 (together, **“Engineer’s Report”**) and Assessment Report (defined herein); and

WHEREAS, the security for the repayment of the Bonds is the special assessments (**“Assessments”**) levied against benefitted lands within the “2024 Assessment Area” a/k/a “Assessment Area Two” (**“Property”**), the legal description of which is attached hereto as **Exhibit A**; and

WHEREAS, the District is presently planned to include certain planned product types and units¹ (as used herein with respect to the planned units and/or the undeveloped lands within the Property that may be developed into the planned units and that will fully secure the Assessments, the “**Lots**”) within the Property; and

WHEREAS, “**Development Completion**” will occur when the District’s Project is complete, all Lots have been developed, and all other infrastructure work necessary to support the Lots has been completed; and

WHEREAS, prior to Development Completion, there is an increased likelihood that adverse changes to local or national economic conditions may result in a default in the payment of the Assessments securing the Bonds; and

WHEREAS, in the event of default in the payment of the Assessments, the District has certain remedies – namely, if the Assessments are direct billed, the remedy available to the District would be an action in foreclosure, or if the Assessments are collected pursuant to Florida’s uniform method of collection, the remedy for non-payment of the Assessments is the sale of tax-certificates (collectively, “**Remedial Rights**”); and

WHEREAS, in the event the District exercises its Remedial Rights, the District will require the assignment of certain Development Rights (defined below) to complete development of the community; and

WHEREAS, the rights assigned to the District hereunder shall be exercised in a manner which will not materially affect the intended development of the Property.

NOW, THEREFORE, in consideration of the above recitals which the parties hereby agree are true and correct and are hereby incorporated by reference and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Developer and the District agree as follows:

1. **COLLATERAL ASSIGNMENT. Development Rights**. The Developer hereby collaterally assigns to the District, to the extent assignable and to the extent that they are owned or controlled by the Developer at execution of this Agreement or subsequently acquired by the Developer, all of the Developer’s development rights relating to development of the Property and/or the Project (herein, collectively, “**Development Rights**”), as security for the Developer’s payment and performance and discharge of its obligation to pay the Assessments levied against the Property owned by the Developer from time to time. The Development Rights shall include the items listed in subsections (a) through (i) below as they pertain to development of the Property and/or the Project:

(a) Zoning approvals, density approvals and entitlements, concurrency and capacity certificates, and development agreements.

¹ The number and type of Lots may vary based on final development. Ultimately, and subject to true-up determinations, the Developer is obligated to develop sufficient residential units (i.e., presently planned for 145 residential units, or 145 ERUs) that would absorb the full allocation of Assessments securing the Bonds, where such Assessments are based on the assessment levels for each product type established in the *Master Special Assessment Methodology Report* dated October 7, 2022, and the *Second First Supplemental Special Assessment Methodology Report*, dated _____, 2024 (together, “**Assessment Report**”).

(b) Engineering and construction plans and specifications for grading, roadways, site drainage, stormwater drainage, signage, water distribution, wastewater collection, and other improvements.

(c) Preliminary and final site plans.

(d) Architectural plans and specifications for public buildings and other public improvements relating to the Property.

(e) Permits, approvals, resolutions, variances, licenses, and franchises granted by governmental authorities, or any of their respective agencies, for or affecting the development within the Property and construction of improvements thereon, or off-site to the extent such off-site improvements are necessary or required for Development Completion.

(f) Contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the construction of the development within the Property or the construction of improvements thereon.

(g) All declarant's rights under any homeowner's association or other similar governing entity with respect to the Property.

(h) All impact fee credits.

(i) All future creations, changes, extensions, revisions, modifications, substitutions, and replacements of any of the foregoing.

Exclusions. Notwithstanding the foregoing, the Development Rights shall not include any rights which relate solely to: (i) Platted Lots conveyed to unaffiliated homebuilders or end-users, or (ii) any property which has been conveyed to the City of Ocala, Florida, the District, any utility provider, or any governmental or quasi-governmental entity as may be required by applicable permits, approvals, plats, entitlements or regulations affecting the District, if any (items (i) and (ii) referred to herein as "**Permitted Transfer**").

Rights Inchoate. The assumption of rights under this Agreement shall be inchoate and shall only become an absolute assignment and assumption of the Development Rights, upon failure of the Developer to pay the Assessments levied against the Property; provided, however, that such assignment shall only be absolute to the extent that: (i) this Agreement has not been terminated earlier pursuant to the term of this Agreement, (ii) a Permitted Transfer has not already occurred with respect to the Development Rights, or (iii) a Lot is conveyed to an unaffiliated homebuilder or end-user, in which event such Lot shall be released automatically herefrom.

Rights Severable. To the extent that any Development Rights apply to the Property and additional lands, or to Property that is the subject of a Permitted Transfer, the Developer shall at the request of the District cooperate and take reasonable steps to separate such rights for the District's use.

2. **WARRANTIES BY DEVELOPER.** The Developer represents and warrants to the District that:

(a) Other than Permitted Transfers, the Developer has made no assignment of the Development Rights to any person other than District.

(b) The Developer is not prohibited under agreement with any other person or under any judgment or decree from the execution and delivery of this Agreement.

(c) No action has been brought or threatened which would in any way interfere with the right of the Developer to execute this Agreement and perform all of the Developer's obligations herein contained.

(d) Any transfer, conveyance or sale of the Property shall subject any and all affiliated entities or successors-in-interest of the Developer to the Agreement, except to the extent of a Permitted Transfer.

3. **COVENANTS.** The Developer covenants with District that during the Term (as defined herein):

(a) The Developer will use reasonable, good faith efforts to: (i) fulfill, perform, and observe each and every material condition and covenant of the Developer relating to the Development Rights and (ii) give notice to the District of any claim of default relating to the Development Rights given to or by the Developer, together with a complete copy of any such claim.

(b) The Developer agrees not to take any action that would decrease the development entitlements to a level below the amount necessary to support the then outstanding Assessments, other than satisfying any true-up obligations to the District; to take any action to modify, waive, release or terminate the Development Rights in a manner that would materially impair or impede Development Completion; or otherwise take any action that would materially impair or impede Development Completion.

4. **EVENTS OF DEFAULT.** Any breach of the Developer's warranties contained in Section 2 hereof or breach of covenants contained in Section 3 hereof shall, after the giving of written notice and an opportunity to cure (which cure period shall be not more than thirty (30) days), constitute an "Event of Default" under this Agreement. An Event of Default shall also include the transfer of title to Lots owned by Developer pursuant to a judgment of foreclosure entered by a court of competent jurisdiction in favor of District (or its designee) or a deed in lieu of foreclosure to District (or its designee), or the acquisition of title to such Lots through the sale of tax certificates.

5. **REMEDIES UPON DEFAULT.** Upon an Event of Default, the District or its designee may, as the District's sole and exclusive remedies, take any or all of the following actions, at the District's option:

(a) Perform any and all obligations of the Developer relating to the Development Rights and exercise any and all rights of the Developer therein as fully as the Developer could.

(b) Initiate, appear in, or defend any action arising out of or affecting the Development Rights.

(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.

6. **AUTHORIZATION IN EVENT OF DEFAULT.** In the Event of Default, the 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. Any such performance in favor of the District or its designee shall constitute a full release and discharge to the extent of such performance as fully as though made directly to the Developer.

7. **SECURITY AGREEMENT.** This Agreement shall be a security agreement between the Developer, as the debtor, and the District, as the secured party, covering the Development Rights that constitute personal property governed by the Florida Uniform Commercial Code ("Code"), and the Developer grants to the District a security interest in such Development Rights. In addition to the District's other rights hereunder, and upon an Event of Default, the District shall have the right to file any and all financing statements that may be required by the District to establish and maintain the validity and priority of the District's security interest rights of a secured party under the Code.

8. **TERM; TERMINATION.** Unless the assignment of Development Rights becomes absolute, this Agreement shall automatically terminate upon the earliest to occur of the following: (i) payment of the Bonds in full; (ii) Development Completion; and (iii) upon occurrence of a Permitted Transfer, but only to the extent that such Development Rights are with respect to lands that are the subject of the Permitted Transfer (herein, the "Term").

9. **AMENDMENT.** This Agreement may be modified in writing only by the mutual agreement of all parties hereto, and only after satisfaction of the conditions set forth in Section 15.

10. **ASSIGNMENT.** This Agreement shall constitute a covenant running with title to the Property, binding upon the Developer and its successors and assigns as to the Property or portions thereof. Any transferee shall take title subject to the terms of this Agreement and with respect to the portion of the Property so transferred, provided however that this Agreement shall not apply to any portion of the Property that is the subject of a Permitted Transfer.

11. **ATTORNEYS' FEES AND COSTS.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

12. **AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Developer; both the District and the Developer have complied with all the requirements of law; and both the District and the Developer have full power and authority to comply with the terms and provisions of this instrument.

13. **NOTICES.** All notices, requests, consents and other communications under this Agreement ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, at the addresses first set forth above. Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Developer may deliver Notice on behalf of the District and the Developer, respectively. Any party or

other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

14. **ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the District and the Developer as an arm's length transaction. Both 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, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Developer.

15. **THIRD PARTY BENEFICIARIES.** Except as set forth in the following paragraph, this Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective representatives, successors, and assigns.

Notwithstanding the foregoing, the Trustee, acting at the direction of the Majority Owners of the Bonds, shall have the right to directly enforce the provisions of this Agreement. The Trustee shall not be deemed to have assumed any obligations under this Agreement. This Agreement may not be materially amended, and the Project may not be materially amended, without the written consent of the Trustee, acting at the direction of the Majority Owners of the Bonds, which consent shall not be unreasonably withheld.

16. **APPLICABLE LAW AND VENUE.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in the County in which the District is located.

17. **PUBLIC RECORDS.** All documents of any kind provided to the District in connection with this Agreement may be public records and treated as such in accordance with Florida law.

18. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

19. **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 law, 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 by sovereign immunity or by other operation of law.

20. **HEADINGS.** The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

21. **COUNTERPARTS.** This Agreement 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. 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.

[SIGNATURES TO FOLLOW]

WHEREFORE, the parties below execute the *Collateral Assignment Agreement* to be effective as of the closing date of the Bonds.

WITNESSES:

**RIDGE AT HEATH BROOK COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Address: _____

By: _____
Its: Chairperson

By: _____
Address: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2024, by _____, as CHAIRPERSON of RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

[SIGNATURE PAGE FOR COLLATERAL ASSIGNMENT AGREEMENT]

WITNESSES:

FORESTAR (USA) REAL ESTATE GROUP, INC.

By: _____
Address: _____

By: _____
Its: Chairperson

By: _____
Address: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2024, by _____, as _____ of FORESTAR (USA) REAL ESTATE GROUP INC., who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

EXHIBIT A: Legal Description for Property (Assessment Area Two)

EXHIBIT A

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

13B

**COMPLETION AGREEMENT
(2024 BONDS)**

THIS COMPLETION AGREEMENT (“Agreement”) is made and entered into, by and between:

RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and whose mailing address is c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (“**District**”); and

FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation, the owner and primary developer of lands within the boundary of the District, whose mailing address is 10700 Pecan Park Blvd., Suite 150, Austin, Texas 78750 (together with its permitted successors and assigns, “**Developer**”).

RECITALS

WHEREAS, the District was established pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (“**Act**”), and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the Act authorizes the District to issue bonds for the purposes, among others, of planning, financing, constructing, and acquiring certain infrastructure, roadways, stormwater management, utilities (water & sewer), offsite improvements, landscaping/lighting, and other infrastructure within or without the boundaries of the District; and

WHEREAS, the Developer is the developer of certain lands in within the boundaries of the District; and

WHEREAS, the District presently intends to undertake the planning, design, acquisition, construction, and installation of certain public infrastructure improvements for the portion of the District’s capital improvement plan known as the “2024 Project” a/k/a “Assessment Area Two Project” (“**Project**”); and

WHEREAS, the Project is anticipated to cost \$6,325,284 and is described in that certain *Engineer’s Report* dated June 21, 2022 as supplemented by the *Second Supplemental Engineer’s Report* dated July 2024 (“**Engineer’s Report**”), which is attached to this Agreement as **Exhibit A**; and

WHEREAS, the District intends to finance a portion of the Project through the use of proceeds from the anticipated sale of its Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (“**Bonds**”); and

WHEREAS, the Developer and the District hereby agree that the District will be obligated to only issue the Bonds to fund the Project and, subject to the terms and conditions of this Agreement, the Developer will make provision for any additional funds that may be needed in the future for the completion of the Project.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the District and the Developer agree as follows:

1. **INCORPORATION OF RECITALS.** The recitals stated above are true and correct and by this reference are incorporated herein as a material part of this Agreement.

2. **COMPLETION OF PROJECT.** The Developer and District agree and acknowledge that the District's proposed Bonds will provide only a portion of the funds necessary to complete the Project. Therefore, the Developer hereby agrees to complete, cause to be completed, provide funds or cause funds to be provided to the District in an amount sufficient to allow the District to complete or cause to be completed, those portions of the improvements in the Project which remain unfunded including, but not limited to, all administrative, legal, warranty, engineering, permitting or other related work product and soft costs (together, "**Remaining Improvements**") whether pursuant to existing contracts, including change orders thereto, or future contracts. The District and Developer hereby acknowledge and agree that the District's execution of this Agreement constitutes the manner and means by which the District has elected to provide any and all portions of the Remaining Improvements not funded by the Bonds.

- a. **Subject to Existing Contract** - When all or any portion of the Remaining Improvements are the subject of an existing District contract, the Developer shall provide funds or cause funds to be provided directly to the District in an amount sufficient to complete the Remaining Improvements pursuant to such contract, including change orders thereto.
- b. **Not Subject to Existing Contract** – When any portion of the Remaining Improvements is not the subject of an existing District contract, the Developer may choose to complete, cause to be completed, provide funds or cause funds to be provided to the District in an amount sufficient to allow the District to complete or cause to be completed, those Remaining Improvements.
- c. **Future Bonds** – Subject to the terms of the *Acquisition Agreement* dated September 9, 2024 ("**Acquisition Agreement**") entered into by the parties, the parties agree that any funds provided by Developer to fund the Remaining Improvements may be later payable from, and the District's acquisition of the Remaining Improvements may be payable from, the proceeds of a future issuance of bonds by the District (i.e., other than the Bonds). Within forty-five (45) days of receipt of sufficient funds by the District for the District's improvements and facilities and from the issuance of such future bonds, the District shall reimburse Developer to the extent that there are proceeds available from such future bonds, exclusive of interest, for the funds and/or improvements provided pursuant to this Agreement; provided, however, that no such obligation shall exist where the Developer is in default on the payment of any debt service assessments due on any property owned by the Developer, and, further, in the event the District's bond counsel determines that any such monies advanced or expenses incurred are not properly reimbursable for any reason, including, but not limited to federal tax restrictions imposed on tax-exempt financing, the District shall not be obligated to reimburse such monies advanced or expenses incurred. Nothing herein shall cause or be construed to require the District to issue additional bonds or indebtedness – other than the Bonds – to provide funds for any portion of the Remaining Improvements. The

Developer shall be required to meet its obligations hereunder and complete the Project regardless whether the District issues any future bonds (other than the Bonds) or otherwise pays the Developer for any of the Remaining Improvements. Interest shall not accrue on any amounts owed hereunder. If within five (5) years of the date of this Agreement, the District does not or cannot issue such future bonds, and, thus does not reimburse the Developer for the funds or improvements advanced hereunder, then the parties agree that the District shall have no reimbursement obligation whatsoever.

3. OTHER CONDITIONS AND ACKNOWLEDGMENTS

- a. **Material Changes to Project** – The District and the Developer agree and acknowledge that the exact location, size, configuration and composition of the 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. Material changes to the Project shall be made by a written amendment to the Engineer's Report, which shall include an estimate of the cost of the changes, and shall require the consent of the Developer and the District, as well as the Trustee to the extent required by Section 9. Such consent is not necessary and the Developer must meet the completion obligations, or cause them to be met, when the scope, configuration, size and/or composition of the Project is materially changed in response to a requirement imposed by a regulatory agency.
- b. **Conveyances** – The District and Developer agree and acknowledge that any and all portions of the Remaining Improvements which are constructed, or caused to be constructed, by the Developer shall be conveyed to the District or such other appropriate unit of local government as is designated in the Engineer's Report or required by governmental regulation or development approval. All conveyances to another governmental entity shall be in accordance with and in the same manner as provided in any agreement between the District and the appropriate unit of local government. Further, all such conveyances shall be done in a manner consistent with the Acquisition Agreement and, without intending to limit the same, shall include all necessary real property interests for the District to own, operate and maintain the Remaining Improvements. Further, and in addition to any requirements under the Acquisition Agreement, such conveyances shall also include all right, title, interest, and benefit of the Developer, if any, in, to and under any and all contracts, guaranties, affidavits, warranties, bonds, insurance rights, indemnification, defense and hold harmless rights, enforcement rights, claims, lien waivers, and other rights of any kind, with respect to the creation of the Remaining Improvements.

4. **DEFAULT.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages and/or specific performance. Any default under the applicable trust indenture for the Bonds caused by the Developer and/or its affiliates shall be a default hereunder, and the District shall have no obligation to fund the Project with the proceeds of the Bonds in the event of such a default. Prior to commencing any action for a default hereunder, the party seeking to commence such action shall first provide written notice to the defaulting party of the default and an opportunity to cure such default within 30 days.

5. **ATTORNEYS' FEES AND COSTS.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

6. **AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Developer; both the District and the Developer have complied with all the requirements of law; and both the District and the Developer have full power and authority to comply with the terms and provisions of this instrument.

7. **NOTICES.** All notices, requests, consents, and other communications hereunder ("**Notices**") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or telecopied or hand delivered to the parties, at the addresses first set forth above. Except as otherwise provided herein, any Notice 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 Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the parties may deliver Notice on behalf of the 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.

8. **ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the District and the Developer as an arm's length transaction. Both 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, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Developer.

9. **THIRD PARTY BENEFICIARIES.** Except as set forth below, this Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective representatives, successors, and assigns.

Notwithstanding the foregoing, the Trustee, acting at the direction of the Majority Owners of the Bonds, shall have the right to directly enforce the provisions of this Agreement. The Trustee shall not be deemed to have assumed any obligations under this Agreement. This Agreement may not be assigned or materially amended, and the Project may not be materially amended, without the written consent of the Trustee, acting at the direction of the Majority Owners of the Bonds, which consent shall not be unreasonably withheld.

10. **ASSIGNMENT.** The District and the Developer may only assign this Agreement or any monies to become due hereunder with the prior written approval of the other, and only after satisfaction of the conditions set forth in Section 9 above.

11. **AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Developer, and only after satisfaction of the conditions set forth in Section 9 above.

12. **APPLICABLE LAW AND VENUE.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in the County in which the District is located.

13. **PUBLIC RECORDS.** The Developer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and shall be treated as such in accordance with Florida law.

14. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

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 law, 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 by sovereign immunity or by other operation of law.

16. **HEADINGS FOR CONVENIENCE ONLY.** The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

17. **COUNTERPARTS.** This Agreement 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. 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.

[CONTINUED ON NEXT PAGE]

WHEREFORE, the parties below execute the *Completion Agreement* to be effective as of the closing date of the Bonds.

**RIDGE AT HEATH BROOK COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Its: Chairperson

FORESTAR (USA) REAL ESTATE GROUP INC.

By: _____
Its: _____

Exhibit A: *Second Supplemental Engineer's Report dated July 2024*

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

13C

This instrument was prepared by:

Kutak Rock LLP
107 W. College Ave.
Tallahassee, Florida 32301

**DECLARATION OF CONSENT
(2024 BONDS)**

FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation, together with its successors and assigns (together, "**Landowner**"), represents that it is the owner of 100% of the developable land described in **Exhibit A** attached hereto and made a part hereof ("**Property**"), and further declares, acknowledges and agrees as follows:

1. The Ridge at Heath Brook Community Development District ("**District**") is, and has been at all times, on and after June 16, 2021, a legally created, duly organized, and validly existing community development district under the provisions of Chapter 190, *Florida Statutes*, as amended ("**Act**"). Without limiting the generality of the foregoing, the Landowner acknowledges that: (a) the petition filed with the City Council of the City of Ocala, Florida ("**City**"), relating to the creation of the District contained all matters required by the Act to be contained therein and was filed in the manner and by the persons required by the Act; (b) City Ordinance 2021-58, enacted on June 16, 2021, was duly and properly enacted by the City in compliance with all applicable requirements of law; (c) the petition filed with the City relating to the amendment of the District contained all matters required by the Act to be contained therein and was filed in the manner and by the persons required by the Act; (d) City Ordinance 2023-35, enacted on February 22, 2023, was duly and properly enacted by the City in compliance with all applicable requirements of law; and (e) the members of the Board of Supervisors of the District were duly and properly designated pursuant to the Act to serve in their capacities, and had the authority and right to authorize, approve and undertake all actions of the District approved and undertaken from June 16, 2022, to and including the date of this Declaration.

2. The Landowner understands and acknowledges that the District has adopted Resolution Nos. 2023-07 and 2023-10 (collectively, "**Assessment Resolutions**") that levied and imposed debt service special assessment liens on the Property (together, "**Assessments**"). Such Assessments, which may include "true-up" payments pursuant to the terms of the Assessment Resolutions, are legal, valid and binding first liens upon the Property, coequal with the lien of all state, county, district and municipal taxes, and superior in dignity to all other liens, titles and claims, until paid.

3. The Landowner hereby expressly acknowledges, represents and agrees that: (i) the Assessments (including any "true-up" payments), the Assessment Resolutions, and the terms of the financing documents related to the District's issuance of its Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two), or securing payment thereof ("**Financing Documents**"), are, to the extent of the Landowner's obligations thereunder and with respect thereto, valid and binding obligations enforceable in accordance with their terms; (ii) the Landowner has no claims or offsets whatsoever against, or defenses or counterclaims whatsoever to, payments of the Assessments (including any "true-up" payments) and/or amounts due under the Financing Documents, and the Landowner expressly waives any such claims, offsets, defenses or counterclaims; (iii) the Landowner hereby waives any and all rights, remedies, and other actions now or hereafter contemplated to contest, challenge, or otherwise

dispute or object to the Assessment Resolutions, the Assessments (including any “true-up” payments), the Financing Documents, and all proceedings undertaken by the District in connection therewith; (iv) the Landowner expressly waives and relinquishes any argument, claim or defense that foreclosure proceedings cannot be commenced until one (1) year after the date of the Landowner’s default and agrees that, immediate use of remedies in Chapter 170, *Florida Statutes*, is an appropriate and available remedy, notwithstanding the provisions of Section 190.026, *Florida Statutes*; and (v) to the extent Landowner fails to timely pay any special assessments collected by mailed notice of the District, such unpaid special assessments and future special assessments may be placed on the tax roll by the District for collection by the Tax Collector pursuant to section 197.3632, *Florida Statutes*, in any subsequent year.

4. The Landowner hereby waives the right granted in Section 170.09, *Florida Statutes*, to prepay the Assessments within thirty (30) days after the improvements are completed, without interest, in consideration of, among other things, rights granted by the District to prepay Assessments in full at any time, or in part up to two times, and in either case with interest, under the circumstances set forth in the resolutions of the District levying such Assessments.

5. This Declaration shall represent a lien of record for purposes of Florida law, including but not limited to Chapter 197, *Florida Statutes*, and Sections 197.552 and 197.573, *Florida Statutes*, among others. Other information regarding the Assessments is available from the District’s Manager, c/o Wrathell Hunt & Associates, LLC, 2300 Glades Road, Suite 410w, Boca Raton, Florida 33431, (561) 571-0010.

THE DECLARATIONS, ACKNOWLEDGEMENTS AND AGREEMENTS CONTAINED HEREIN SHALL RUN WITH THE PROPERTY DESCRIBED IN EXHIBIT A HERETO AND SHALL BE BINDING ON THE LANDOWNERS AND ON ALL PERSONS (INCLUDING BUT NOT LIMITED TO INDIVIDUALS AS WELL AS CORPORATIONS, ASSOCIATIONS, TRUSTS, AND OTHER LEGAL ENTITIES) TAKING TITLE TO ALL OR ANY PART OF THE PROPERTY, AND THEIR SUCCESSORS IN INTEREST, WHETHER OR NOT THE PROPERTY IS PLATTED AT SUCH TIME. BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE DEEMED TO HAVE CONSENTED AND AGREED TO THE PROVISIONS OF THIS DECLARATION TO THE SAME EXTENT AS IF THEY HAD EXECUTED IT AND BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE ESTOPPED FROM CONTESTING, IN COURT OR OTHERWISE, THE VALIDITY, LEGALITY AND ENFORCEABILITY OF THIS DECLARATION.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE FOR DECLARATION OF CONSENT]

To be effective as of the ____ day of _____, 2024.

WITNESS

FORESTAR (USA) REAL ESTATE GROUP INC.

By: _____
Name: _____
Address: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Address: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2024, by _____, as _____ of Forestar (USA) Real Estate Group Inc., who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

(NOTARY SEAL)

NOTARY PUBLIC, STATE OF _____

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

EXHIBIT A: Legal Description of Property (2024 Assessment Area a/k/a Assessment Area Two)

EXHIBIT A

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

13D

This instrument was prepared by:

Kutak Rock LLP
107 W. College Ave.
Tallahassee, Florida 32301

**SUPPLEMENTAL¹ DISCLOSURE OF PUBLIC FINANCE (2024 BONDS)
RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT**

The Ridge at Heath Brook Community Development District (“**District**”) is a unit of special-purpose local government created pursuant to and existing under the provisions of Chapter 190, *Florida Statutes*. Under Florida law, community development districts are required to take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to real property undertaken by such districts.

WHAT IS THE DISTRICT AND HOW IS IT GOVERNED?

The District is an independent special taxing district, created pursuant to and existing under the provisions of Chapter 190, *Florida Statutes*, and established by Ordinance No. 2021-58, which was enacted by the City Council of the City of Ocala, Florida, and effective on June 16, 2021, and later amended by Ordinance 2023-35, effective February 22, 2023. The District currently encompasses approximately 75.796 acres of land located entirely within the City of Ocala, Florida and is anticipated to be expanded to include a total of 104.938 acres of land. The legal description of the lands encompassed within the District is attached hereto as **Exhibit A**. As a local unit of special-purpose government, the District provides an alternative means for planning, financing, constructing, operating and maintaining various public improvements and community facilities within its jurisdiction. The District is governed by a five-member Board of Supervisors (“**Board**”), the members of which must be residents of the State of Florida and citizens of the United States.

For more information about the District, please visit: <https://ridgeatheathbrookcdd.net/>, or contact the District Manager, c/o Wrathell Hunt & Associates, LLC, 2300 Glades Road, #410w, Boca Raton, Florida 33431, phone (561) 571-0010 (“**District Office**”).

DESCRIPTION OF PROJECTS, BONDS & ASSESSMENTS

The District is authorized by Chapter 190, *Florida Statutes*, to finance, fund, plan, establish, acquire, install, equip, operate, extend, construct, or reconstruct roadways, stormwater management, utilities (water and sewer), offsite improvements, landscaping/lighting and other infrastructure projects, and services necessitated by the development of, and serving lands within, the District. To finance the construction of such projects, the District is authorized to issue bonds that are secured by special assessments levied against properties within the District that are benefitted by the projects.

2024 Project, Bonds & Assessments

¹ This disclosure supplements that prior Disclosure of Public Finance recorded in the Public Records of Marion County, Florida at _____, which remains in full force and effect.

On _____, the District issued its Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) ("**Bonds**") to finance a portion of its capital improvement plan known as the "2024 Project" ("**Project**"). The Project includes, among other things, drainage and surface water management infrastructure, water and sewer utilities, landscape buffers, irrigation, and soft costs. The Project is estimated to cost approximately \$6,325,284, and is described in more detail in the *Second Supplemental Engineer's Report* dated July 2024 ("**Engineer's Report**").

The Bonds are secured by special assessments ("**Assessments**") levied and imposed on certain benefitted lands within the District known as the "**2024 Assessment Area**." The Assessments, and 2024 Assessment Area, are further described in the *Master Special Assessment Methodology Report* dated October 7, 2022, and the *Final Second Supplemental Special Assessment Methodology Report*, dated _____ (together, the "**Assessment Report**").

Operation and Maintenance Assessments

In addition to debt service assessments, the District may also impose on an annual basis operations and maintenance assessments ("**O&M Assessments**"), which are determined and calculated annually by the Board in order to fund the District's annual operations and maintenance budget. O&M Assessments are levied against all benefitted lands in the District, and may vary from year to year based on the amount of the District's budget. O&M Assessments may also be affected by the total number of units that ultimately are constructed within the District. The allocation of O&M Assessments is set forth in the resolutions imposing the assessments. Please contact the District Office for more information regarding the allocation of O&M Assessments.

Collection Methods

For any given fiscal year, the District may elect to collect any special assessment for any lot or parcel by any lawful means. Generally speaking, the District may elect to place a special assessment on that portion of the annual real estate tax bill, entitled "non-ad valorem assessments," which would then be collected by the County tax collector in the same manner as county ad valorem taxes. Alternatively, the District may elect to collect any special assessment by sending a direct bill to a given landowner. The District reserves the right to change collection methods from year to year.

A detailed description of all of the District's assessments, fees and charges, as well as copies of the Engineer's Report, Assessment Report, and other District records described herein, may be obtained from the registered agent of the District as designated to the Florida Department of Economic Opportunity in accordance with Section 189.014, *Florida Statutes*, or by contacting the District Office. Please note that changes to the District's capital improvement plans and financing plans may affect the information contained herein and all such information is subject to change at any time and without further notice.

[CONTINUED ON NEXT PAGE]

IN WITNESS WHEREOF, the foregoing *Disclosure of Public Finance (2024 Bonds)* has been executed to be effective as of as of _____.

WITNESS

**RIDGE AT HEATH BROOK COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: _____
Address: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Address: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2024, by _____, as _____ of **Ridge at Heath Brook Community Development District**, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or
Typed as Commissioned)

EXHIBIT A: Legal Description of the District

EXHIBIT A

DRAFT

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

13E

This instrument was prepared by:

Kutak Rock LLP
107 W. College Ave.
Tallahassee, Florida 32301

**NOTICE OF SPECIAL ASSESSMENTS / GOVERNMENTAL LIEN OF RECORD
RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT
(2024 BONDS)**

PLEASE TAKE NOTICE that the Board of Supervisors of the Ridge at Heath Brook Community Development District (“**District**”) in accordance with Chapters 170, 190, and 197, *Florida Statutes*, previously adopted Resolution Nos. 2023-07 and 2023-10 (together, “**Assessment Resolutions**”). The Assessment Resolutions levy and impose one or more non-ad valorem, debt service special assessment lien(s) (“**Assessments**”), which are levied on the property known as the “2024 Assessment Area” a/k/a “Assessment Area Two” (“**Assessment Area**”) described in **Exhibit A**.

The Assessments are intended to secure the District’s repayment of debt service on the District’s Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (“**Bonds**”). The Bonds are intended to finance a portion of the District’s “2024 Project” a/k/a “Assessment Area Two Project” (“**Project**”), which is described in the *Second Supplemental Engineer’s Report* dated July 2024 (“**Engineer’s Report**”).

The Assessments are further described in the *Master Special Assessment Methodology Report* dated October 7, 2022, and the *Final Second Supplemental Special Assessment Methodology Report*, dated _____ (together, “**Assessment Report**”). A copy of the Engineer’s Report, Assessment Report and the Assessment Resolutions may be obtained from the registered agent of the District as designated to the Florida Department of Economic Opportunity in accordance with Section 189.014, *Florida Statutes*, or by contacting the District’s Manager, c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (Phone: 561-571-0010).

The Assessments were legally and validly determined and levied in accordance with all applicable requirements of Florida law, and constitute and will at all relevant times in the future constitute, legal, valid, and binding first liens on the land against which assessed until paid, coequal with the lien of all state, county, district, and municipal taxes, and superior in dignity to all other liens, titles, and claims. Please note that, as part of the Assessments, the Assessment Resolutions require that certain “True-Up Payments” be made in certain circumstances, and landowners should familiarize themselves with those requirements, as they constitute a requirement under the liens.

The District is a special purpose form of local government established pursuant to and governed by Chapter 190, *Florida Statutes*. This notice shall remain effective even if the District undergoes merger, boundary amendment, or name change. Further, this notice shall constitute a lien of record under Florida law, including but not limited to Chapter 197, *Florida Statutes*, and Sections 197.552 and 197.573, *Florida Statutes*, among others.

Pursuant to Section 190.048, *Florida Statutes*, you are hereby notified that: **THE RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT MAY IMPOSE AND LEVY TAXES OR**

ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THE ASSESSMENT AREA. THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW.

[CONTINUED ON NEXT PAGE]

IN WITNESS WHEREOF, this Notice has been executed to be effective as of the closing date on the 2024 Bonds.

WITNESS

**RIDGE AT HEATH BROOK COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: _____
Address: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Address: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20__, by _____, as _____ of _____, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

EXHIBIT A

Legal Description of Assessment Area Two

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

13F

This instrument was prepared by:

Kutak Rock LLP
107 W. College Ave.
Tallahassee, Florida 32301

**TRUE-UP AGREEMENT
(2024 BONDS)**

THIS TRUE-UP AGREEMENT (“Agreement”) is made and entered into, by and between:

RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and whose mailing address is c/o Wrathell, Hunt & Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (**“District”**); and

FORESTAR (USA) REAL ESTATE GROUP INC., a Delaware corporation, the owner and primary developer of lands within the boundary of the District, and whose mailing address is 10700 Pecan Park Blvd., Suite 150, Austin, Texas 78750 (together with its permitted successors and assigns, **“Developer”**).

RECITALS

WHEREAS, the District was established pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (**“Act”**), and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the Act authorizes the District to issue bonds for the purpose, among others, of planning, financing, constructing, and acquiring certain infrastructure, roadways, stormwater management, utilities (water & sewer), offsite improvements, landscaping/lighting, and other infrastructure within or without the boundaries of the District; and

WHEREAS, the Developer is currently the owner and developer of the lands (**“Property”**) within the District, as described in **Exhibit A** attached hereto; and

WHEREAS, for the benefit of the Property, the District presently intends to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements, facilities, and services for the portion of the District’s capital improvement plan known as the “2024 Project” a/k/a “Assessment Area Two Project” (herein, **“Project”**) and as defined in the *Second Supplemental Engineer’s Report* dated July 2024 (**“Engineer’s Report”**); and

WHEREAS, the District intends to finance a portion of the Project through the use of proceeds from the anticipated sale of its Capital Improvement Revenue Bonds, Series 2024 (Assessment Area Two) (**“Bonds”**); and

WHEREAS, pursuant to Resolution Nos. 2023-07 and 2023-10 (together, **“Assessment Resolutions”**), the District has taken certain steps necessary to impose debt service special assessment

lien(s) ("**Debt Assessments**") on the Property pursuant to Chapters 170, 190 and 197, *Florida Statutes*, to secure repayment of the Bonds; and

WHEREAS, as part of the Assessment Resolutions, the District adopted the *Master Special Assessment Methodology Report* dated October 7, 2022, and the *Final Second Supplemental Special Assessment Methodology Report*, dated _____ (together, "**Assessment Report**"), which is on file with the District and expressly incorporated herein by this reference; and

WHEREAS, Developer agrees that the Property benefits from the timely design, construction, or acquisition of the Project; and

WHEREAS, Developer agrees that the Debt Assessments, which were imposed on the Property, have been validly imposed and constitute valid, legal, and binding liens upon the Property; and

WHEREAS, the Assessment Resolutions together with the Assessment Report provide that as the Property is platted, the allocation of the amounts assessed to and constituting a lien upon the Property would be calculated based upon certain density assumptions relating to the number of each type of residential unit to be constructed on the developable acres within the Property, which assumptions were provided by Developer; and

WHEREAS, Developer intends to plat and develop the Property based on then-existing market conditions, and the actual densities developed may be at some density less than the densities assumed in the Assessment Report; and

WHEREAS, as more fully described by the Assessment Resolutions, the Assessment Report anticipates a "true-up" mechanism by which the Developer shall make certain payments to the District in order to satisfy, in whole or in part, the assessments allocated and the liens imposed pursuant to the Assessment Resolutions, with the amount of such payments being determined generally by a calculation of the principal amount of assessments to be assigned under the Assessment Report as compared to the amount able to be assigned as a result of actual platting.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **RECITALS.** The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Agreement.

2. **VALIDITY OF ASSESSMENTS.** Developer agrees that the Assessment Resolutions have been duly adopted by the District. Developer further agrees that the Debt Assessments imposed as liens by the District are legal, valid, and binding liens on the land against which assessed until paid, coequal with the liens of all state, county, district, and municipal taxes, and superior in dignity to all other state liens, titles, and claims. Developer waives any defect in notice or publication or in the proceedings to levy, impose, and collect the Debt Assessments on the lands within the District, and further waives and relinquishes any rights it may have to challenge, object to or otherwise fail to pay such Debt Assessments. Developer further agrees that to the extent Developer fails to timely pay all Debt Assessments collected by mailed notice of the District, said unpaid Debt Assessments (including True-Up

Payments) may be placed on the tax roll by the District for collection by the County Tax Collector pursuant to Section 197.3632, *Florida Statutes*, in any subsequent year.

3. **WAIVER OF PREPAYMENT RIGHT.** Developer waives any rights it may have under Section 170.09, *Florida Statutes*, to prepay the Debt Assessments without interest within thirty (30) days of completion of the improvements.

4. **SPECIAL ASSESSMENT REALLOCATION; TRUE-UP PAYMENTS.** The Assessment Report identifies the amount of equivalent assessment units (and/or product types and unit counts) planned for the Property – i.e., 145 SF lots. At such time as lands are to be platted (or re-platted) or site plans are to be approved (or re-approved), and subject to the conditions set forth in the Assessment Report, the plat or site plan (either, herein, “**Proposed Plat**”) shall be presented to the District for review as follows:

- a. If a Proposed Plat results in the same amount of ERUs (and thus Debt Assessments) able to be imposed on the “**Remaining Unplatted Lands**” (i.e., those remaining unplatted lands after the Proposed Plat is recorded) as compared to what was originally contemplated under the “**Development Plan**” for Assessment Area Two as set forth in the Assessment Report (i.e., 145 residential lots), then the District shall allocate the Debt Assessments to the product types being platted and the remaining property in accordance with the Assessment Report, and cause the Debt Assessments to be recorded in the District’s Improvement Lien Book.
- b. If a Proposed Plat results in a greater amount of ERUs (and thus Debt Assessments) able to be imposed on the Remaining Unplatted Lands as compared to what was originally contemplated under the Development Plan, then the District may undertake a pro rata reduction of Debt Assessments for all assessed properties within the Property, or may otherwise address such net decrease as permitted by law.
- c. If a Proposed Plat results in a lower amount of ERUs (and thus Debt Assessments) able to be imposed on the Remaining Unplatted Lands as compared to what was originally contemplated under the Development Plan, then the District shall require the landowner(s) of the lands encompassed by the Proposed Plat to pay a “**True-Up Payment**” equal to the difference between: (i) the Debt Assessments originally contemplated to be imposed on the lands subject to the Proposed Plat, and (ii) the Debt Assessments able to be imposed on the lands subject to the Proposed Plat, after the Proposed Plat (plus applicable interest, collection costs, penalties, etc.).
- d. With respect to the foregoing true-up analysis, the District’s Assessment Consultant, in consultation with the District Engineer, District Counsel and District Bond Counsel, shall determine in his or her sole discretion what amount of ERUs (and thus Debt Assessments) are able to be imposed on the Remaining Unplatted Lands, taking into account a Proposed Plat, by reviewing: a) the original, overall development plan showing the number and type of units reasonably planned for the development, b) the revised, overall development plan showing the number and type of units reasonably planned for the development, c) proof of the amount of entitlements for the Remaining Unplatted Lands, d) evidence of allowable zoning conditions that would enable those entitlements to be placed in accordance with the revised development plan, and e) documentation that shows the feasibility of implementing the proposed development plan. Prior to any decision by the District not to impose a true-up payment, a supplemental methodology shall be produced

demonstrating that there will be sufficient assessments to pay debt service on the applicable series of bonds and the District will conduct new proceedings under Chapters 170, 190 and 197, Florida Statutes upon the advice of District Counsel.

Any True-Up Payment shall become immediately due and payable prior to platting by the Developer of the lands subject to the Proposed Plat, shall be separate from and not in lieu of the regular assessment installment payable for such lands, and shall constitute part of the debt assessment liens imposed against the Proposed Plat property until paid. A True-Up Payment shall include accrued interest on the Bonds to the interest payment date that occurs at least 45 days after the True-Up Payment (or the second succeeding interest payment date if such True-Up Payment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indentures for the Bonds)).

All Debt Assessments levied run with the land, and such assessment liens include any True-Up Payments. The District will not release any liens on property for which True-Up Payments are due, until payment has been satisfactorily made. Further, upon the District's review of the final plat for the developable acres, any unallocated Debt Assessments shall become immediately due and payable. This true-up process applies for both plats and/or re-plats.

5. **ENFORCEMENT.** This Agreement is intended to be an additional method of enforcement of Developer's obligations to pay the portion of the Debt Assessments which constitutes the True-Up Payment and to abide by the requirements of the reallocation of Debt Assessments, including the making of the True-Up Payment, as set forth in the Assessment Resolutions. A default by either party under this Agreement shall entitle any other party to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief, and specific performance. Prior to commencing any action for a default hereunder, the party seeking to commence such action shall first provide notice to the defaulting party of the default and an opportunity to cure such default within 30 days.

6. **ASSIGNMENT.** 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, and any transferee of any portion of the Property as set forth in this Section. Developer shall not transfer any portion of the Property to any third party, without first satisfying any True-Up Payment that results from any true-up determinations made by the District. Regardless of whether the conditions of this subsection are met, any transferee shall take title subject to the terms of this Agreement, but only to the extent this Agreement applies to the portion of the Property so transferred. As a point of clarification, and provided that any True-Up Payment is first made (which may be confirmed from an estoppel letter issued by the District through its District Manager), any platted lot conveyed to an end user with a home that has received a certificate of occupancy is automatically and forever released from the terms and conditions of this Agreement. Also provided that any True-Up Payment is first made (which may be confirmed from an estoppel letter issued by the District through its District Manager), any platted lot that is restricted from re-platting and is conveyed to a homebuilder is automatically and forever released from the terms and conditions of this Agreement.

7. **ATTORNEYS' FEES AND COSTS.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

8. **AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Developer, but only after satisfaction of the conditions set forth in Section 12.

9. **AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Developer; both the District and the Developer have complied with all the requirements of law; and both the District and the Developer have full power and authority to comply with the terms and provisions of this instrument.

10. **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, or telecopied or hand delivered to the parties, at the addresses first set forth above. Except as otherwise provided herein, any Notice 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 Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the parties may deliver Notice on behalf of the 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.

11. **ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the District and the Developer as an arm's length transaction. Both 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, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Developer.

12. **THIRD PARTY BENEFICIARIES.** Except as set forth below, this Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective representatives, successors, and assigns.

Notwithstanding the foregoing, the Trustee, acting at the direction of the Majority Owners of the Bonds, shall have the right to directly enforce the provisions of this Agreement. The Trustee shall not be deemed to have assumed any obligations under this Agreement. This Agreement may not be assigned or materially amended, and the Project may not be materially amended, without the written

consent of the Trustee, acting at the direction of the Majority Owners of the Bonds, which consent shall not be unreasonably withheld.

13. **APPLICABLE LAW AND VENUE.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in the County in which the District is located.

14. **PUBLIC RECORDS.** The Developer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and treated as such in accordance with Florida law.

15. **SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

16. **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 law, 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 by sovereign immunity or by other operation of law.

17. **HEADINGS FOR CONVENIENCE ONLY.** The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

18. **COUNTERPARTS.** This Agreement 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. 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.

[THIS SPACE INTENTIONALLY LEFT BLANK]

WHEREFORE, the parties below execute the *True-Up Agreement* to be effective as of the closing date on the Bonds.

WITNESSES:

**RIDGE AT HEATH BROOK COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Address: _____

By: _____
Its: Chairperson

By: _____
Address: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2024 , by _____, as CHAIRPERSON of RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

WHEREFORE, the part(ies) below execute the True-Up Agreement.

WITNESSES:

FORESTAR (USA) REAL ESTATE GROUP, INC.

By: _____
Address: _____

By: _____
Its: Chairperson

By: _____
Address: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2024 , by _____, as _____ of FORESTAR (USA) REAL ESTATE GROUP INC., who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

(NOTARY SEAL)

NOTARY PUBLIC, STATE OF _____

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

EXHIBIT A: Legal Description of 2024 Assessment Area
 a/k/a Assessment Area Two

EXHIBIT A

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

UNAUDITED FINANCIAL STATEMENTS

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
MAY 31, 2024**

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
MAY 31, 2024**

	General Fund	Debt Service Fund Series 2023	Capital Projects Fund Series 2023	Total Governmental Funds
ASSETS				
Cash	\$ 34,724	\$ -	\$ -	\$ 34,724
Investments				
Revenue	-	38,489	-	38,489
Reserve	-	39,973	-	39,973
Prepayment	-	42,103	-	42,103
Capitalized interest	-	3	-	3
Construction	-	1	537	538
Due from Landowner	23,027	21,993	-	45,020
Due from Individual Landowners	4,145	7,610	-	11,755
Due from general fund	-	8,531	-	8,531
Due from other	1,202	-	-	1,202
Total assets	<u>\$ 63,098</u>	<u>\$ 158,703</u>	<u>\$ 537</u>	<u>\$ 222,338</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	18,271	-	-	18,271
Due to D R Horton	-	447	-	447
Due to debt service fund	8,531	-	-	8,531
Landowner advance	6,000	-	-	6,000
Total liabilities	<u>32,802</u>	<u>447</u>	<u>-</u>	<u>33,249</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred receipts	27,172	29,603	-	56,775
Total deferred inflows of resources	<u>27,172</u>	<u>29,603</u>	<u>-</u>	<u>56,775</u>
Fund balances:				
Restricted for:				
Debt service	-	128,653	-	128,653
Capital projects	-	-	537	537
Unassigned	3,124	-	-	3,124
Total fund balances	<u>3,124</u>	<u>128,653</u>	<u>537</u>	<u>132,314</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 63,098</u>	<u>\$ 158,703</u>	<u>\$ 537</u>	<u>\$ 222,338</u>

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED MAY 31, 2024**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy: on-roll - net	\$ 1,159	\$ 26,402	\$ 26,473	100%
Assessment levy: off-roll	23,703	48,701	47,406	103%
Landowner contribution	-	-	28,237	0%
Total revenues	<u>24,862</u>	<u>75,103</u>	<u>102,116</u>	74%
EXPENDITURES				
Professional & administrative				
Management/accounting/recording	4,000	32,000	48,000	67%
Legal	122	861	25,000	3%
Engineering	-	-	2,000	0%
Audit	5,100	5,100	5,000	102%
Arbitrage rebate calculation	-	-	500	0%
Dissemination agent	83	667	1,000	67%
Emma software services	-	1,000	-	N/A
Trustee	-	4,031	5,000	81%
Telephone	17	133	200	67%
Postage	50	88	500	18%
Printing & binding	42	333	500	67%
Legal advertising	-	154	6,500	2%
Annual special district fee	-	175	175	100%
Insurance	-	5,590	5,500	102%
Contingencies/bank charges	-	-	500	0%
Website hosting & maintenance	-	705	705	100%
Website ADA compliance	-	-	210	0%
Property appraiser and tax collector	23	526	827	64%
Total expenditures	<u>9,437</u>	<u>51,363</u>	<u>102,117</u>	50%
Excess/(deficiency) of revenues over/(under) expenditures	15,425	23,740	(1)	
Fund balances - beginning	(12,301)	(20,616)	-	
Fund balances - ending	<u>\$ 3,124</u>	<u>\$ 3,124</u>	<u>\$ (1)</u>	

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2023
FOR THE PERIOD ENDED MAY 31, 2024**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Assessment levy: on-roll - net	\$ 5,176	\$ 117,952	\$ 118,289	100%
Assessment levy: off-roll	-	24,230	43,985	55%
Interest	872	4,660	-	N/A
Total revenues	<u>6,048</u>	<u>146,842</u>	<u>162,274</u>	90%
EXPENDITURES				
Principal	35,000	35,000	35,000	100%
Interest	61,328	122,656	122,656	100%
Total debt service	<u>96,328</u>	<u>157,656</u>	<u>157,656</u>	100%
Other fees & charges				
Property appraiser and tax collector	102	2,350	3,697	64%
Total other fees and charges	<u>102</u>	<u>2,350</u>	<u>3,697</u>	64%
Total expenditures	<u>96,430</u>	<u>160,006</u>	<u>161,353</u>	99%
Excess/(deficiency) of revenues over/(under) expenditures	(90,382)	(13,164)	921	
Fund balances - beginning	<u>219,035</u>	<u>141,817</u>	<u>-</u>	
Fund balances - ending	<u>\$ 128,653</u>	<u>\$ 128,653</u>	<u>\$ 921</u>	

**RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2023
FOR THE PERIOD ENDED MAY 31, 2024**

	Current Month	Year To Date
REVENUES		
Interest	\$ 2	\$ 100
Total revenues	<u>2</u>	<u>100</u>
EXPENDITURES	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>
Excess/(deficiency) of revenues over/(under) expenditures	2	100
Fund balances - beginning	535	437
Fund balances - ending	<u>\$ 537</u>	<u>\$ 537</u>

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

MINUTES

DRAFT
MINUTES OF MEETING
RIDGE AT HEATH BROOK
COMMUNITY DEVELOPMENT DISTRICT

The Board of Supervisors of the Ridge at Heath Brook Community Development District held a Regular Meeting on May 3, 2024 at 11:30 a.m., at The Club at Ocala Preserve, 4021 NW 53rd Avenue Road, Ocala, Florida 34482.

Present were:

Christian Cotter	Chair
Mary Moulton	Vice Chair
John Wiggins	Assistant Secretary

Also present:

Kristen Suit	District Manager
Jere Earlywine (via telephone)	District Counsel
Kara Disotell	Supervisor-Appointee

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Suit called the meeting to order at 11:36 a.m. Supervisors Cotter, Moulton and Wiggins were present. Supervisors Carmack and Zook were not present.

SECOND ORDER OF BUSINESS

Public Comments

No members of the public spoke.

THIRD ORDER OF BUSINESS

Acceptance of Resignation of Andre Carmack [Seat 3]; Term Expires November 2024

Ms. Suit presented Mr. Andre Carmack's resignation letter.

On MOTION by Mr. Cotter and seconded by Mr. Wiggins, with all in favor, the resignation of Mr. Andre Carmack, from Seat 3, was accepted.

FOURTH ORDER OF BUSINESS

Consider Appointment to Fill Unexpired Term of Seat 3

Mr. Cotter nominated Ms. Kara Disotell to fill Seat 3. No other nominations were made.

On MOTION by Mr. Cotter and seconded by Mr. Wiggins, with all in favor, the appointment of Ms. Kara Disotell to Seat 3, was approved.

- **Administration of Oath of Office to Appointed Supervisor (the following to be provided in a separate package)**

Ms. Suit, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Ms. Disotell. The following items were explained to Ms. Disotell before the meeting:

A. Required Ethics Training and Disclosure Filing

- **Sample Form 1 2023/Instructions**

B. Membership, Obligations and Responsibilities

C. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees

D. Form 8B: Memorandum of Voting Conflict for County, Municipal and other Local Public Officers

FIFTH ORDER OF BUSINESS

Acceptance of Resignation of Resignation of Ryan Zook [Seat 5]; Term Expires November 2024

Ms. Suit presented Mr. Ryan Zook's resignation letter.

On MOTION by Mr. Wiggins and seconded by Mr. Cotter, with all in favor, the resignation of Mr. Ryan Zook, from Seat 5, was accepted.

SIXTH ORDER OF BUSINESS

Consider Appointment to Fill Unexpired Term of Seat 5

- **Administration of Oath of Office to Appointed Supervisor**

This item was deferred.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2024-01, Electing and Removing Officers of the District and Providing for an Effective Date

Ms. Suit presented Resolution 2024-01. Mr. Cotter nominated the following slate:

Christian Cotter

Chair

81 Mary Moulton Vice Chair
82 Kara Disotell Assistant Secretary
83 John Wiggins Assistant Secretary

84 No other nominations were made.

85 This Resolution removes the following from the Board:

86 Andre Carmack Assistant Secretary
87 Ryan Zook Assistant Secretary

88 The following prior appointments by the Board remain unaffected by this Resolution:

89 Craig Wrathell Secretary
90 Kristen Suit Assistant Secretary
91 Craig Wrathell Treasurer
92 Jeff Pinder Assistant Treasurer

93

94 **On MOTION by Mr. Cotter and seconded by Mr. Wiggins, with all in favor,**
95 **Resolution 2024-01, Electing, as nominated, and Removing Officers of the**
96 **District and Providing for an Effective Date, was adopted.**

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99 **EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2024-02,
Approving a Proposed Budget for Fiscal
Year 2024/2025 and Setting a Public
Hearing Thereon Pursuant to Florida Law;
Addressing Transmittal, Posting and
Publication Requirements; Addressing
Severability; and Providing for an Effective
Date**

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Ms. Suit presented Resolution 2024-02. She reviewed the proposed Fiscal Year 2025 budget and stated that the assessment levels remain virtually unchanged compared to the Fiscal Year 2024 assessments.

On MOTION by Mr. Cotter and seconded by Mr. Wiggins, with all in favor,
Resolution 2024-02, Approving a Proposed Budget for Fiscal Year 2024/2025
and Setting a Public Hearing Thereon Pursuant to Florida Law on August 2,
2024 at 11:30 a.m., at The Club at Ocala Preserve, 4021 NW 53rd Avenue Road,
Ocala, Florida 34482; Addressing Transmittal, Posting and Publication
Requirements; Addressing Severability; and Providing for an Effective Date,
was adopted.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2024-03, Designating a Date, Time, and Location for Landowners' Meeting; Providing for Publication, Providing for an Effective Date

Ms. Suit presented Resolution 2024-03.

On MOTION by Mr. Cotter and seconded by Mr. Wiggins, with all in favor, Resolution 2024-03, Designating a Date, Time, and Location of November 5, 2024 at 11:00 a.m., at The Club at Ocala Preserve, 4021 NW 53rd Avenue Road, Ocala, Florida 34482, for a Landowners' Meeting; Providing for Publication, Providing for an Effective Date, was adopted.

TENTH ORDER OF BUSINESS

Consideration of Resolution 2024-04, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2024/2025 and Providing for an Effective Date

Ms. Suit presented Resolution 2024-04.

On MOTION by Mr. Wiggins and seconded by Mr. Cotter, with all in favor, Resolution 2024-04, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2024/2025 and Providing for an Effective Date, was adopted.

ELEVENTH ORDER OF BUSINESS

Ratification of Disclosure Technology Services, LLC EMMA® Filing Assistance Software as a Service License Agreement

Ms. Suit presented the Disclosure Technology Services, LLC EMMA® Filing Assistance Software as a Service License Agreement.

On MOTION by Mr. Cotter and seconded by Mr. Wiggins, with all in favor, the Disclosure Technology Services, LLC EMMA® Filing Assistance Software as a Service License Agreement, was ratified.

TWELFTH ORDER OF BUSINESS

Acceptance of Unaudited Financial
Statements as of March 31, 2024

On MOTION by Mr. Wiggins and seconded by Ms. Moulton, with all in favor,
the Unaudited Financial Statements as of March 31, 2024, were accepted.

THIRTEENTH ORDER OF BUSINESS

Approval of September 14, 2023 Public
Hearings and Regular Meeting Minutes

On MOTION by Mr. Cotter and seconded by Ms. Moulton, with all in favor, the
September 14, 2023 Public Hearings and Regular Meeting Minutes, as
presented, were approved.

FOURTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: Kutak Rock LLP

Mr. Earlywine stated that bond issuance is anticipated for August 2024.

B. District Engineer: Atwell, LLC

There was no report.

C. District Manager: Wrathell, Hunt and Associates, LLC

- NEXT MEETING DATE: June 7, 2024 at 11:30 A.M.

- QUORUM CHECK

Ms. Suit stated the June 7, 2024 and July 5, 2024 meetings will be cancelled. A Special
Meeting will likely be scheduled for July 12, 2024 to address bond issuance-related matters.

FIFTEENTH ORDER OF BUSINESS

Board Members' Comments/Requests

There were no Board Members' comments or requests.

SIXTEENTH ORDER OF BUSINESS

Public Comments

No members of the public spoke.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Cotter and seconded by Mr. Wiggins, with all in favor, the
meeting adjourned at 11:46 a.m.

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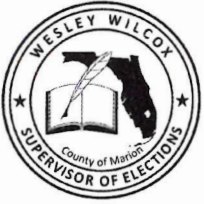
Secretary/Assistant Secretary

Chair/Vice Chair

RIDGE AT HEATH BROOK

COMMUNITY DEVELOPMENT DISTRICT

STAFF REPORTS



Wesley Wilcox

Supervisor of Elections, Marion County, FL

Election Center

981 NE 16th ST • Ocala, FL 34470

M PO Box 289 • Ocala, FL 34478-0289

P 352-620-3290

F 352-620-3286

W www.VoteMarion.Gov

April 15, 2024

Re: Florida Statute 190.006 Request

Daphne Gillyard, Director of Administrative Services
Wrathell, Hunt and Associates, LLC
Via Email: gillyardd@whhassociates.com

Daphne,

In accordance with Florida Statute 190.006 and with reference to your request for the number of registered voters in **Ridge at Heath Brook Community Development District**, as of April 15, 2024, our records indicate there are **116** active registered voters in the boundaries of the referenced development.

If you have any questions or require any further information, please contact me.

Sincerely,

Charlee Nichols, CERA
Support Services Analyst II
Marion County Election Center
CNichols@VoteMarion.Gov

RIDGE AT HEATH BROOK COMMUNITY DEVELOPMENT DISTRICT		
BOARD OF SUPERVISORS FISCAL YEAR 2023/2024 MEETING SCHEDULE		
LOCATION		
<i>The Club at Ocala Preserve, 4021 NW 53rd Avenue Road, Ocala, Florida 34482</i>		
DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 6, 2023 CANCELED	Regular Meeting	11:30 AM
November 3, 2023 CANCELED	Regular Meeting	11:30 AM
December 1, 2023 CANCELED	Regular Meeting	11:30 AM
January 5, 2024 CANCELED	Regular Meeting	11:30 AM
February 2, 2024 CANCELED	Regular Meeting	11:30 AM
March 1, 2024 CANCELED	Regular Meeting	11:30 AM
April 5, 2024 CANCELED	Regular Meeting	11:30 AM
May 3, 2024	Regular Meeting	11:30 AM
June 7, 2024 CANCELED	Regular Meeting	11:30 AM
July 5, 2024 <i>rescheduled to July 12, 2024</i>	Regular Meeting	11:30 AM
July 12, 2024	Regular Meeting	11:30 AM
August 2, 2024	Public Hearing & Regular Meeting	11:30 AM
September 6, 2024	Regular Meeting	11:30 AM