

***Tranquility  
Community Development District***

***Agenda***

***August 8, 2025***

# AGENDA

# *Tranquility*

## *Community Development District*

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219 East Livingston Street, Orlando, Florida 32801

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

August 1, 2025

Dear Board Members:

The regular meeting of the Board of Supervisors of the **Tranquility Community Development District** will be held **Friday, August 8, 2025 at 2:00 PM at 5445 S. Washington Ave., Titusville, FL 37780.**

Following is the advance agenda for the meeting:

### **Board of Supervisors Meeting**

1. Roll Call
2. Public Comment Period
3. Organizational Matters
  - A. Appointment of Individual to Fill Vacant Seat 5
  - B. Administration of Oaths of Office to Newly Elected Supervisors
  - C. Consideration of Resolution 2025-04 Appointing Assistant Secretary
4. Approval of Minutes of the May 20 Board of Supervisors Meeting
5. Public Hearing
  - A. Consideration of Resolution 2025-05 Adopting the Fiscal Year 2026  
Proposed Budget and Appropriating Funds
  - B. Consideration of Resolution 2025-06 Imposing Fiscal Year 2026 Special  
Assessments and Certifying Assessment Roll
6. Consideration of Fiscal Year 2026 Developer Funding Agreement
7. Financing Matters
  - A. Presentation and Approval of First Supplemental Engineer's Report  
dated June 17, 2025
  - B. Presentation and Approval of First Supplemental Assessment Methodology dated  
August 8, 2025
  - C. Consideration of Resolution 2025-07 Delegation Resolution (Series 2025)
  - D. Consideration of Series 2025 Ancillary Documents
    - i. Completion Agreement Between the CDD and Carolina Holdings II, LLC

- ii. Collateral Assignment from Carolina Holdings II, LLC to the CDD
- iii. True Up Agreement Between the CDD and Carolina Holdings II, LLC
- iv. Acquisition Agreement Between the CDD and Carolina Holdings II, LLC
- v. Declaration of Consent to Jurisdiction and Imposition of Series 2025

Assessments

- 8. Presentation of Fiscal Year 2024 Financial Audit Report
- 9. Staff Reports
  - A. Attorney
  - B. Engineer
  - C. District Manager's Report
    - i. Balance Sheet and Income Statement
    - ii. Ratification of Funding Requests No. 38-41
    - iii. Approval of the Fiscal Year 2026 Meeting Schedule
    - iv. District Goals & Objectives
      - i. Adoption of Fiscal Year 2026 Goals & Objectives
      - ii. Presentation of Fiscal Year 2025 Goals & Objectives Authorizing Chair to Execute
- 10. Other Business
- 11. Supervisors Requests
- 12. Adjournment

## SECTION III

# SECTION C

**RESOLUTION 2025-04**

**A RESOLUTION OF THE TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT APPOINTING AN ASSISTANT  
SECRETARY OF THE BOARD OF SUPERVISORS**

**WHEREAS**, the Board of Supervisors of the Tranquility Community Development District desires to appoint \_\_\_\_\_ as an Assistant Secretary.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF  
SUPERVISORS OF THE TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT:**

\_\_\_\_\_ is appointed as Assistant Secretary of the Board of Supervisors

**ADOPTED ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2025.**

**ATTEST:**

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/ Assistant Secretary

\_\_\_\_\_  
Chairman/ Vice Chairman

# MINUTES

**MINUTES OF MEETING  
TRANQUILITY  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Tranquility Community Development District was held on Wednesday, **May 20, 2025** at 2:00 p.m. at 5445 S. Washington Ave. Floor, Titusville, Florida.

Present and constituting a quorum were:

Gary Allen Jr.	Chairman
Ken Belshe	Vice Chairman
William Livingston	Assistant Secretary
Clint Smith	Assistant Secretary

Also, present were:

Jeremy LeBrun	District Manager, GMS
Rodney Honeycutt	District Engineer

*The following is a summary of the discussions and actions taken at the May 20, 2025 Tranquility Community Development District's Regular Board of Supervisor's Meeting.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. LeBrun called the meeting to order at 2:00 p.m. Four Supervisors were in attendance and Mr. Livingston and Mr. Smith were sworn in prior to the meeting.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. LeBrun stated there were no members of the public present to provide comment.

**THIRD ORDER OF BUSINESS**

**Organizational Matters**

**A. Consideration of Resolution 2025-01 Certifying Results of the November 5, 2024 Landowners' Election**

Mr. LeBrun stated at the Landowners' election Mr. Livingston and Mr. Smith received 300 votes and Mr. Lusby received 298 votes. He noted Mr. Lusby resigned after the election. He added both Mr. Livingston and Mr. Smith will serve four-year terms.

On MOTION by Mr. Belshe, seconded by Mr. Livingston, with all in favor, Resolution 2025-01, Certifying Results of the November 5, 2024 Landowners' Election, was approved.
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**B. Acceptance of Resignation of Supervisor Lusby, Seat 5**

Mr. LeBrun asked for a motion to accept the resignation of Mr. Lusby.

On MOTION by Mr. Smith, seconded by Mr. Livingston, with all in favor, Accepting the Resignation of Supervisor Lusby, Seat 5, was approved.
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**C. Appointment of Individual to Fill Vacant Seat 5**

Mr. LeBrun stated the Board can nominate a candidate to take over Mr. Lusby's position or they can defer this item until the next meeting. The Board decided to defer this item to the next meeting.

**D. Administration of Oaths of Office to Newly Elected Supervisors**

Mr. LeBrun stated Mr. Livingston and Mr. Smith were sworn in prior to the meeting.

**E. Consideration of Resolution 2025-02 Electing Officers**

Mr. LeBrun stated anytime a Board member is elected, they must hold an election of officers. He added the current slate of officers is Mr. Allen Jr. as Chairman, Mr. Belshe as Vice Chair and Mr. Livingston and Mr. Smith are Assistant Secretaries. He noted the Board has the ability to change the slate of officers if they so wish.

Mr. Smith motioned to leave the slate of officers the same.

On MOTION by Mr. Smith, seconded by Mr. Livingston, with all in favor, Resolution 2025-02, Keeping the Same Slate of Officers, was approved.

**FOURTH ORDER OF BUSINESS****Approval of Minutes of the August 14, 2024 Board of Supervisors Meeting and November 5, 2024 Landowner Meeting**

Mr. LeBrun presented the minutes of the August 14, 2024 Board of Supervisor's meeting and the November 5, 2025 Landowners' meeting and asked for any comments, corrections, or questions. Hearing no changes to the minutes, he asked for a motion to approve.

On MOTION by Mr. Smith, seconded by Mr. Livingston, with all in favor, the Minutes of the August 14, 2024 Board of Supervisors Meeting and the November 5, 2025 Landowners' Meeting, were approved.

**FIFTH ORDER OF BUSINESS****Consideration of Resolution 2025-03 Approving the Fiscal Year 2026 Proposed Budget and Setting a Public Hearing**

Mr. LeBrun presented the resolution on page 24 of the agenda package. He noted this resolution sets the cap on the budget. Once this resolution is approved, the Board can make changes, however they cannot increase the budget. He added the public hearing must be at least 60 days after the proposed budget is approved and they are suggesting August 8, 2025 to have the public hearing.

Mr. Belshe asked when is the latest they can hold the meeting. Mr. Lebrun stated they must adopt the budget by September 30, however, they like to have it adopted before that date.

Mr. Lebrun presented the budget on page 26 of the agenda package. He stated Phases 1 and 2 assessments are on roll and Phase 3 assessments are direct billed. Mr. Lebrun noted there was a slight increase on the expenditures for inflation costs. He added this is the first year that Operations and Maintenance has been on the budget and that section of the budget was worked out with the developer. He noted these expenses will be billed as they are actually realized. Page 30 of the agenda package starts the explanations for each line item.

Mr. Livingston asked if they have any Capital Reserves. Mr. Lebrun stated that is something they will start to think about soon, however they do not at the current moment.

On MOTION by Mr. Smith, seconded by Mr. Livingston, with all in favor, Resolution 2025-03 Approving the Fiscal Year 2026 Proposed Budget and Setting August 8, 2025 as the Public Hearing Date, was approved.

Mr. Allen Jr. asked if the insurance number includes the O&D. Mr. Lebrun stated it includes the Public Official related insurances and if there are any capital items the CDD will maintain or own, they will get added. He noted Egis gives them quotes for the upcoming year that they base their budget off of.

## **SIXTH ORDER OF BUSINESS**

### **Staff Reports**

#### **A. Attorney**

There being no report from the attorney, the next item followed.

#### **B. Engineer**

Mr. Honeycutt had nothing to report.

#### **C. District Manager's Report**

##### **i. Balance Sheet and Income Statement**

Mr. LeBrun presented the unaudited financials through March 31, 2025. No action is required by the Board.

##### **ii. Ratification of Funding Requests No. 31-37**

Mr. LeBrun presented Funding Requests No. 31-37 and asked for ratification.

On MOTION by Mr. Smith, seconded by Mr. Livingston, with all in favor, Funding Requests No. 31-37, were ratified.

##### **iii. Presentation of Registered Voters – 3**

Mr. LeBrun stated there are currently three registered voters in the District. He noted after six years of the District being formed and once they have 250 voters, the Board will start the transition to the residents.

**iv. Reminder of Form 1 Filing Deadline – July 1<sup>st</sup>**

Mr. LeBrun reminded the Board to file their Form 1s by July 1, 2025 and to complete the required four hours of ethics training by the end of the year.

**SEVENTH ORDER OF BUSINESS**

**Other Business**

There being no comments, the next item followed.

**EIGHTH ORDER OF BUSINESS**

**Supervisors Requests**

There being no comments, the next item followed.

**NINTH ORDER OF BUSINESS**

**Adjournment**

Mr. LeBrun asked for a motion to adjourn the meeting.

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

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Chairman/Vice Chairman

## SECTION V

# SECTION A

## RESOLUTION 2025-05

### **THE ANNUAL APPROPRIATION RESOLUTION OF THE TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGETS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND ENDING SEPTEMBER 30, 2026; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the District Manager has, prior to the fifteenth (15<sup>th</sup>) day in June, 2025, submitted to the Board of Supervisors (“**Board**”) of the Tranquility Community Development District (“**District**”) proposed budgets (“**Proposed Budget**”) for the fiscal year beginning October 1, 2025 and ending September 30, 2026 (“**Fiscal Year 2026**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

**WHEREAS**, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

**WHEREAS**, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

**WHEREAS**, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

**WHEREAS**, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1<sup>st</sup> of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

**WHEREAS**, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT:**

#### **SECTION 1. BUDGET**

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.

- b. The Proposed Budget, attached hereto as **Exhibit A**, as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* (“**Adopted Budget**”), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District’s Local Records Office and identified as “The Budget for the Tranquility Community Development District for the Fiscal Year Ending September 30, 2026.”
- d. The Adopted Budget shall be posted by the District Manager on the District’s official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

## **SECTION 2. APPROPRIATIONS**

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2026, the sum of \$ \_\_\_\_\_ to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$ _____
TOTAL ALL FUNDS	\$ _____

## **SECTION 3. BUDGET AMENDMENTS**

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2026 or within 60 days following the end of the Fiscal Year 2026 may amend its Adopted Budget for that fiscal year as follows:

- a. A line-item appropriation for expenditures within a fund may be decreased or increased by motion of the Board recorded in the minutes, and approving the expenditure, if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may approve an expenditure that would increase or decrease a line-item appropriation for expenditures within a fund if the total appropriations of the fund do not increase and if either (i) the aggregate change in the original appropriation item does not exceed the greater of \$15,000 or 15% of the original appropriation, or (ii) such expenditure is authorized by separate disbursement or spending resolution.
- c. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must ensure that any amendments to the budget under paragraph c. above are posted on the District's website within 5 days after adoption and remain on the website for at least 2 years.

**SECTION 4. EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED THIS 8th DAY OF AUGUST 2025.**

ATTEST:

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

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

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

**Exhibit A:** Adopted Budget for Fiscal Year 2026

***Tranquility***  
***Community Development District***

***Proposed Budget***  
***FY2026***



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**Tranquility**  
Community Development District  
**Proposed Budget**  
**General Fund**

Description	Adopted Budget FY2025	Actuals Thru 6/30/25	Projected Next 3 Months	Total Thru 9/30/25	Proposed Budget FY2026
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**Revenues**

Phase 1 & 2 Assessments - On Roll	\$ -	\$ -	\$ -	\$ -	\$ 56,964
Phase 3 Assessments - Direct	\$ -	\$ -	\$ -	\$ -	\$ 13,496
Undeveloped Administrative Assessments - Direct	\$ -	\$ -	\$ -	\$ -	\$ 33,454
Developer Contribution	\$ 142,891	\$ 39,692	\$ 33,624	\$ 73,316	\$ 150,290

<b>Total Revenues</b>	<b>\$ 142,891</b>	<b>\$ 39,692</b>	<b>\$ 33,624</b>	<b>\$ 73,316</b>	<b>\$ 254,204</b>
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**Expenditures**

**General & Administrative**

Supervisor Fees	\$ 12,000	\$ 400	\$ 1,200	\$ 1,600	\$ 12,000
FICA Expense	\$ 900	\$ 31	\$ 92	\$ 122	\$ 900
Engineering	\$ 15,000	\$ -	\$ 5,000	\$ 5,000	\$ 15,000
Attorney	\$ 25,000	\$ 1,304	\$ 5,000	\$ 6,304	\$ 25,000
Annual Audit	\$ 6,000	\$ 3,300	\$ -	\$ 3,300	\$ 4,000
Assessment Administration	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,150
Arbitrage	\$ 450	\$ -	\$ -	\$ -	\$ 450
Dissemination	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,150
Trustee Fees	\$ 4,071	\$ -	\$ -	\$ -	\$ 4,500
Management Fees	\$ 42,500	\$ 31,875	\$ 10,625	\$ 42,500	\$ 43,775
Information Technology	\$ 1,890	\$ 1,418	\$ 473	\$ 1,890	\$ 1,947
Website Maintenance	\$ 1,260	\$ 945	\$ 315	\$ 1,260	\$ 1,298
Telephone	\$ 300	\$ -	\$ 50	\$ 50	\$ 300
Postage & Delivery	\$ 1,000	\$ 22	\$ 100	\$ 122	\$ 1,000
Insurance	\$ 5,720	\$ 5,408	\$ -	\$ 5,408	\$ 7,434
Printing & Binding	\$ 1,000	\$ 54	\$ 100	\$ 154	\$ 1,000
Legal Advertising	\$ 10,000	\$ 869	\$ 4,000	\$ 4,869	\$ 10,000
Other Current Charges	\$ 5,000	\$ 376	\$ 135	\$ 511	\$ 5,000
Office Supplies	\$ 625	\$ 0	\$ 50	\$ 50	\$ 625
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ -	\$ 175	\$ 175

<b>Total Administrative</b>	<b>\$ 142,891</b>	<b>\$ 46,177</b>	<b>\$ 27,139</b>	<b>\$ 73,316</b>	<b>\$ 144,704</b>
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**Tranquility**  
Community Development District  
**Proposed Budget**  
**General Fund**

Description	Adopted Budget FY2025	Actuals Thru 6/30/25	Projected Next 3 Months	Total Thru 9/30/25	Proposed Budget FY2026
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Operations & Maintenance

**Field Expenditures**

Property Insurance	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Field Management	\$ -	\$ -	\$ -	\$ -	\$ 15,000
Lake Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 12,000
Streetlights	\$ -	\$ -	\$ -	\$ -	\$ 45,000
Sidewalk & Asphalt Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 10,000
General Repairs & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 7,500
Stormwater Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Contingency	\$ -	\$ -	\$ -	\$ -	\$ 5,000

<b>Total Operations &amp; Maintenance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 109,500</b>
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<b>Total Expenditures</b>	<b>\$ 142,891</b>	<b>\$ 46,177</b>	<b>\$ 27,139</b>	<b>\$ 73,316</b>	<b>\$ 254,204</b>
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<b>Excess Revenues/(Expenditures)</b>	<b>\$ -</b>	<b>\$ (6,485)</b>	<b>\$ 6,485</b>	<b>\$ -</b>	<b>\$ -</b>
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Product	ERU's	Units	ERU/Unit	Net Assessments	Net Per Unit	Gross Per Unit
Single Family 50' - Direct	67.00	67	1.00	\$ 13,496	\$ 201.43	\$ 214.29
Single Family 70' - On Roll	282.80	202	1.40	\$ 56,964	\$ 282.00	\$ 300.00
<b>Totals</b>	<b>349.80</b>	<b>269</b>		<b>\$ 70,460</b>		

# **Tranquility**

## **Community Development District**

### **General Fund Budget**

#### **Revenues:**

##### **Assessments**

The District will levy a non-ad valorem assessment on all the assessable property within the District to pay for operating expenditures during the fiscal year.

##### **Developer Contributions**

The District will enter into a funding agreement with the Developer to fund the General Fund expenditures for the Fiscal Year.

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#### **Expenditures:**

##### **General & Administrative:**

##### **Supervisor Fees**

Chapter 190, Florida Statutes, allows for each Board member to receive \$200 per meeting, not to exceed \$4,800 per year paid to each Supervisor for the time devoted to District business and meetings.

##### **FICA Expense**

Represents the Employer's share of Social Security and Medicare taxes withheld from Board of Supervisors checks.

##### **Engineering**

The District's engineer provides general engineering services to the District, e.g., attendance and preparation for monthly board meetings, review invoices and various projects as directed by the Board of Supervisors and the District Manager.

##### **Attorney**

The District's legal counsel provides general legal services to the District, e.g., attendance and preparation for meetings, preparation and review of agreements, resolutions, etc. as directed by the Board of Supervisors and the District Manager.

##### **Annual Audit**

The District is required by Florida Statutes to arrange for an independent audit of its financial records on an annual basis.

##### **Assessment Administration**

The District will contract to levy and administer the collection of non-ad valorem assessment on all assessable property within the District.

# **Tranquility**

## **Community Development District**

### **General Fund Budget**

#### Arbitrage

The District will contract with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on an anticipated bond issuance.

#### Dissemination

The District is required by the Security and Exchange Commission to comply with Rule 15c2-12(b)(5) which relates to additional reporting requirements for unrated bond issues. This cost is based upon an anticipated bond issuance.

#### Trustee Fees

The District will incur trustee related costs with the issuance of its' issued bonds.

#### Management Fees

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services-Central Florida, LLC. The services include but are not limited to, recording and transcription of board meetings, administrative services, budget preparation, all financial reports, annual audits, etc.

#### Information Technology

Represents various cost of information technology for the District such as video conferencing, cloud storage and servers, positive pay implementation and programming for fraud protection, accounting software, tablets for meetings, Adobe, Microsoft Office, etc. Governmental Management Services – Central Florida, LLC provides these systems.

#### Website Maintenance

Represents the costs associated with monitoring and maintaining the District's website created in accordance with Chapter 189, Florida Statutes. These services include site performance assessments, security and firewall maintenance, updates, document uploads, hosting and domain renewals, website backups, etc. Governmental Management Services – Central Florida, LLC provides these services.

#### Telephone

Telephone and fax machine.

#### Postage & Delivery

The District incurs charges for mailing of Board meeting agenda packages, overnight deliveries, correspondence, etc.

#### Insurance

The District's general liability and public official's liability insurance coverages.

#### Printing & Binding

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes, etc.

# **Tranquility**

## **Community Development District**

### **General Fund Budget**

#### Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

#### Other Current Charges

Bank charges and any other miscellaneous expenses incurred during the year.

#### Office Supplies

Any supplies that may need to be purchased during the fiscal year, e.g., paper, minute books, file folders, labels, paper clips, etc.

#### Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Florida Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

#### **Field Expenditures:**

##### Property Insurance

The District's estimated property insurance coverages.

##### Field Management

Represents the estimated costs of contracting services that provide onsite field management of contracts for the District such as landscape and lake maintenance. Services can include onsite inspections, meetings with contractors, monitoring of utility accounts, attend Board meetings and receive and respond to property owner phone calls and emails.

##### Lake Maintenance

Represents the estimated costs of maintaining the lake for the District.

##### Streetlights

Encompasses the budgeted amount for the District's decorative light poles and fixtures in various locations.

##### Sidewalk & Asphalt Maintenance

Represents the estimated costs of maintaining the sidewalks and asphalt throughout the District's Boundary.

##### General Repairs & Maintenance

Represents estimated costs for general repairs and maintenance of the District's common areas.

**Tranquility**  
**Community Development District**  
**General Fund Budget**

*Stormwater Maintenance*

Represents the estimated costs of maintaining the District's stormwater systems.

*Contingency*

Represents funds allocated to expenses that the District could incur throughout the fiscal year that do not fit into any field category.

## SECTION B

## **RESOLUTION 2025-06**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2026; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS, INCLUDING BUT NOT LIMITED TO PENALTIES AND INTEREST THEREON; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Tranquility Community Development District (“**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

**WHEREAS**, the District is located in Brevard County, Florida (“**County**”); and

**WHEREAS**, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District’s adopted capital improvement plan and Chapter 190, Florida Statutes; and

**WHEREAS**, the Board of Supervisors (“**Board**”) of the District hereby determines to undertake various operations and maintenance and other activities described in the District’s budget (“**Adopted Budget**”) for the fiscal year beginning October 1, 2025, and ending September 30, 2026 (“**Fiscal Year 2026**”), attached hereto as **Exhibit A** and incorporated by reference herein; and

**WHEREAS**, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the Adopted Budget; and

**WHEREAS**, the provision of such services, facilities, and operations is a benefit to lands within the District; and

**WHEREAS**, Chapter 190, Florida Statutes, provides that the District may impose special assessments on benefitted lands within the District; and

**WHEREAS**, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance in the amount set forth in the Adopted Budget; and

**WHEREAS**, the District has previously levied an assessment for debt service, which the District desires to collect for Fiscal Year 2026; and

**WHEREAS**, Chapter 197, Florida Statutes, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector (“**Uniform Method**”), and the District has previously authorized the use of the Uniform Method by, among other things, entering into agreements with the Property Appraiser and Tax Collector of the County for that purpose; and

**WHEREAS**, it is in the best interests of the District to adopt the Assessment Roll of the Tranquility Community Development District (“**Assessment Roll**”) attached to this Resolution as **Exhibit B** and incorporated as a material part of this Resolution by this reference, and to certify the Assessment Roll to the County Tax Collector pursuant to the Uniform Method; and

**WHEREAS**, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll, certified to the County Tax Collector by this Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD  
OF SUPERVISORS OF THE TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT:**

**SECTION 1. BENEFIT & ALLOCATION FINDINGS.** The Board hereby finds and determines that the provision of the services, facilities, and operations as described in **Exhibit A** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the assessments to the specially benefitted lands, as shown in **Exhibits A and B**, is hereby found to be fair and reasonable.

**SECTION 2. ASSESSMENT IMPOSITION.** Pursuant to Chapters 190 and 197, Florida Statutes, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District, and in accordance with **Exhibits A and B**. The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution.

**SECTION 3. COLLECTION.** The collection of the operation and maintenance special assessments and previously levied debt service assessments shall be at the same time and in the same manner as County taxes in accordance with the Uniform Method, as indicated on **Exhibits A and B**. The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

**SECTION 4. ASSESSMENT ROLL.** The Assessment Roll, attached to this Resolution as **Exhibit B**, is hereby certified to the County Tax Collector and shall be collected by the County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the District.

**SECTION 5. ASSESSMENT ROLL AMENDMENT.** The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.

**SECTION 6. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

**SECTION 7. EFFECTIVE DATE.** This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

**PASSED AND ADOPTED THIS 8<sup>TH</sup> DAY OF AUGUST 2025.**

ATTEST:

**TRANQUILITY  
COMMUNITY DEVELOPMENT  
DISTRICT**

\_\_\_\_\_  
Secretary / Assistant Secretary

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

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

**Exhibit A:** Adopted Budget for Fiscal Year 2026

**Exhibit B:** Assessment Roll

<b>Tranquility CDD</b> <b>FY 26 Assessment Roll</b>
--

ParcelID	Units	O&M
22 3535-YC-*-1	1	\$300.00
22 3535-YC-*-2	1	\$300.00
22 3535-YC-*-3	1	\$300.00
22 3535-YC-*-4	1	\$300.00
22 3535-YC-*-5	1	\$300.00
22 3535-YC-*-6	1	\$300.00
22 3535-YC-*-7	1	\$300.00
22 3535-YC-*-8	1	\$300.00
22 3535-YC-*-9	1	\$300.00
22 3535-YC-*-10	1	\$300.00
22 3535-YC-*-11	1	\$300.00
22 3535-YC-*-12	1	\$300.00
22 3535-YC-*-13	1	\$300.00
22 3535-YC-*-14	1	\$300.00
22 3535-YC-*-15	2	\$600.00
22 3535-YC-*-17	1	\$300.00
22 3535-YC-*-18	1	\$300.00
22 3535-YC-*-19	1	\$300.00
22 3535-YC-*-20	1	\$300.00
22 3535-YC-*-21	2	\$600.00
22 3535-YC-*-23	1	\$300.00
22 3535-YC-*-24	1	\$300.00
22 3535-YC-*-25	1	\$300.00
22 3535-YC-*-26	1	\$300.00
22 3535-YC-*-27	1	\$300.00
22 3535-YC-*-28	1	\$300.00
22 3535-YC-*-29	1	\$300.00
22 3535-YC-*-30	1	\$300.00
22 3535-YC-*-31	1	\$300.00
22 3535-YC-*-32	1	\$300.00
22 3535-YC-*-33	1	\$300.00
22 3535-YC-*-34	1	\$300.00
22 3535-YC-*-35	1	\$300.00
22 3535-YC-*-36	1	\$300.00
22 3535-YC-*-37	1	\$300.00
22 3535-YC-*-38	1	\$300.00
22 3535-YC-*-39	1	\$300.00
22 3535-YC-*-40	1	\$300.00
22 3535-YC-*-41	1	\$300.00
22 3535-YC-*-42	1	\$300.00
22 3535-YC-*-43	1	\$300.00
22 3535-YC-*-44	1	\$300.00
22 3535-YC-*-45	1	\$300.00
22 3535-YC-*-46	1	\$300.00

ParcelID	Units	O&M
22 3535-YC-*-47	1	\$300.00
22 3535-YC-*-48	1	\$300.00
22 3535-YC-*-49	1	\$300.00
22 3535-YC-*-50	1	\$300.00
22 3535-YC-*-51	1	\$300.00
22 3535-YC-*-52	1.5	\$450.00
22 3535-YC-*-53	0.5	\$150.00
22 3535-YC-*-54	1	\$300.00
22 3535-YC-*-55	1	\$300.00
22 3535-YC-*-56	1	\$300.00
22 3535-YC-*-57	1.5	\$450.00
22 3535-YC-*-59	1.5	\$450.00
22 3535-YC-*-60	1	\$300.00
22 3535-YC-*-61	1	\$300.00
22 3535-YC-*-62	1	\$300.00
22 3535-YC-*-63	1	\$300.00
22 3535-YC-*-64	1	\$300.00
22 3535-YC-*-65	1	\$300.00
22 3535-YC-*-66	1	\$300.00
22 3535-YC-*-67	1	\$300.00
22 3535-YC-*-68	1	\$300.00
22 3535-YC-*-69	1	\$300.00
22 3535-YC-*-70	1	\$300.00
22 3535-YC-*-71	1	\$300.00
22 3535-YC-*-72	1	\$300.00
22 3535-YC-*-73	1	\$300.00
22 3535-YC-*-74	1	\$300.00
22 3535-YC-*-75	1	\$300.00
22 3535-YC-*-76	1	\$300.00
22 3535-YC-*-77	1	\$300.00
22 3535-YC-*-78	1	\$300.00
22 3535-YC-*-79	1	\$300.00
22 3535-YC-*-80	1	\$300.00
22 3535-YC-*-81	1	\$300.00
22 3535-YC-*-82	1	\$300.00
22 3535-YC-*-83	1	\$300.00
22 3535-YC-*-84	1	\$300.00
22 3535-YC-*-85	1	\$300.00
22 3535-YC-*-86	1	\$300.00
22 3535-YC-*-87	1	\$300.00
22 3535-YC-*-88	1	\$300.00
22 3535-YC-*-89	1	\$300.00
22 3535-YC-*-90	1	\$300.00
22 3535-YC-*-91	1	\$300.00
22 3535-YC-*-92	1	\$300.00
22 3535-YC-*-93	1	\$300.00
22 3535-YC-*-94	1	\$300.00

ParcelID	Units	O&M
22 3535-YC-*-95	1	\$300.00
22 3535-YC-*-96	1	\$300.00
22 3535-YC-*-97	1	\$300.00
22 3535-YC-*-104	1	\$300.00
22 3535-YC-*-105	1	\$300.00
22 3535-01-*-98	1	\$300.00
22 3535-01-*-99	1	\$300.00
22 3535-01-*-100	1	\$300.00
22 3535-01-*-101	1	\$300.00
22 3535-01-*-102	1	\$300.00
22 3535-01-*-103	1	\$300.00
22 3535-01-*-106	1	\$300.00
22 3535-01-*-107	1	\$300.00
22 3535-01-*-108	1	\$300.00
22 3535-01-*-109	1	\$300.00
22 3535-01-*-110	1	\$300.00
22 3535-01-*-111	1	\$300.00
22 3535-01-*-112	1	\$300.00
22 3535-01-*-113	1	\$300.00
22 3535-01-*-114	1	\$300.00
22 3535-01-*-115	1	\$300.00
22 3535-01-*-116	1	\$300.00
22 3535-01-*-117	1	\$300.00
22 3535-01-*-118	1	\$300.00
22 3535-01-*-119	1	\$300.00
22 3535-01-*-120	1	\$300.00
22 3535-01-*-121	1	\$300.00
22 3535-01-*-122	1	\$300.00
22 3535-01-*-123	1	\$300.00
22 3535-01-*-124	1	\$300.00
22 3535-01-*-125	1	\$300.00
22 3535-01-*-126	1	\$300.00
22 3535-01-*-127	1	\$300.00
22 3535-01-*-128	1	\$300.00
22 3535-01-*-129	1	\$300.00
22 3535-01-*-130	1	\$300.00
22 3535-01-*-131	1	\$300.00
22 3535-01-*-132	1	\$300.00
22 3535-01-*-133	1	\$300.00
22 3535-01-*-134	1	\$300.00
22 3535-01-*-135	1	\$300.00
22 3535-01-*-136	1	\$300.00
22 3535-01-*-137	1	\$300.00
22 3535-01-*-138	1	\$300.00
22 3535-01-*-139	1	\$300.00
22 3535-01-*-140	1	\$300.00
22 3535-01-*-141	1	\$300.00

ParcelID	Units	O&M
22 3535-01-*-142	1	\$300.00
22 3535-01-*-143	1	\$300.00
22 3535-01-*-144	1	\$300.00
22 3535-01-*-145	1	\$300.00
22 3535-01-*-146	1	\$300.00
22 3535-01-*-147	1	\$300.00
22 3535-01-*-148	1	\$300.00
22 3535-01-*-149	1	\$300.00
22 3535-01-*-150	1	\$300.00
22 3535-01-*-151	1	\$300.00
22 3535-01-*-152	1	\$300.00
22 3535-01-*-153	1	\$300.00
22 3535-01-*-154	1	\$300.00
22 3535-01-*-155	1	\$300.00
22 3535-01-*-156	1	\$300.00
22 3535-01-*-157	1	\$300.00
22 3535-01-*-158	1	\$300.00
22 3535-01-*-159	1	\$300.00
22 3535-01-*-160	1	\$300.00
22 3535-01-*-161	1	\$300.00
22 3535-01-*-162	1	\$300.00
22 3535-01-*-163	1	\$300.00
22 3535-01-*-164	1	\$300.00
22 3535-01-*-165	1	\$300.00
22 3535-01-*-166	1	\$300.00
22 3535-01-*-167	1	\$300.00
22 3535-01-*-168	1	\$300.00
22 3535-01-*-169	1	\$300.00
22 3535-01-*-170	1	\$300.00
22 3535-01-*-171	1	\$300.00
22 3535-01-*-172	1	\$300.00
22 3535-01-*-173	1	\$300.00
22 3535-01-*-174	1	\$300.00
22 3535-01-*-175	1	\$300.00
22 3535-01-*-176	1	\$300.00
22 3535-01-*-177	1	\$300.00
22 3535-01-*-178	1	\$300.00
22 3535-01-*-179	1	\$300.00
22 3535-01-*-180	1	\$300.00
22 3535-01-*-181	1	\$300.00
22 3535-01-*-182	1	\$300.00
22 3535-01-*-183	1	\$300.00
22 3535-01-*-184	1	\$300.00
22 3535-01-*-185	1	\$300.00
22 3535-01-*-186	1	\$300.00
22 3535-01-*-187	1	\$300.00
22 3535-01-*-188	1	\$300.00

<b>ParcelID</b>	<b>Units</b>	<b>O&amp;M</b>
22 3535-01-*-189	1	\$300.00
22 3535-01-*-190	1	\$300.00
22 3535-01-*-191	1	\$300.00
22 3535-01-*-192	1	\$300.00
22 3535-01-*-193	1	\$300.00
22 3535-01-*-194	1	\$300.00
22 3535-01-*-195	1	\$300.00
22 3535-01-*-196	1	\$300.00
22 3535-01-*-197	1	\$300.00
22 3535-01-*-198	1	\$300.00
22 3535-01-*-199	1	\$300.00
22 3535-01-*-200	1	\$300.00
22 3535-01-*-201	1	\$300.00
22 3535-01-*-202	1	\$300.00
<b>Total Gross Onroll</b>	<b>202</b>	<b>\$60,600.00</b>

<b>Total Net Onroll</b>	<b>\$56,964.00</b>
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<b><u>Direct Billing</u></b>	<b><u>Acres</u></b>	
22 3535-00-2	21.15	\$4,172.92
22 3535-00-1	205.05	\$40,456.61
22 3535-00-755	9.39	\$1,852.66
22 3535-YC-*-A	7.32	\$1,444.24
22 3535-YC-*-D	3.04	\$599.80
22 3535-YC-*-E	7.2	\$1,420.57
<b>Total Gross Direct</b>	<b>253.15</b>	<b>\$49,946.79</b>

<b>Total Net Direct</b>	<b>\$46,949.98</b>
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<b>Total Gross Assessments</b>	<b>\$110,546.79</b>
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<b>Total Net Assessments</b>	<b>\$103,913.98</b>
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## SECTION VI

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
FISCAL YEAR 2026 DEVELOPER FUNDING AGREEMENT**

**THIS FISCAL YEAR 2026 DEVELOPER FUNDING AGREEMENT** (the “Agreement”) is made and entered into this \_\_\_\_\_ day of August 2025, by and between:

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government, established pursuant to Chapter 190, Florida Statutes, and located in the City of Titusville, Brevard County, Florida (hereinafter “District”), and

**CAROLINA HOLDINGS II, LLC**, a Nevada limited liability company and a landowner in the District (hereinafter “Developer”).

Recitals

**WHEREAS**, the District was established by Ordinance Number 04-2022 of the City Council of Titusville, Florida (the “City Council”), pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, (the “Act”) for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure, including a storm water management system, roadways, water distribution and sewer collection systems, landscaping, recreational facilities and other infrastructure; and

**WHEREAS**, the District, pursuant to the Act, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District’s activities and services; and

**WHEREAS**, Developer presently owns and/or is developing real property within the District, which property will benefit from the timely construction and acquisition of the District’s facilities, activities and services and from the continued operations of the District; and

**WHEREAS**, the District is adopting its general fund budget for the fiscal year beginning October 1, 2025 and ending September 30, 2026 (“**the Budget**”); and

**WHEREAS**, the Budget, which both parties recognize may be amended from time to time in the sole discretion of the District, are attached hereto and incorporated herein by reference as Exhibit “A”; and

**WHEREAS**, the District has or will levy non ad valorem special assessments on all land within the District that will benefit from the District activities, operations and services set forth in Exhibit “A”; and

**WHEREAS**, the Developer agrees that the activities, operations and services provide a special and peculiar benefit equal to or in excess of the costs reflected on Exhibit “A” to the property owned by the Developer within the District (the “Property”); and

**WHEREAS**, in lieu of initially certifying for collection special assessments on the Property, the District is willing to allow the Developer to provide such funds as are necessary to allow the District to proceed with its operations as described in Exhibit "A" so long as payment is timely provided; and

**WHEREAS**, the District desires to secure the funding of the Budget through the imposition of a continuing lien against the Property and otherwise as provided herein and in any resolutions of the District pertaining to the imposition of a lien for special assessments.

**WHEREAS**, the Developer agrees to enter into the Agreement in lieu of having the District collect any non-ad valorem assessments as authorized by law against the Property located within the District for the activities, operations, and services set forth in the Budget.

**NOW THEREFORE**, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The Developer agrees to make available to the District the monies necessary for the operation of the District based on actual expenditures of the District as called for in the budget attached hereto as Exhibit "A" (and as Exhibit "A" may be amended from time to time), within thirty (30) days of written request by the District. Amendments to the District's Budget as shown in Exhibit "A" adopted by the District at a duly noticed meeting shall have the effect of amending this Agreement without further action of the parties. The funds provided under this Agreement shall be placed in the District's general checking account. These payments are made by the Developer in lieu of the collection of special assessments that might otherwise be collected by the District.

2. District shall have the right to file a continuing lien upon the Property described in Exhibit "A" for all payments due and owing under the terms of this Agreement and for interest thereon, and for reasonable attorneys' fees, paralegals' fees, expenses, and court costs incurred by the District incident to the collection of funds under this Agreement and for enforcement of this lien, and all sums advanced and paid by the District for taxes and payment on account of superior interests, liens, and encumbrances in order to preserve and protect the District's lien. The lien shall be effective as of the date and time of the recording of a "Notice of Lien for FY 2026 Budget" in the public records of Brevard County, Florida, stating among other things, the description of the real property and the amount due as of the recording of the Notice, and the existence of this Agreement. The District Manager, in its sole discretion, is hereby authorized by the District to file the Notice of Lien for the Budget on behalf of the District, without need of further Board action authorizing or directing such filing. At the District Manager's direction, the District may also bring an action at law against the record title holders to the Property to pay the amount due under this Agreement, or may foreclose the lien against the Property in any manner authorized by law. In the event the Developer sells any of the Property after the execution of this Agreement, the Developers' rights and obligations under this Agreement shall remain the same, provided however that the District shall only have the right to file a lien upon the remaining Property owned by the Developer.

3. The District has found that the activities, operations and services set out in Exhibit “A” provide a special and peculiar benefit to the Property, as described in the legal description attached hereto and incorporated herein as Exhibit “B”. The Developer agrees that the activities, operations and services set forth in Exhibit “A” provide a special and peculiar benefit to the Property equal to or in excess of the costs set out in Exhibit “A”, as described in Exhibit “B”. Therefore, in the alternative or in addition to the other methods of collection set forth in this Agreement, or in any resolution of the District regarding the imposition and collection of special assessments, the District, in its sole discretion, and upon failure of the Developer to make payment as provided for in this Agreement, may choose to certify for collection amounts due hereunder as a non ad valorem assessment on all or any part of the Property for collection, either through the Uniform Method of Collection set forth in Chapter 197 or under any method of direct bill and collection on a future years tax roll and collected by the Brevard County Tax Collector, collected pursuant to a foreclosure action, or, at the District’s discretion, collected in any other method authorized by law.

4. In the event the District is required to certify non ad valorem special assessments for collection as a result of the Developer’s failure to provide the funds as required under this Agreement, the amount of funds received by the District from Developer under this Agreement shall be credited pro-rata to all lands subject to special assessments in the manner provided in the District’s assessment methodology of operation and maintenance.

5. District and Developer agree that the FY 2026 Budget shall be revised at the end of the fiscal year to reflect the actual expenditures for the District for the period beginning October 1, 2025 and ending September 30, 2026. Developer shall not be responsible for any costs other than those costs provided for in the Budget, as so amended.

6. This instrument shall constitute the final and complete expression of the agreement between the parties relating to the subject matter of this Agreement. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing that is executed by both of the parties hereto.

7. The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law and each party has full power and authority to comply with the terms and provisions of this instrument.

8. This Agreement may be assigned, in whole or in part, by either party only upon the written consent of the other, which consent shall not be unreasonably withheld.

9. A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance and specifically including the ability of the District to enforce any and all payment obligations under this Agreement through the imposition and enforcement of a contractual or other lien on property owned by the Developer, and in the manner described in paragraph 3 above.

10. 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 party all costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution or appellate proceedings.

11. This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

12. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

13. This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen and elected the language, and the doubtful language will not be interpreted or construed against any party.

14. The Agreement shall be effective after execution by both parties. The enforcement provisions of this Agreement shall survive its termination until all payments due under this Agreement are paid in full.

**[SIGNATURES ON FOLLOWING PAGE]**

**SIGNATURE PAGE TO TRANQUILITY COMMUNITY DEVELOPMENT  
DISTRICT FY 2026 DEVELOPER FUNDING AGREEMENT**

IN WITNESS WHEREOF, the parties execute this agreement the day and year first written above.

Attest:

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**, a Florida  
community development district.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Assistant Secretary

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chairman, Board of Supervisors

**CAROLINA HOLDINGS II, LLC**, a Nevada  
limited liability company

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

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

## SECTION VII

# SECTION A

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
SUPPLEMENTAL ENGINEER'S REPORT  
(SERIES 2025 PROJECT)  
JUNE 17, 2025**

The District has adopted a master capital improvement plan (the "Master Project") as described in the Master Engineer's Report dated March 17, 2022 (the "Master Engineer's Report"). This Supplemental Engineer's Report (Series 2025 Project) (the "Report") for the Tranquility Community Development District (the "District" or "CDD") has been prepared to provide a description of Phases 1-3 of the Master Project ("Series 2025 Project").

The purpose of this report is to (i) provide a description of the portions of the Master Project that are intended to be financed through the issuance of the District's proposed Capital Improvement Revenue Bonds Series 2025 (the "Series 2025 Project"); (ii) provide the current status of development and construction of the Series 2025 Project; and (iii) provide a summary cost estimate of the Series 2025 Project. The Series 2025 Project, as outlined herein, includes the Master Project improvements necessary for the development of Phases 1, 2 and 3 of the District (also referred to herein as the "2025 Assessment Area"). A metes and bounds legal description of Phases 1, 2 and 3 is set forth in Exhibit 1.

**Completion of Residential Units**

The CDD Master Plan contemplates a total of 2,404 residential units consisting of 269 single-family units and 2,135 multifamily units, 270 hotel rooms, and 280,000 square feet of commercial product.

Table 1 describes the current development plan for Phases 1-3. Construction of the 202 lots in Phase 1 and Phase 2 of the District have been completed and the 67 lots in Phase 3 are in the permitting process by the developer, Carolina Holdings II, LLC. No additional single-family residential units are contemplated for the District.

<b><u>Table 1:</u></b>		
<b><u>Village/Phase</u></b>	<b><u>Unit Type</u></b>	<b><u>Amount</u></b>
Phase 1	Single Family 70'	99
Phase 2	Single Family 70'	103
Phase 3	Single Family 50'	67
Total		269

**Series 2025 Project Infrastructure**

Table 2 presents a summary of the costs for the Phases 1-3 infrastructure including stormwater drainage/treatment, roadways (onsite and offsite), sanitary sewer/potable water, parks/open space/amenities, central amenity, landscape/irrigation, and mitigation.

**TABLE 2 – Construction Costs – Phases 1-3**

<b><u>Infrastructure</u></b>	<b>Phases 1</b>	<b>Phase 2</b>	<b>Phase 3</b>	<b>Total</b>
Storm Drainage/Treatment	\$ 5,167,546	\$ 1,786,259	\$ 1,553,283	\$ 8,507,088
Roadways - Onsite	\$ 1,488,742	\$ 1,344,625	\$ 688,434	\$ 3,521,801
Roadways - Offsite	\$ 248,977	\$ 596,750	\$ 619,163	\$ 1,464,890
Sanitary Sewer / Potable Water	\$ 3,041,418	\$ 2,119,840	\$ 1,293,450	\$ 6,454,708
<b>Total Estimated Costs</b>	<b>\$ 9,946,683</b>	<b>\$ 5,847,474</b>	<b>\$ 4,154,330</b>	<b>\$ 19,948,487</b>

The following planned improvements for the District have been substantially completed:

- Storm drainage and treatment for residential development Phase 1 & Phase 2
- All of the roadways in the Phase 1 & 2 residential portion of the project
- The onsite 4-lane roadway connecting NASA Causeway (SR 405) with the Phase 1 & 2 residential development and the two onsite 4-lane roadways segments connecting the Phase 1 & 2 residential development to U.S. Highway 1
- The offsite roadway improvement for the NASA Causeway (SR 405) entrance and for the U.S. Highway 1 connection and
- All of the sanitary sewer and potable water for the Phase 1 & 2 residential development and the water/sewer within the completed onsite 4-lane roadways.

The following CDD improvements are in the permitting process with the agencies having jurisdiction.

- The Amenity Center, including the clubhouse, tot lot, dog park, swimming pool, tennis & pickle ball courts, including parking and associated stormwater drainage/treatment and landscape
- The linear recreation pond and trail adjacent to the Phase 2 residential development and amenity center
- The entrance feature for the NASA Causeway (SR 405) site access
- The balance of the onsite 4-lane roadways
- The Phase 3 residential development, which includes storm drainage/treatment, onsite roadways, offsite roadway improvements, sanitary sewer/potable water, associated landscape/irrigation, and mitigation for impacted wetlands

### **Permitting**

Permits for the construction of the planned improvements were either obtained or are currently under review by respective government authorities, and include the following:

<b><u>Agency</u></b>	<b><u>Permit Description</u></b>	<b><u>Permit Status</u></b>
Florida Department of Environmental Protection (FDEP)	Sanitary Sewer	
	Phase 1 & 2	Issued
	Phase 3	Under Review

FDEP	Potable Water	
	Phase 1 & 2	Issued
	Phase 3	Under Review
St. John's River Water Management District (SJRWMD)	Environmental Resources Permit (ERP)	
	Phase 1 & 2	Issued
	Phase 3	Under Review
City of Titusville (COT)	Land Development Site Plan – Amenity Center	Under Review
COT	Development Agreement	Approved Amendments #1-4
	Amendment #5	Under Review
COT	Preliminary Plat / Final Engineering	
	Phase 1 & 2	Issued
	Phase 3	Under Review
COT	Final Plat	
	Phase 1 & 2	Recorded
Army Corps of Engineers (ACOE)	Shoreline Improvements & Stormwater Outfall	
	Phase 1 & 2	Issued
	Phase 3	Under Review
Florida Dept of Transportation (FDOT)	Access/Utility Connection and Drainage	
	Phase 1 & 2	Issued
	Phase 3	Under Review

### **Construction, Ownership, and Maintenance Entities**

The following table illustrates which parties were responsible for the construction of the planned improvements as well as the entities responsible for the ownership, operation, and maintenance of the completed improvements:

District Infrastructure	Construction	Ownership	Operation and Maintenance
Roadways	District	District/Titusville	District/Titusville
Stormwater Management	District	District	District
Utilities (Water, Wastewater, and Resue)	District	Titusville	Titusville
Landscape, Hardscape, and Irrigation	District	District	District
Streetlights/Undergrounding of Conduit	District	District/FPL	District/FPL
Environmental Conservation/Mitigation	District	District	District
Recreational Amenities	District	District	District(s)

Offsite Improvements	District	FDOT	FDOT
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The improvements were constructed in accordance with all applicable governmental regulations and requirements. The improvements will serve their intended function so long as they are in substantial compliance with their design. The assessable property within the District is receiving and will continue to receive a special benefit from the improvements that is at least equal to the costs thereof. The improvements will be owned by the District or other governmental units and said improvements are 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 improvements are 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.

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Rodney Honeycutt, P.E. (FL License No.: 46917)  
Date \_\_\_\_\_

## SECTION B

**FIRST SUPPLEMENTAL  
ASSESSMENT METHODOLOGY  
FOR THE  
SERIES 2025 PROJECT**

**FOR  
TRANQUILITY  
COMMUNITY DEVELOPMENT DISTRICT**

**Date: August 8, 2025**

**Prepared by**

**Governmental Management Services – Central Florida, LLC  
219 E. Livingston Street  
Orlando, FL 32801**



**Volume 3 - 7/31/2025**

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

## **1.0 Introduction**

Tranquility Community Development District is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes (the “District”), as amended. The District plans to issue \$6,790,000 of tax exempt bonds in one or more series (the “Series 2025 Bonds” or “Bonds”) for the purpose of financing certain infrastructure improvements within the District, more specifically described in the Supplemental Engineer’s Report dated June 17, 2025, prepared by Honeycutt & Associates, Inc. as may be amended and supplemented from time to time (the “Engineer’s Report”). The District anticipates the construction of public infrastructure improvements consisting of improvements that benefit property owners within the District.

### **1.1 Purpose**

This First Supplemental Assessment Methodology Report for the Series 2025 Project supplements the Master Assessment Methodology dated February 12, 2024, and provides for an assessment methodology for allocating the debt to be incurred by the District to benefiting properties within the District (the “Assessment Report”). This Assessment Report allocates the debt to properties based on the special benefits each receives from the District’s capital improvement plan (“CIP”) relating to Phases 1, 2 & 3 of development, as further described in the Engineer’s Report (the “Series 2025 Project”). This Assessment Report is designed to conform to the requirements of Chapters 190, 197 and 170, Florida Statutes with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to impose non ad valorem special assessments on the benefited lands within the District based on this Assessment Report. It is anticipated that all of the proposed special assessments will be collected through the Uniform Method of Collection described in Chapter 197.3632, Florida Statutes or any other legal means of collection available to the District. It is not the intent of this Assessment Report to address any other assessments, if applicable, that may be levied by the District, a homeowner’s association, or any other unit of government.

### **1.2 Background**

The District currently includes approximately 345.9 acres within the City of Titusville, located in Brevard County, Florida. The development program is planned to include 269 residential units, of which, 202 residential units are currently platted within Phases 1 & 2 of development and 24.05 acres remain undeveloped within Phase 3 of development (herein the “2025 Assessment Area”), which represents a portion of the planned development within the District (herein the “Development”). The Development program for the 2025 Assessment Area is depicted in Table 1. It is recognized that such land use plan may change, and this Assessment Report will be modified accordingly.

The public improvements contemplated by the District in the Series 2025 Project will provide facilities that benefit certain property within the District, including the 2025 Assessment Area. The Series 2025 Project is delineated in the Engineer's Report. Specifically, the District will construct and/or acquire certain storm drainage/treatment, onsite roadways, offsite roadways, and sanitary sewer/potable water. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements that may be provided by the District and the costs to implement the Series 2025 Project.
2. The District Engineer determines the acres that benefit from the District's Series 2025 Project.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct Series 2025 Project.
4. This amount is initially divided equally among the benefited properties on a prorated gross acreage basis. Ultimately, as land is platted, this amount will be assigned to each of the benefited properties based on the number of platted units.

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

Improvements undertaken by the District create special and peculiar benefits to assessable property, different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large.

However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to the assessable property within the District. The implementation of the Series 2025 Project enables properties within its boundaries to be developed. Without the District's Series 2025 Project, there would be no infrastructure to support development of land within the District. Without these improvements, development of the property within the District would be prohibited by law.

There is no doubt that the general public and property owners outside the District will benefit from the provision of the District's Series 2025 Project. However, these benefits will be incidental to the District's Series 2025 Project, which is designed solely to meet the needs of property within the District. Properties outside the District boundaries do not depend upon the District's Series 2025 Project. The property owners within the District are therefore receiving special benefits not received by those outside the District's boundaries.

## **1.4 Requirements of a Valid Assessment Methodology**

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

- 1) The properties must receive a special benefit from the improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated to the properties being assessed.

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

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

The special benefits provided to the property owners within the District are greater than the costs associated with providing these benefits. The District Engineer estimates that the District's Series 2025 Project that is necessary to support full development of property within certain property within the District, will cost approximately \$19,948,487. The District's Underwriter projects that financing costs required to fund a portion of the Series 2025 Project, the cost of issuance of the Bonds, the funding of debt service reserves and capitalized interest, will be approximately \$6,790,000. Additionally, funding required to complete the Series 2025 Project which is not financed with Bonds will be funded by Carolina Holdings II LLC (the "Developer"). Without the Series 2025 Project, the property would not be able to be developed and occupied by future residents of the community.

## **2.0 Assessment Methodology**

### **2.1 Overview**

The District plans to issue \$6,790,000 in Bonds to fund a portion of the District's Series 2025 Project, provide for capitalized interest, a debt service reserve account and cost of issuance. It is the purpose of this Assessment Report to allocate the \$6,790,000 in debt to the properties benefiting from the Series 2025 Project.

Table 1 identifies the proposed land uses as identified by the Developer. The District has relied on the Engineer's Report to develop the costs of the Series 2025 Project needed to support a portion of the Development, these construction costs are outlined in Table 2. The improvements needed to support a portion of the Development are described in detail in the Engineer's Report and are estimated to cost \$19,948,487. Based on the estimated costs, the size of the bond issue under current market conditions needed to generate funds to pay for a portion of the Series 2025 Project and

related costs was determined by the District's Underwriter to total approximately \$6,790,000. Table 3 shows the breakdown of the bond sizing.

## **2.2 Allocation of Debt**

Allocation of debt assessments is a continuous process until the development plan is completed. The Series 2025 Project funded by District Bonds benefits all developable acres within the District.

Once platting or the recording of declaration of condominium, ("Assigned Properties") has begun, the assessments will be levied to the Assigned Properties based on the benefits they receive. The Unassigned Properties, defined as property that has not been platted, assigned development rights or subjected to a declaration of condominium, will continue to be assessed on a per acre basis ("Unassigned Properties"). Eventually the development plan will be completed and the debt relating to the Bonds will be allocated to the planned 269 residential units, which are the beneficiaries of the Series 2025 Project, as depicted in Table 5 and Table 6. If there are changes to the development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. The process is outlined in Section 3.0

The assignment of debt assessments pledged to the 2025 Bonds to platted units will be done on a first-platted, first-assigned basis, consistent with the assessment methodology found in the Master Report and as further described below. The initial assessments will be allocated to the platted property within the District first at the levels provided in Table 6, and then on an equal basis to the remaining unplatted gross acres within the 2025 Assessment Area. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits. At this point all of the lands within the District are benefitting from the improvements.

In order for debt service assessment levels to be consistent with market conditions, developer contributions are recognized. This is reflected on Table 5. Based on the product type and number of units anticipated to absorb the Bonds Principal, it is estimated that the CDD will recognize a developer contribution equal to approximately \$6,160,000 in eligible infrastructure.

## **2.3 Allocation of Benefit**

The Series 2025 Project consists of storm drainage/treatment, onsite roadways, offsite roadways, and sanitary sewer/potable water. There are two residential product types within the planned development. The single family 50' home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of benefit to the particular land uses. It is important to note that the benefit

derived from the improvements on the particular units exceeds the cost that the units will be paying for such benefits.

## **2.4 Lienability Test: Special and Peculiar Benefit to the Property**

Construction and/or acquisition by the District of its proposed Series 2025 Project will provide several types of systems, facilities and services for its residents. These include storm drainage/treatment, onsite roadways, offsite roadways, and sanitary sewer/potable water. These improvements accrue in differing amounts and are somewhat dependent on the type of land use receiving the special benefits peculiar to those properties, which flow from the logical relationship of the improvements to the properties.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties as a result of their logical connection from the improvements in fact actually provided.

For the provision of Series 2025 Project, the special and peculiar benefits are:

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

These special and peculiar benefits are real and ascertainable but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual non-ad valorem special assessment levied for the improvement or the debt as allocated.

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

A reasonable estimate of the proportion of special and peculiar benefits received from the public improvements described in the Engineer's Report is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type).

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of the District's Series 2025 Project have been apportioned to the property according to reasonable estimates of the special and peculiar benefits provided consistent with the land use categories.

Accordingly, no acre or parcel of property within the boundaries of the District will have a lien for the payment of any non-ad valorem special assessment more than the

determined special benefit peculiar to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for each product type (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated units are built and sold as planned, and the entire proposed Series 2025 Project is developed or acquired and financed by the District.

### **3.0 True Up Mechanism**

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto for the Developer, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is processed, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein. In addition, the District must also prevent any buildup of debt on Unassigned Property. Otherwise, the land could be fully conveyed and/or platted without all of the debt being allocated. To preclude this, at the time Unassigned Properties become Assigned Properties, the District will determine the amount of anticipated assessment revenue that remains on the Unassigned Properties, taking into account the proposed plat, or site plan approval. If the total anticipated assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no adjustment is required. In the case that the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

### **4.0 Assessment Roll**

The District will initially distribute the debt service assessments to the Assigned Properties within Phases 1 & 2, and then across the remaining assessable property within the 2025 Assessment Area on a gross acreage basis. As Assigned Property becomes known with certainty, the District will refine its allocation of debt from a per acre basis to a per unit basis as shown in Table 6. If the land use plan changes, then the District will update Table 6 to reflect the changes. As a result, the assessment liens are neither fixed nor are they determinable with certainty on any acre of land in the District prior to the time final Assigned Properties become known. The current assessment roll is depicted in Table 7.

TABLE 1  
TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
DEVELOPMENT PROGRAM  
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Product Types	No. of Units *	Totals	ERUs per Unit (1)	Total ERUs
Single Family 50'	67	67	1.00	67
Single Family 70'	202	202	1.40	283
Total Units	269	269		350

(1) Benefit is allocated on an ERU basis; based on density of planned development, with a Single Family unit equal to 1 ERU.

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

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TABLE 2  
 TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
 INFRASTRUCTURE COST ESTIMATES  
 SUPPLEMENTAL ASSESSMENT METHODOLOGY

Series 2025 Project (1)	Total Cost Estimate
Storm Drainage / Treatment	\$ 8,507,088
Roadways - Onsite	\$ 3,521,801
Roadways - Offsite	\$ 1,464,890
Sanitary Sewer / Potable Water	\$ 6,454,708
Total	\$ 19,948,487

(1) A detailed description of these improvements is provided in the Supplemental Engineer's Report dated June 17, 2025

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 3  
TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
BOND SIZING  
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Description	Amount
Construction Funds	\$ 5,851,882
Debt Service Reserve	\$ 493,471
Capitalized Interest	\$ 58,847
Underwriters Discount	\$ 135,800
Cost of Issuance	\$ 250,000
<b>Par Amount*</b>	<b>\$ 6,790,000</b>

Bond Assumptions:

Average Coupon	6.00%
Amortization	30 years
Capitalized Interest	Thru 11/1/2025
Debt Service Reserve	Max Annual D/S
Underwriters Discount	2%

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

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TABLE 4  
TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
ALLOCATION OF BENEFIT  
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Product Types	No. of Units*	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements Costs Per Product Type	Improvement Costs Per Unit
Single Family 50'	67	1.00	67.00	19.15%	\$ 3,820,893.74	\$ 57,028.26
Single Family 70'	202	1.40	282.80	80.85%	\$ 16,127,593.26	\$ 79,839.57
Total Units	269		349.80	100.00%	\$ 19,948,487.00	

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

TABLE 5  
TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
ALLOCATION OF TOTAL BENEFIT/PAR DEBT TO EACH PRODUCT TYPE  
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Product Types	No. of Units *	Total Improvements Costs Per Product Type	Potential Allocation of Debt Per Product Type	Developer Contributions**	Allocation of Par Debt Per Product Type	Par Debt Per Unit
Single Family 50'	67	\$ 3,820,894	\$ 2,480,417	\$ (417)	\$ 2,480,000	\$ 37,015
Single Family 70'	202	\$ 16,127,593	\$ 10,469,583	\$ (6,159,583)	\$ 4,310,000	\$ 21,337
Totals	269	\$ 19,948,487	\$ 12,950,000	\$ (6,160,000)	\$ 6,790,000	

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

\*\* In order for debt service assessment levels to be consistent with market conditions, developer contributions are recognized.  
Based on the product type and number of units anticipated to absorb the Bond Principal, it is estimated that the CDD will recognize a developer contribution equal to \$6,160,000 in eligible infrastructure.

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TABLE 6  
TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE  
SUPPLEMENTAL ASSESSMENT METHODOLOGY

**Phases 1 & 2**

Product Types	No. of Units *	Allocation of Par Debt Per Product Type	Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit	Gross Annual Debt Assessment Per Unit (1)
Single Family 70'	202	\$ 4,310,000.00	\$ 21,336.63	\$ 313,302.00	\$ 1,551.00	\$ 1,650.00
Totals	202	\$ 4,310,000.00				

**Phase 3\*\***

Product Types	No. of Units *	Allocation of Par Debt Per Product Type	Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit	Gross Annual Debt Assessment Per Unit (1)
Single Family 50'	67	\$ 2,480,000.00	\$ 37,014.93	\$ 180,169.30	\$ 2,689.09	\$ 2,860.74
Totals	67	\$ 2,480,000.00				

**Combined**

Product Types	No. of Units *	Allocation of Par Debt Per Product Type	Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit	Gross Annual Debt Assessment Per Unit (1)
Single Family 50'	67	\$ 2,480,000.00	\$ 37,014.93	\$ 180,169.30	\$ 2,689.09	\$ 2,860.74
Single Family 70'	202	\$ 4,310,000.00	\$ 21,336.63	\$ 313,302.00	\$ 1,551.00	\$ 1,650.00
Totals	269	\$ 6,790,000.00		\$ 493,471.30		

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

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

\*\*The Developer plans to make prepayments to redeem approximately \$1.04 million of the Series 2025 Bonds. After such prepayments are made, the Series 2025 Assessments are expected to be reduced to approximately \$1,650 for a lot within Phase 3 of the Development.

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TABLE 7  
TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
PRELIMINARY ASSESSMENT ROLL  
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Platted (Phases 1 & 2)

Owner	Parcel ID	Units	Total Par Debt Allocation Per Acre/Unit	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Resident	22 3535-YC-*-1	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-2	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-3	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-4	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-5	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-6	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-7	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-8	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-9	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-10	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-11	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-12	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-13	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-14	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-15	2	\$42,673.27	\$42,673.27	\$3,102.00	\$3,300.00
Resident	22 3535-YC-*-17	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-18	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-19	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-20	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-21	2	\$42,673.27	\$42,673.27	\$3,102.00	\$3,300.00
Resident	22 3535-YC-*-23	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-24	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-25	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-26	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-27	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-28	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-29	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-30	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-31	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-32	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-33	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-34	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-35	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-36	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-37	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00

Owner	Parcel ID	Units	Total Par Debt	Total Par Debt	Net Annual Debt	Gross Annual
			Allocation Per Acre/Unit	Allocated	Assessment Allocation	Debt Assessment Allocation (1)
Resident	22 3535-YC-*-38	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-39	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-40	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-41	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-42	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-43	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-44	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-45	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-46	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-47	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-48	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-49	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-50	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-51	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-52	1.5	\$32,004.95	\$32,004.95	\$2,326.50	\$2,475.00
Resident	22 3535-YC-*-53	0.5	\$10,668.32	\$10,668.32	\$775.50	\$825.00
Resident	22 3535-YC-*-54	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-55	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-56	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-57	1.5	\$32,004.95	\$32,004.95	\$2,326.50	\$2,475.00
Resident	22 3535-YC-*-59	1.5	\$32,004.95	\$32,004.95	\$2,326.50	\$2,475.00
Resident	22 3535-YC-*-60	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-61	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-62	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-63	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-64	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-65	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-66	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-67	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-68	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-69	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-70	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-71	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-72	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-73	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-74	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-75	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-76	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-77	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-78	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-79	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00

Owner	Parcel ID	Units	Total Par Debt	Total Par Debt	Net Annual Debt	Gross Annual
			Allocation Per Acre/Unit	Allocated	Assessment Allocation	Debt Assessment Allocation (1)
Resident	22 3535-YC-*-80	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-81	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-82	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-83	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-84	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-85	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-86	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-87	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-88	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-89	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-90	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-91	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-92	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-93	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-94	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-95	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-96	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-97	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-104	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-YC-*-105	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-98	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-99	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-100	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-101	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-102	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-103	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-106	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-107	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-108	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-109	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-110	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-111	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-112	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-113	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-114	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-115	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-116	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-117	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-118	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-119	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00
Resident	22 3535-01-*-120	1	\$21,336.63	\$21,336.63	\$1,551.00	\$1,650.00

[illegible]

[illegible]

Owner	Parcel ID	Units	Total Par Debt Allocation Per Acre/Unit	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
<b>Total Platted</b>		202	\$4,310,000.00		\$313,302.00	\$333,300.00
<u>Unplatted (Phase 3)</u>	<u>Property</u>	<u>Acres</u>				
Carolina Holdings II LLC	Phase 3*	24.05	\$2,480,000.00	\$103,118.50	\$180,169.30	\$191,669.47
<b>Total Unplatted</b>		24.05	\$2,480,000.00	\$103,118.50	\$180,169.30	\$191,669.47
<b>Total</b>			\$6,790,000.00		\$493,471.30	\$524,969.47

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

Annual Assessment Periods	30
Average Coupon Rate (%)	6.00%
Maximum Annual Debt Service	\$493,471

\* - See Metes and Bounds for Phase 3, attached as Exhibit A

Prepared by: Governmental Management Services - Central Florida, LLC

Exhibit A

**DESCRIPTION:**

LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 8937, PAGE 1975, AND A PORTION OF LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 7685, PAGE 1582, INCLUSIVE OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA, LYING IN SECTION 35, TOWNSHIP 22 SOUTH, RANGE 35 EAST, BREVARD COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE INTERSECTION OF THE NORTH LINE OF SECTION 35 AND THE EASTERLY RIGHT OF WAY OF U.S. HIGHWAY NO. 1 (STATE ROAD 5) FOR THE HEREIN DESCRIBED PARCEL; THENCE RUN SOUTH 89°26'09" EAST, ALONG THE NORTH LINE OF SAID SECTION 35, A DISTANCE OF 1474.71 FEET TO THE NORTHWEST CORNER OF TRACT C-1, TRANQUILITY PHASE 2 MIXED USE DEVELOPMENT, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 74, PAGES 80-83, OF THE SAID PUBLIC RECORDS OF BREVARD COUNTY; THENCE SOUTH 00°33'51" WEST ALONG THE WEST LINE OF SAID TRACT C-1, A DISTANCE OF 235.00 FEET; THENCE SOUTH 21°56'20" WEST ALONG SAID WEST LINE, A DISTANCE OF 193.92 FEET; THENCE NORTH 82°19'46" WEST, A DISTANCE OF 107.95 FEET; THENCE NORTH 49°32'53" WEST, A DISTANCE OF 131.82 FEET; THENCE SOUTH 34°38'28" WEST, A DISTANCE OF 185.90 FEET; THENCE SOUTH 25°18'01" WEST, A DISTANCE OF 179.61 FEET; THENCE SOUTH 33°58'21" WEST, A DISTANCE OF 134.10 FEET; THENCE SOUTH 13°07'24" EAST, A DISTANCE OF 71.79 FEET; THENCE SOUTH 17°02'51" WEST, A DISTANCE OF 84.32 FEET; THENCE SOUTH 29°27'19" WEST, A DISTANCE OF 149.61 FEET; THENCE NORTH 86°44'17" WEST, A DISTANCE OF 53.63 FEET; THENCE SOUTH 47°20'04" WEST, A DISTANCE OF 249.80 FEET; THENCE SOUTH 65°06'50" WEST, A DISTANCE OF 99.14 FEET; THENCE SOUTH 38°45'54" WEST, A DISTANCE OF 172.96 FEET; THENCE SOUTH 74°08'48" WEST, A DISTANCE OF 25.00 FEET; THENCE NORTH 15°51'12" WEST ALONG THE EAST RIGHT OF WAY OF SAID U.S. HIGHWAY NO. 1, A DISTANCE OF 1441.27 FEET TO THE POINT OF BEGINNING.

CONTAINING 24.05 ACRES, MORE OR LESS

# SECTION C

## RESOLUTION 2025-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$9,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2025, (2025 ASSESSMENT AREA) IN ONE OR MORE SERIES (THE "SERIES 2025 BONDS"); DETERMINING CERTAIN DETAILS OF THE SERIES 2025 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2025 BONDS; APPOINTING THE UNDERWRITER; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTRACT OF PURCHASE WITH RESPECT TO THE SERIES 2025 BONDS AND AWARDED THE SERIES 2025 BONDS TO THE UNDERWRITER NAMED THEREIN PURSUANT TO THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND ITS USE BY THE UNDERWRITER IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2025 BONDS AND APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM; APPOINTING A DISSEMINATION AGENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT, AND PROVIDING FOR THE APPLICATION OF THE SERIES 2025 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2025 BONDS; MAKING CERTAIN DECLARATIONS; PROVIDING FOR THE REGISTRATION OF THE SERIES 2025 BONDS PURSUANT TO THE DTC BOOK-ENTRY SYSTEM; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.

WHEREAS, Tranquility Community Development District (the "District") is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the

“Act”), created by Ordinance No. 4-2022 of the City Council of the City of Titusville, Florida (the “City”), enacted, and effective on February 22, 2022; and

**WHEREAS**, the District was created for the purpose of delivering certain community development services and facilities within and outside its boundaries, and the District has decided to undertake the planning, acquisition, construction, equipping and installation of roadway improvements, bridges, stormwater management systems and landscape/hardscape improvements and other public infrastructure improvements, pursuant to the Act; and

**WHEREAS**, the District duly adopted Resolution No. 2022-13 on March 23, 2022 (the “Initial Resolution”), authorizing, among other things, the issuance in one or more series of not to exceed \$72,825,000 aggregate principal amount of its Special Assessment Bonds and appointed U.S. Bank Trust Company, National Association as Trustee (the “Trustee”) under the Master Trust Indenture (the “Master Indenture”) by and between the District and the Trustee; and

**WHEREAS**, the District has determined to issue its Tranquility Community Development District Special Assessment Bonds, Series 2025, in one or more series, (the “Series 2025 Bonds”), for the purpose, among other things, of providing funds for the payment of the Costs of a portion of the Project described in the Engineer’s Report as defined in the hereinafter described First Supplemental Trust Indenture (the “Project”); and

**WHEREAS**, there has been submitted to this meeting with respect to the issuance and sale of the Series 2025 Bonds and submitted to the Board of Supervisors of Tranquility Community Development District (the “Board”):

(i) a form of First Supplemental Trust Indenture between the Trustee and the District attached hereto as **Exhibit A** (the “First Supplemental Indenture” and together with the Master Indenture between the District and the Trustee, the “Indenture”); and

(ii) a form of Bond Purchase Agreement with respect to the Series 2025 Bonds between MBS Capital Markets, LLC (the “Underwriter”) and the District attached hereto as **Exhibit B** (the “Contract of Purchase”), together with the form of disclosure statements attached to the Contract of Purchase in accordance with Section 218.385, Florida Statutes; and

(iii) the form of Preliminary Limited Offering Memorandum attached hereto as **Exhibit C** (the “Preliminary Limited Offering Memorandum”); and

(iv) a form of Continuing Disclosure Agreement, among the District, Sunbelt Titusville Investments, LCC, a Nevada limited liability company and Carolina Holdings II, LCC, a Nevada limited liability company (collectively, the “Landowner”) and the Dissemination Agent (hereinafter defined), and joined in part by the Trustee, Governmental Management Services – Central Florida, LLC, as the Disclosure Representative named therein, attached hereto as **Exhibit D**.

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

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

**Section 2. Authorization, Designation and Principal Amount of the Series 2025 Bonds.** There are hereby authorized and directed to be issued the District's Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area) in the aggregate principal amount of not to exceed \$9,000,000 for the purposes, among others, of providing funds for the payment of a portion of the Costs of the Project. The purchase price of the Series 2025 Bonds shall be received and receipted by the District, or the Trustee on behalf of the District, and the Trustee shall apply the proceeds of the Series 2025 Bonds as set forth in the First Supplemental Indenture and the final Limited Offering Memorandum (as defined below).

**Section 3. Designation of Attesting Members.** The Chair or the Secretary of the Board, or in the case of the absence of either or the inability to act of either, the Vice Chair or Assistant Secretaries and members of the Board (each individually a "Designated Member"), are hereby designated and authorized on behalf of the Board to attest to the seal of the Board and to the signature of the Chair or Vice Chair of the Board as they appear on the Series 2025 Bonds, the Indenture and any other documents which may be necessary or helpful in connection with the issuance and delivery of the Series 2025 Bonds and in connection with the application of the proceeds thereof.

**Section 4. Details of the Series 2025 Bonds.** The District hereby determines that the Series 2025 Bonds shall be dated, have such interest payment dates, have such maturities, have such redemption provisions and bear interest at such rates, all as provided in the Contract of Purchase and the final Limited Offering Memorandum.

**Section 5. Trust Indenture.** The District hereby approves and authorizes the execution by the Chair or any Designated Member and the Secretary and the delivery of the First Supplemental Indenture in substantially the form thereof attached hereto as **Exhibit A**, with such changes therein as shall be approved by the Chair or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of First Supplemental Indenture attached hereto.

**Section 6. Appointment of Underwriter; Negotiated Sale.** MBS Capital Markets, LLC is hereby appointed the Underwriter of the Series 2025 Bonds. The Series 2025 Bonds shall be sold by a negotiated sale to the Underwriter. It is hereby determined by the District that a negotiated sale of the Series 2025 Bonds to the Underwriter will best effectuate the purposes of the Act, is in the best interest of the District and is necessitated by, in general, the characteristics of the issue and prevailing market conditions and specifically, the following additional reasons: (i) because of the complexity of the financing structure of the Series 2025 Bonds and the institutional market for unrated securities such as the Series 2025 Bonds, it is desirable to sell the

Series 2025 Bonds pursuant to a negotiated sale so as to have an underwriter involved from the outset of the financing to assist in these matters; (ii) because of changing market conditions for tax-exempt bonds and the necessity of being able to adjust the terms of the Series 2025 Bonds, it is in the best interests of the District to sell the Series 2025 Bonds by a negotiated sale; (iii) the Underwriter has participated in structuring the issuance of the Series 2025 Bonds and can assist the District in attempting to obtain the most attractive financing for the District; and (iv) the District will not be adversely affected if the Series 2025 Bonds are not sold pursuant to a competitive sale.

#### **Section 7. Contract of Purchase.**

(i) The District hereby approves the form of the Contract of Purchase submitted by the Underwriter and attached as **Exhibit B** hereto, and the sale of the Series 2025 Bonds by the District upon the terms and conditions to be set forth in the Contract of Purchase and in compliance with subparagraph (ii) below are hereby approved. Provided the provisions of subparagraph (ii) have been complied with, the Chairman or a Designated Member are each hereby authorized, acting individually, to execute the Contract of Purchase and to deliver the Contract of Purchase to the Underwriter. The Contract of Purchase shall be in substantially the form of the Contract of Purchase attached hereto as **Exhibit B** with such changes, amendments, modifications, omissions and additions as may be approved by the Chair or the Designated Member. The disclosure statements of the Underwriter as required by Section 218.385 of the Florida Statutes, to be delivered to the District prior to the execution of the Contract of Purchase, a copy of which is attached as an exhibit to the Contract of Purchase will be entered into the official records of the District. Execution by the Chair or a Designated Member of the Contract of Purchase shall be deemed to be conclusive evidence of approval of such changes;

(ii) Receipt by the Chair of a written offer to purchase the Series 2025 Bonds by the Underwriter substantially in the form of the Contract of Purchase, said offer to provide for, among other things, (A) the issuance of not exceeding \$9,000,000 initial aggregate principal amount of Series 2025 Bonds at the maximum statutory rate, (B) an underwriting discount (including management fee and all expenses but excluding original issue discount) not in excess of 2% of the par amount of the Series 2025 Bonds, and (C) the maturities of the Series 2025 Bonds not exceeding May 1, 2057.

**Section 8. Preliminary Limited Offering Memorandum; Final Limited Offering Memorandum.** The District hereby authorizes and approves the distribution and use of the Preliminary Limited Offering Memorandum in substantially the form submitted to this meeting and attached hereto as **Exhibit C** in connection with the limited offering for sale of the Series 2025 Bonds. The preparation of a final Limited Offering Memorandum is hereby approved and the Chair or any Designated Member is hereby authorized to execute such final Limited Offering Memorandum to be dated the date of the award of the Series 2025 Bonds, and upon such award, to deliver the same to the Underwriter for use by it in connection with the sale and distribution

of the Series 2025 Bonds. The final Limited Offering Memorandum shall be substantially in the form as the Preliminary Limited Offering Memorandum, with such changes as shall be approved by the Chair or Designated Member as necessary to conform to the details of the Series 2025 Bonds, the Contract of Purchase and such other insertions, modifications and changes as may be approved by the Chair or Designated Member. The execution and delivery of the final Limited Offering Memorandum by the Chairman shall constitute evidence of the approval thereof. The District hereby authorizes the use of the final Limited Offering Memorandum and the information contained therein in connection with the offering and sale of the Series 2025 Bonds. The District hereby authorizes the Chairman or a Designated Member to deem "final" the Preliminary Limited Offering Memorandum except for permitted omissions all within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 and to execute a certificate in that regard. The District hereby authorizes the use of a draft of the Supplemental Assessment Methodology Report in the Preliminary Limited Offering Memorandum.

**Section 9. Continuing Disclosure.** The District does hereby authorize and approve the execution and delivery of a Continuing Disclosure Agreement by the Chair or a Designated Member substantially in the form presented to this meeting and attached hereto as **Exhibit D** with the Landowner. The Continuing Disclosure Agreement is being executed by the District in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). Governmental Management Services – Central Florida, LLC is hereby appointed as the initial dissemination agent (the "Dissemination Agent").

**Section 10. Application of Bond Proceeds.** The proceeds of the Series 2025 Bonds shall be applied to (i) paying a portion of the Costs of the Project, (ii) paying interest becoming due on the Series 2025 Bonds through November 1, 2025, (iii) funding the Series 2025 Debt Service Reserve Account, and (iv) paying the costs of issuance of the Series 2025 Bonds.

**Section 11. Further Official Action; Ratification of Prior and Subsequent Acts.** The Chair, the Secretary and each member of the Board of Supervisors of the District and any other proper official of the District are each hereby authorized and directed to execute and deliver any and all documents and instruments (including, without limitation, any documents required by the Trustee to evidence its rights and obligations with respect to the Series 2025 Bonds, any documents required in connection with implementation of a book-entry system of registration, any other agreements with the Landowner, and investment agreements relating to the investment of the proceeds of the Series 2025 Bonds and any agreements in connection with maintaining the exclusion of interest on the Series 2025 Bonds from gross income of the holders thereof) and to do and cause to be done any and all acts and things necessary or desirable for carrying out the transactions contemplated by this Resolution. In the event that the Chair or the Secretary is unable to execute and deliver the documents herein contemplated, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the District. The Secretary or any Assistant Secretary is hereby authorized and directed to apply and attest the official seal of the District to any agreement or instrument authorized or approved herein that requires such a seal and attestation. The Chair or any Designated Member may, among other things, authorize the change of the date of any

document accompanying this Resolution as an exhibit or incorporate the information and details related to the sale and pricing of the Series 2025 Bonds including any required changes to the District engineer's report or its assessment methodology. Execution by the Chair or a Designated Member of such document shall be deemed to be conclusive evidence of approval of such change of date or the incorporation of information and details relating to the sale and pricing of the Series 2025 Bonds. All of the acts and doings of such members of the Board, the officers of the District, and the agents and employees of the District, which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

**Section 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.

**Section 13. Inconsistent Proceedings.** All resolutions or proceedings, or parts thereof, in conflict with the provisions hereof are to the extent of such conflict hereby repealed or amended to the extent of such inconsistency.

**Section 14. Ratification of Initial Resolution.** Except to the extent hereby modified, the Initial Resolution of the District is hereby ratified, confirmed and approved in all respects.

**Section 15. Effective Date.** This Resolution shall take effect immediately upon its adoption.

PASSED in Public Session of the Board of Supervisors of Tranquility Community Development District, this 8<sup>th</sup> day of August, 2025.

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**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

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Secretary/ Assistant Secretary  
Board of Supervisors

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William Allen, Jr., Chair,  
Board of Supervisors

**EXHIBIT A**

**FORM OF FIRST SUPPLEMENTAL TRUST INDENTURE**

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**FIRST SUPPLEMENTAL TRUST INDENTURE**

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**BETWEEN**

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT**

**AND**

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

---

**Dated as of September 1, 2025**

---

**Authorizing and Securing**

**\$\_[ ]**

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
Special Assessment Bonds, Series 2025  
(2025 Assessment Area)**

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THIS FIRST SUPPLEMENTAL TRUST INDENTURE dated as of September 1, 2025 (the "First Supplemental Indenture") between **TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT** (the "Issuer"), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States of America, with its designated corporate trust office located at 500 West Cypress Creek Road, Suite 460, Fort Lauderdale, Florida 33309 (said banking association and any bank or trust company becoming successor trustee under this First Supplemental Indenture being hereinafter referred to as the "Trustee");

**WITNESSETH:**

**WHEREAS**, the Issuer is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act") and by Ordinance No. 4-2022 of the City Council of the City of Titusville, Florida (the "City"), enacted, and effective on February 22, 2022, for the purpose, among other things, of financing and managing the design, acquisition, construction, maintenance, and operation of systems, facilities and basic infrastructure, within and without the boundaries of the premises to be governed by the Issuer; and

**WHEREAS**, the premises governed by the Issuer (referred to herein as the "District Lands") are described more fully in Exhibit A to the Master Trust Indenture dated as of September 1, 2025 (the "Master Indenture"), between the Issuer and the Trustee, and consists of approximately 455.76 acres of land located entirely within the City; and

**WHEREAS**, the Issuer has determined to undertake, in one or more stages, the acquisition and construction of a portion of the capital improvement plan as described in the Engineer's Report, hereinafter defined, for the special benefit of certain of the District Lands which are known as the Phase 1-3 CIP (the "Phase 1-3 CIP") upon which the Shore at Tranquility development is being developed by the Developer, as defined herein, (the "Series 2025 Project"); and

**WHEREAS**, the Board of Supervisors of the Issuer (the "Board") has previously approved the Master Assessment Methodology for Tranquility Community Development District dated May 11, 2022, as supplemented by the First Supplemental Assessment Methodology for the Series 2025 Project for Tranquility Community Development District dated August 8, 2025 setting forth the Issuer's methodology for the allocation of special benefits and the apportionment of special assessment debt on assessable property within the Phase 1-3 CIP (the "Series 2025 Assessment Area"); and

**WHEREAS**, the Series 2025 Project consists of certain capital improvements that will specially benefit all of the lands in the Series 2025 Assessment Area described in more detail in the Engineer's Report; and

**WHEREAS**, the Board duly adopted Resolution No. 2022-13 on March 23, 2022 (the “Initial Bond Resolution”), authorizing, among other things, the issuance of not to exceed \$72,825,000 aggregate principal amount of its Tranquility Community Development District Special Assessment Bonds in order to pay all or a portion of its capital improvement plan, as herein described; and

**WHEREAS**, the Issuer’s Resolution No. 2025-04 was duly adopted by the Board on August 8, 2025, authorizing, among other things, the sale of its Special Assessment Bonds, Series 2025 (2025 Assessment Area) (the “Series 2025 Bonds”) which are issued hereunder, as one Series of Bonds under, and as defined in, the Master Indenture, and has authorized the execution and delivery of the Master Indenture and this First Supplemental Indenture to secure the issuance of the Series 2025 Bonds and to set forth the terms of the Series 2025 Bonds; and

**WHEREAS**, the Issuer will apply the net proceeds of the Series 2025 Bonds to: (i) finance a portion of the Costs of the Series 2025 Project; (ii) pay certain costs associated with the issuance of the Series 2025 Bonds; (iii) make a deposit into the Series 2025 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2025 Bonds; and (iv) pay the interest to become due on the Series 2025 Bonds through and including November 1, 2025; and

**WHEREAS**, the Series 2025 Bonds will be secured by a pledge of the Pledged Revenues (as hereinafter defined) to the extent provided herein, which Pledged Revenues consist primarily of the Series 2025 Special Assessments (as hereinafter defined) levied on that portion of the District Lands benefitted by the Series 2025 Project; and

**NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH**, that to provide for the issuance of the Series 2025 Bonds, the security and payment of the principal or Redemption Price thereof (as the case may be) and interest thereon, the rights of the Bondholders and the performance and observance of all of the covenants contained herein and in said Series 2025 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2025 Bonds by the Owners thereof, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer does hereby assign, transfer, set over and pledge to the Trustee, its successors in trust and its assigns forever, and grants a lien on all of the right, title and interest of the Issuer in and to the Pledged Revenues as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Series 2025 Bonds issued hereunder and any other amounts owed hereunder, and any Bonds issued on a parity with the Series 2025 Bonds, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

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

**IN TRUST NEVERTHELESS**, for the equal and ratable benefit and security of all present and future Owners of the Series 2025 Bonds issued and to be issued under this First Supplemental Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this First Supplemental Indenture) of any one Series 2025 Bond over any other Series 2025 Bond, all as provided in the Indenture (as hereinafter defined), and any Bonds issued on a parity with the Series 2025 Bonds.

**PROVIDED, HOWEVER**, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal or redemption price of the Series 2025 Bonds issued, and any Bonds issued on a parity with the Series 2025 Bonds, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2025 Bonds and the Indenture, according to the true intent and meaning thereof and hereof, and the Issuer shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this First Supplemental Indenture and the rights hereby granted shall cease and terminate, otherwise this First Supplemental Indenture shall be and remain in full force and effect.

## **ARTICLE I DEFINITIONS**

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

"Acquisition Agreement" shall mean, one or more acquisition agreements pursuant to which the Issuer agrees to purchase certain work product, plans and improvements comprising all or a portion of the Series 2025 Project.

"Arbitrage Certificate" shall mean that certain Arbitrage Certificate of the Issuer, dated [September, [ \_\_\_\_], 2025, relating to certain restrictions on arbitrage under the Code.

"Assessment Consultant" shall mean, initially Governmental Management Services – Central Florida, LLC or such successor Assessment Consultant appointed by the Issuer.

"Assessment Methodology" shall mean, collectively, the Master Assessment Methodology for Tranquility Community Development District dated May 11, 2022, as supplemented by the First Supplemental Assessment Methodology for the Series 2025 Project for Tranquility Community Development District, dated August 8, 2025, each as prepared by the Assessment Consultant and relating to the Series 2025 Bonds, including, without limitation, all exhibits and appendices thereto.

“Assessment Resolutions” shall mean Resolution Nos. 2022-14 and 2022-15, adopted by the Board on March 23, 2022, Resolution No. 2022-22 adopted by the Board on May 11, 2022, and Resolution No. 2025-[\_\_\_], adopted by the Board on [September] [\_\_\_], 2025, as amended and supplemented from time to time.

“Authorized Denomination” shall mean, with respect to the Series 2025 Bonds, \$5,000 or any integral multiple thereof; provided however, that the Series 2025 Bonds shall be delivered to the initial purchasers thereof in aggregate principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000.

"Capitalized Interest" shall mean interest due or to become due on the Series 2025 Bonds, which will be paid, or is expected to be paid, from the proceeds of the Series 2025 Bonds.

"Collateral Assignment" shall mean the Collateral Assignment and Assumption of Development and Contract Rights, dated September [\_\_\_], 2025, between the Issuer and the Landowner.

"Completion Agreement" shall mean the Agreement by and Between the Issuer and the Landowner Regarding the Completion of Certain Improvements, dated September [\_\_\_], 2025, as such agreement may be modified from time to time.

"Declaration of Consent" shall mean the Declaration of Consent to Jurisdiction of Tranquility Community Development District and to Imposition of Special Assessments for Series 2025 Bonds, dated September [\_\_\_], 2025, delivered by the Landowner.

“Developer” shall mean Carolina Holdings II, LLC, a Nevada limited liability company and any affiliate or any entity which succeeds to its interests and assumes any or all of the responsibilities of said entity.

“District Manager” shall mean the person or entity serving as the Issuer’s District Manager from time to time. The initial District Manager shall be Governmental Management Services – Central Florida, LLC.

"Engineer's Report" shall mean the Engineer's Report for Tranquility Community Development District dated March 17, 2022, as supplemented by the Tranquility Community Development District Supplemental Engineer’s Report (Series 2025 Project) dated June 17, 2025, each as prepared by Rodney Honeycutt, P.E.

“First Supplemental Indenture” shall mean this First Supplemental Trust Indenture dated as of September 1, 2025, by and between the Issuer and the Trustee, as supplemented or amended.

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

“Interest Payment Date” shall mean May 1 and November 1 of each year, commencing November 1, 2025.

“Landowner” shall mean, collectively, Sunbelt Titusville Investments, LCC, a Nevada limited liability company and Carolina Holdings II, LCC, a Nevada limited liability company, and any affiliate or any entity which succeeds to its interests and assumes any or all of the responsibilities of said entity.

“Paying Agent” shall mean the Trustee, and its successors and assigns as Paying Agent hereunder.

“Pledged Revenues” shall mean, with respect to the Series 2025 Bonds (a) all revenues received by the Issuer from the Series 2025 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2025 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2025 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2025 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues shall not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon, and (B) “special assessments” levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or “maintenance special assessments” levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A) and (B) of this proviso).

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

“Registrar” shall mean the Trustee, and its successors and assigns as Registrar hereunder.

“Regular Record Date” shall mean the fifteenth (15<sup>th</sup>) day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date or the date on which the principal amount of the Series 2025 Bond is to be paid.

“Reserve Account Release Conditions” shall mean, collectively, that (i) all homes subject to the Series 2025 Special Assessments have been built, sold and closed with end-users, (ii) all Series 2025 Special Assessments are being collected pursuant to the Uniform Method, and (iii) there are no Events of Default occurring or continuing under the Indenture with respect to the Series 2025 Bonds. Upon satisfaction of the Reserve Account Release Conditions, a Responsible Officer shall provide a written certification to the Trustee certifying that the events in clauses (i) and (ii) have occurred and affirming clause (iii) on which certifications the Trustee may conclusively rely (collectively, the “Reserve Release Certifications”).

“Resolution” shall mean, collectively, Resolution No. 2022-13 of the Issuer adopted on March 23, 2022, as supplemented by Resolution No. 2025-04 of the Issuer adopted on August 8, 2025.

“Series 2025 Acquisition and Construction Account” shall mean the Account so designated, established as a separate Account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this First Supplemental Indenture.

“Series 2025 Bonds” shall mean Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area).

“Series 2025 Bond Redemption Fund” shall mean the Series 2025 Bond Redemption Fund established pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2025 Costs of Issuance Subaccount” shall mean the Subaccount so designated, established as a separate Subaccount within the Series 2025 Acquisition and Construction Account pursuant to Section 4.01(a) of this First Supplemental Indenture.

“Series 2025 Debt Service Reserve Account” shall mean the Account so designated, established as a separate Account within the Debt Service Reserve Fund pursuant to Section 4.01(f) of this First Supplemental Indenture.

“Series 2025 Debt Service Reserve Requirement” shall mean initially an amount equal to one hundred percent (100%) of the maximum annual Debt Service Requirements for all Outstanding Series 2025 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions are met, at which time and thereafter the Series 2025 Debt Service Reserve Requirement shall be an amount equal to fifty percent (50%) of the maximum annual Debt Service Requirements for all Outstanding Series 2025 Bonds. On the date of initial issuance of the Series 2025 Bonds, the Series 2025 Debt Service Reserve Requirement shall be \$[\_\_\_\_\_].

“Series 2025 General Account” shall mean the Account so designated, established as a separate Account under the Series 2025 Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2025 Interest Account” shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(d) of this First Supplemental Indenture.

“Series 2025 Prepayment” shall mean the payment by any owner of property of the amount of Series 2025 Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments and prepayments which become due pursuant to the “true-up” mechanism contained in the Assessment Resolutions. “Prepayments” shall include, without limitation, Series 2025 Prepayment Principal.

“Series 2025 Prepayment Account” shall mean the Account so designated, established as a separate Account under the Series 2025 Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2025 Prepayment Principal” shall mean the portion of a Prepayment corresponding to the principal amount of Series 2025 Special Assessments being prepaid.

“Series 2025 Revenue Account” shall mean the Account so designated, established as a separate Account within the Revenue Fund pursuant to Section 4.01(b) of this First Supplemental Indenture.

“Series 2025 Sinking Fund Account” shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(e) of this First Supplemental Indenture.

“Series 2025 Special Assessments” shall mean the Special Assessments levied on that portion of the District Lands specially benefitted by the Series 2025 Project or any portion thereof, which assessments correspond in amount to the debt service on the Series 2025 Bonds.

"Substantially Absorbed" shall mean the date on which a principal amount of the Series 2025 Special Assessments equaling at least ninety percent (90%) of the then Outstanding principal amount of the Series 2025 Bonds are levied on the District Lands with respect to which a certificate of occupancy has been issued for a structure thereon.

“Trustee” shall mean U.S. Bank Trust Company, National Association, a national banking association, and its successors and assigns.

"True-Up Agreement" shall mean the Agreement between the Issuer and the Landowner regarding the true-up and payment of Series 2025 Assessments, dated September [\_\_\_], 2025.

"Underwriter" shall mean MBS Capital Markets, LLC, the underwriter of the Series 2025 Bonds.

“Uniform Method” shall mean the uniform method for the levy, collection and enforcement of Special Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, as amended.

The words “hereof,” “herein,” “hereto,” “hereby,” and “hereunder” (except in the forms of Series 2025 Bonds), refer to the entire Indenture.

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

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

## ARTICLE II THE SERIES 2025 BONDS

SECTION 2.01. Amounts and Terms of Series 2025 Bonds; Issue of Series 2025 Bonds. No Series 2025 Bonds may be issued under this First Supplemental Indenture except in accordance with the provisions of this Article and Articles II and III of the Master Indenture.

(a) The total principal amount of the Series 2025 Bonds that may be issued under this First Supplemental Indenture is expressly limited to \$\_\_\_\_\_. The Series 2025 Bonds shall be numbered consecutively from 2025R-1 and upwards.

(b) Any and all Series 2025 Bonds shall be issued substantially in the form attached as Exhibit C to the Master Indenture, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture and with such additional changes as may be necessary or appropriate to conform to the provisions of the Resolution and this First Supplemental Indenture. The Issuer shall issue the Series 2025 Bonds upon execution of this First Supplemental Indenture and satisfaction of the requirements of Section 3.01 of the Master Indenture; and the Trustee shall, at the Issuer's written request, authenticate such Series 2025 Bonds and deliver them as specified in the request.

SECTION 2.02. Execution. The Series 2025 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

SECTION 2.03. Authentication. The Series 2025 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2025 Bonds shall be valid until the certificate of authentication shall have been duly executed by the Trustee, as provided in the Master Indenture.

SECTION 2.04. Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2025 Bonds.

(a) The Series 2025 Bonds are being issued hereunder in order to provide funds to (i) pay the Costs of a portion of the Series 2025 Project, (ii) fund the Series 2025 Debt Service Reserve Account, (iii) pay the costs of issuance of the Series 2025 Bonds, and (iv) to pay Capitalized Interest due on the Series 2025 Bonds through November 1, 2025. The Series 2025 Bonds shall be designated "Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area) and shall be issued as fully registered bonds without coupons in Authorized Denominations.

(b) The Series 2025 Bonds shall be dated the date of original issuance thereof. Interest on the Series 2025 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2025 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to November 1, 2025, in which case from the date of original issuance of the Series 2025

Bonds, or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

(c) Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book-entry only system of registration of the Series 2025 Bonds, the principal or Redemption Price of the Series 2025 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2025 Bonds. Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book-entry only system of registration of the Series 2025 Bonds, the payment of interest on the Series 2025 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2025 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at such Owner's address as it appears on the Bond Register. Any interest on any Series 2025 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Series 2025 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5<sup>th</sup>) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2025 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date.

SECTION 2.05. Debt Service on the Series 2025 Bonds.

(a) The Series 2025 Bonds will mature on May 1 in the years, be issued in the principal amounts and bear interest at the rates per annum, subject to the right of prior redemption in accordance with their terms, as follows.

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
May 1	\$	%

<u><b>Maturity Date</b></u>	<u><b>Principal Amount</b></u>	<u><b>Interest Rate</b></u>
May 1		

\$	%
----	---

<u><b>Maturity Date</b></u>	<u><b>Principal Amount</b></u>	<u><b>Interest Rate</b></u>
May 1		

\$	%
----	---

<u><b>Maturity Date</b></u>	<u><b>Principal Amount</b></u>	<u><b>Interest Rate</b></u>
May 1		

\$	%
----	---

Interest on the Series 2025 Bonds will be computed in all cases on the basis of a 360-day year comprised of twelve 30-day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by the Series 2025 Bonds on the day before the default occurred.

SECTION 2.06. Disposition of Series 2025 Bond Proceeds. From the proceeds of the Series 2025 Bonds received by the Trustee, which shall be \$[ ] (reflecting the aggregate principal amount of the Series 2025 Bonds, less/plus original issue discount/premium in the amount of \$[ ] and less an Underwriter's discount in the amount of \$[ ]):

(a) \$[ ] which is an amount equal to the initial Series 2025 Debt Service Reserve Requirement, shall be deposited in the Series 2025 Debt Service Reserve Account of the Debt Service Reserve Fund;

(b) \$[ ] shall be deposited into the Series 2025 Costs of Issuance Subaccount of the Series 2025 Acquisition and Construction Account and applied to pay costs of issuance of the Series 2025 Bonds;

(c) \$[ ] shall be deposited into the Series 2025 Interest Account and applied to pay Capitalized Interest on the Series 2025 Bonds through and including November 1, 2025; and

(d) \$[ ] constituting all remaining proceeds of the Series 2025 Bonds, shall be deposited in the Series 2025 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied to pay Costs of the Series 2025 Project in accordance with Article V of the Master Indenture.

SECTION 2.07. Book-Entry Form of Series 2025 Bonds. The Series 2025 Bonds shall be issued as one fully registered bond per maturity and deposited with The Depository Trust Company (“DTC”), which is responsible for establishing and maintaining records of ownership for its participants.

The Issuer shall enter into a letter of representations with DTC providing for such book-entry only system, in accordance with the provisions of Section 2.11 of the Master Indenture. Such agreement may be terminated at any time by either DTC or the Issuer. In the event of such termination, the Issuer shall select another securities depository. If the Issuer does not replace DTC within sixty (60) days of such termination and, in all instances, prior to the next Interest Payment Date, the Trustee will, at the expense of the Issuer, register and deliver to the Beneficial Owners replacement Series 2025 Bonds in the form of fully registered Series 2025 Bonds in accordance with the instructions from Cede & Co. While the Series 2025 Bonds are registered in book-entry only, presentation of the Series 2025 Bonds is not necessary for payment thereon.

SECTION 2.08. Appointment of Registrar and Paying Agent. The Issuer shall keep, at the designated corporate trust office of the Registrar, books (the “Bond Register”) for the registration, transfer and exchange of the Series 2025 Bonds, and hereby appoints the Trustee, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. The Trustee hereby accepts its appointment as Registrar and its duties and responsibilities as Registrar hereunder. Registrations, transfers and exchanges shall be without charge to the Bondholder requesting such registration, transfer or exchange, but such Bondholder shall pay any taxes or other governmental charges on all registrations, transfers and exchanges.

The Issuer hereby appoints the Trustee as Paying Agent for the Series 2025 Bonds. The Trustee hereby accepts its appointment as Paying Agent and its duties and responsibilities as Paying Agent hereunder.

SECTION 2.09. Conditions Precedent to the Issuance of the Series 2025 Bonds. In addition to complying with the requirements set forth in Section 3.01 of the Master Indenture in connection with the issuance of the Series 2025 Bonds, all the Series 2025 Bonds shall be executed by the Issuer for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Issuer or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Assessment Resolutions;
- (b) Executed copies of the Master Indenture and this First Supplemental Indenture;
- (c) The Opinion of Counsel to the Issuer required by the Master Indenture;
- (d) A certificate of a Responsible Officer to the effect that, upon the authentication and delivery of the Series 2025 Bonds, the Issuer will not be in default in the performance of the terms and provisions of the Master Indenture or this First Supplemental Indenture;

(e) An Engineer's Certificate certifying as to the accuracy of the information set forth in the Engineer's Report regarding the Series 2025 Project;

(f) Executed copies of the Acquisition Agreement, Collateral Assignment Agreement, Completion Agreement and True-Up Agreement, if applicable; and

(g) A certificate of the Assessment Consultant as required by the Master Indenture.

Delivery to the Trustee of the net proceeds from the issuance and sale of the Series 2025 Bonds is conclusive evidence that the conditions precedent for authentication of the Series 2025 Bonds have been met to the satisfaction of the Underwriter and the Issuer.

### **ARTICLE III REDEMPTION OF SERIES 2025 BONDS**

SECTION 3.01. Redemption Dates and Prices. The Series 2025 Bonds shall be subject to redemption at the times and in the manner provided in Article VIII of the Master Indenture and in this Article III. All payments of the Redemption Price of the Series 2025 Bonds shall be made on the dates hereinafter required. If less than all the Series 2025 Bonds are to be redeemed pursuant to an optional redemption or an extraordinary mandatory redemption, the portions of the Series 2025 Bonds to be redeemed shall be selected as provided in Section 8.03 of the Master Indenture unless specifically provided herein. Partial redemptions of the Series 2025 Bonds shall be made in such a manner that the remaining Series 2025 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2025 Bond of each maturity.

(a) Optional Redemption. The Series 2025 Bonds are subject to redemption prior to maturity at the option of the Issuer 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 2025 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

(b) Extraordinary Mandatory Redemption in Whole or in Part. The Series 2025 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole or in part on any Quarterly Redemption Date, in the manner determined by the Registrar at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption as follows, if and to the extent that any one or more of the following have occurred:

(i) on or after the Completion Date of the Series 2025 Project, pursuant to Section 4.01(a) hereof by application of moneys transferred from the Series 2025 Acquisition and Construction Account of the Acquisition and Construction Fund established under the Indenture to the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund in accordance with the terms of the Indenture; or

(ii) from amounts required by the Indenture to be deposited into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund including, but not limited to, Series 2025 Prepayment Principal and any excess amounts in the Series 2025 Debt Service Reserve Account as a result of the deposit of such Series 2025 Prepayment Principal and any excess amount on deposit in the Series 2025 Debt Service Reserve Account resulting from a reduction in the Series 2025 Debt Service Reserve Requirement; or

(iii) on the date on which the amount on deposit in the Series 2025 Debt Service Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2025 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2025 Bonds shall be called for redemption, the particular Series 2025 Bonds or portions of Series 2025 Bonds to be redeemed shall, unless otherwise provided in the Indenture, be selected by lot by the Registrar as provided in the Indenture.

(c) Mandatory Sinking Fund Redemption. The Series 2025 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% 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:

<b>Year May 1</b>	<b>Sinking Fund Installment</b>	<b>Year May 1</b>	<b>Sinking Fund Installment</b>
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\* Final Maturity

The Series 2025 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% 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 May 1</u>	<u>Sinking Fund Installment</u>	<u>Year May 1</u>	<u>Sinking Fund Installment</u>
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\* Final Maturity

The Series 2025 Bond maturing on May 1, 20[\_\_\_], is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% 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 (May 1)</u>	<u>Sinking Fund Installment</u>	<u>Year (May 1)</u>	<u>Sinking Fund Installment</u>
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\*Final Maturity

The Series 2025 Bond maturing on May 1, [\_\_\_], is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% 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 (May 1)</u>	<u>Sinking Fund Installment</u>	<u>Year (May 1)</u>	<u>Sinking Fund Installment</u>
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\*Final Maturity

The above Sinking Fund Installments are subject to recalculation, as provided in the Master Indenture, as the result of the redemption of Series 2025 Bonds other than in accordance with scheduled Sinking Fund Installments so as to re-amortize the remaining Outstanding principal of Series 2025 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term thereof.

SECTION 3.02. Notice of Redemption. When required to redeem Series 2025 Bonds under any provision of this First Supplemental Indenture or directed to redeem Series 2025 Bonds by the Issuer, the Trustee shall give or cause to be given to Owners of the Series 2025 Bonds to be redeemed notice of the redemption, as set forth in Section 8.02 of the Master Indenture.

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

SECTION 4.01. Establishment of Certain Funds and Accounts.

(a) The Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the "Series 2025 Acquisition and Construction Account." Net proceeds of the Series 2025 Bonds shall be deposited into the Series 2025 Acquisition and Construction Account hereunder in the amounts set forth in Section 2.06 of this First Supplemental Indenture, together with any excess moneys transferred to the Series 2025 Acquisition and Construction Account. Such moneys in the Series 2025 Acquisition and Construction Account shall be applied as set forth in Article V of the Master Indenture and this Sections 4.01(a) and 3.01(b)(i) of this First Supplemental Indenture to pay costs to acquire and/or construct portions of the Series 2025 Project, or as otherwise provided herein after the Completion Date. Each requisition shall substantially be in the form of requisition attached as **Exhibit D** to the Master Indenture. The Trustee shall have no duty to review the requisition to determine if the amount requested is for payment of a cost permitted hereunder. After the Completion Date of the Series 2025 Project, which shall not occur until the satisfaction of the Reserve Account Release Conditions and after transferring any resulting excess Series 2025 Debt Service Reserve Requirement from the Series 2025 Debt Service Reserve Account to the Series 2025 Acquisition and Construction Account, and after retaining in the Series 2025 Acquisition and Construction Account the amount, if any, of all remaining unpaid Costs of any portion of the Series 2025 Project set forth in the Consulting Engineer's Certificate establishing such Completion Date, any funds remaining in the Series 2025 Acquisition and Construction Account shall be transferred to and deposited into the Series 2025 General Account of the Series 2025 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2025 Bonds, and the Series 2025 Acquisition and Construction Account shall be closed. Earnings on investments in the Series 2025 Acquisition and Construction Account shall remain therein. The Series 2025 Acquisition and Construction Account shall remain open until the Reserve Account Release Conditions have been satisfied.

There is hereby established within the Series 2025 Acquisition and Construction Account of the Acquisition and Construction Fund held by the Trustee a "Series 2025 Costs of Issuance Subaccount." Amounts in the Series 2025 Costs of Issuance Subaccount shall be applied by the Trustee to pay the costs relating to the issuance of the Series 2025 Bonds. Six months after the date of issuance of the Series 2025 Bonds, any moneys remaining in the Series 2025 Costs of

Issuance Subaccount which have not been requisitioned by the Issuer to pay costs relating to the issuance of the Series 2025 Bonds shall be deposited into the Series 2025 Acquisition and Construction Account and applied as set forth in Article V of the Master Indenture and Section 4.01(a) of this First Supplemental Indenture, and the Series 2025 Costs of Issuance Subaccount shall be closed.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Series 2025 Revenue Account." Series 2025 Special Assessments (except for Series 2025 Prepayments which shall be identified as such by the Issuer to the Trustee to be deposited in the Series 2025 Prepayment Account) shall be deposited by the Trustee into the Series 2025 Revenue Account which shall be applied as set forth in Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture.

(c) Reserved.

(d) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2025 Interest Account." Net proceeds of the Series 2025 Bonds shall be deposited into the Series 2025 Interest Account in the amount set forth in Section 2.06(c) of this First Supplemental Indenture. Moneys deposited into the Series 2025 Interest Account shall be applied for the purposes provided therein and in Section 4.02 of this First Supplemental Indenture.

(e) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2025 Sinking Fund Account." Moneys shall be deposited into such Account as provided in Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture and applied for the purposes provided therein and in Section 3.01(c) of this First Supplemental Indenture.

(f) Pursuant to Section 6.05 of the Master Indenture, the Trustee shall establish an Account within the Debt Service Reserve Fund designated as the "Series 2025 Debt Service Reserve Account."

The Series 2025 Debt Service Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2025 Debt Service Reserve Requirement. Except as otherwise provided herein or in the Master Indenture, amounts on deposit in the Series 2025 Debt Service Reserve Account shall be used only for the purpose of making payments into the Series 2025 Interest Account and the Series 2025 Sinking Fund Account to pay Debt Service Requirements on the Series 2025 Bonds, when due, to the extent the moneys on deposit in such Accounts and available therefor are insufficient and for no other purpose.

Upon satisfaction of the Reserve Account Release Conditions, a Responsible Officer of the Issuer shall provide the Reserve Release Certifications to the Trustee, upon which certifications the Trustee may conclusively rely, and thereupon a Responsible Officer of the Issuer shall recalculate the Series 2025 Debt Service Reserve Requirement and instruct the Trustee to transfer any excess as a result of having met such Reserve Account Release Conditions to the Series 2025

Acquisition and Construction Account of the Acquisition and Construction Fund to be used for the purposes of such Account.

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 Issuer shall recalculate the Series 2025 Debt Service Reserve Requirement taking into account any Series 2025 Prepayment Principal on deposit in the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2025 Debt Service Reserve Account in excess of the Series 2025 Debt Service Reserve Requirement as a result of such Series 2025 Prepayment Principal to the Series 2025 Prepayment Account as a credit against the Series 2025 Prepayment otherwise required to be made by the owner of such lot or parcel. Following the foregoing transfer, such amounts in the Series 2025 Prepayment Account shall be applied to the extraordinary mandatory redemption of the Series 2025 Bonds on the earliest date permitted for redemption therein and herein. The Trustee is authorized to make such transfers and has no duty to verify such calculations.

On the earliest date on which there is on deposit in the Series 2025 Debt Service Reserve Account, sufficient monies, after taking into account other monies available therefor, to pay and redeem all of the Outstanding Series 2025 Bonds, together with accrued interest on such Series 2025 Bonds to the earliest date of redemption permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2025 Debt Service Reserve Account into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund to pay and redeem all of the Outstanding Series 2025 Bonds on the earliest date permitted for redemption therein and herein.

Anything in the Master Indenture or herein to the contrary notwithstanding, amounts on deposit in the Series 2025 Debt Service 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 Series 2025 Special Assessments.

Earnings on investments in the Series 2025 Debt Service Reserve Account shall be disposed of as follows:

(A) If as of the last date on which amounts on deposit in the Series 2025 Debt Service Reserve Account were valued by the Trustee there was a deficiency in the Series 2025 Debt Service Reserve Account, or if after such date withdrawals have been made from the Series 2025 Debt Service Reserve Account and have created such a deficiency, then earnings on investments in the Series 2025 Debt Service Reserve Account shall be deposited to the credit of the Series 2025 Debt Service Reserve Account until the amounts on deposit therein equal the Series 2025 Debt Service Reserve Requirement; and

(B) As long as no notice of an Event of Default under the Indenture has been delivered to the Trustee or if such Event of Default described in a notice has been cured or waived as provided in the Master Indenture, and the amount in the Series 2025 Debt Service Reserve Account is not reduced below the then Series 2025 Debt Service Reserve Requirement, then earnings on investments in such Account shall be applied as

follows: (x) prior to the Completion Date of the Series 2025 Project, to the Series 2025 Acquisition and Construction Account of the Acquisition and Construction Fund, and (y) on and after the Completion Date of the Series 2025 Project, to the Series 2025 Revenue Account of the Revenue Fund. Upon the occurrence and continuance of an Event of Default, earnings on investments in the Series 2025 Debt Service Reserve Account shall remain therein.

(c) Pursuant to Section 6.06 of the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Fund designated as the "Series 2025 Bond Redemption Fund" and within such Fund, a "Series 2025 General Account" and a "Series 2025 Prepayment Account." Except as otherwise provided in this First Supplemental Indenture, moneys to be deposited into the Series 2025 Bond Redemption Fund, as provided in Article VI of the Master Indenture shall be deposited to the Series 2025 General Account of the Series 2025 Bond Redemption Fund. Series 2025 Prepayments shall be identified as such by the Issuer to the Trustee to then be deposited directly into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund, as provided in the Indenture.

(d) Moneys in the Series 2025 General Account (including all earnings on investments held therein) shall be accumulated therein to be used in the following order of priority, to the extent that the need therefor arises:

FIRST, to make such deposits into the Rebate Fund for the Series 2025 Bonds, if any, as the Issuer may direct in writing in accordance with the Arbitrage Certificate, such moneys thereupon to be used solely for the purposes specified in the Arbitrage Certificate. Any moneys so transferred from the Series 2025 General Account to the Rebate Fund shall thereupon be free from the lien and pledge of the Indenture; and

SECOND, the remainder to be utilized by the Trustee, at the written direction of a Responsible Officer, to call for redemption such Series 2025 Bonds that are subject to optional redemption pursuant to Section 3.01(a) hereof such amount of Series 2025 Bonds as, with the redemption premium, may be practicable; provided, however, that not less than \$5,000 principal amount of Series 2025 Bonds shall be called for redemption at one time.

(i) Moneys in the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund (including all earnings on investments therein) shall be accumulated therein to be used to call for redemption pursuant to Section 3.01(b)(ii) hereof an amount of Series 2025 Bonds equal to the amount of money transferred to the Series 2025 Prepayment Account pursuant to the aforesaid provision, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in Section 3.01(b)(ii) hereof.

SECTION 4.02. Series 2025 Revenue Account. The Trustee shall deposit into the Series 2025 Revenue Account the Pledged Revenues, other than Series 2025 Prepayment Principal, which shall be identified by the Issuer to the Trustee as such in writing upon deposit and which shall be deposited into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption

Fund, and any other revenues required by other provisions of the Indenture to be deposited therein. The Trustee may conclusively rely on the assumption that, unless otherwise instructed in writing by the Issuer at the time of deposit to the Trustee, Pledged Revenues paid to the Trustee shall be deposited into the Series 2025 Revenue Account, and that Pledged Revenues which the Issuer informs the Trustee constitute Series 2025 Prepayment Principal shall be deposited into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund.

On the forty-fifth (45th) day preceding each Quarterly Redemption Date with respect to the Series 2025 Bonds (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 2025 Prepayment Account of the Series 2025 Bond Redemption Fund and, if the balance therein is greater than zero, shall, upon written direction from the Issuer, transfer from the Series 2025 Revenue Account for deposit into the Series 2025 Prepayment Account, an amount sufficient to increase the amount on deposit therein to the next highest integral multiple of \$5,000 (provided that there are sufficient funds remaining therein to pay the Debt Service Requirements coming due on the Series 2025 Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2025 Bonds in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2025 Prepayment Account in accordance with the provisions for extraordinary mandatory redemption of the Series 2025 Bonds set forth in Article III hereof.

Following the foregoing transfers, the Trustee shall transfer from amounts on deposit in the Series 2025 Revenue Account of the Revenue Fund to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, no later than the Business Day preceding each May 1 and November 1, to the Series 2025 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2025 Bonds due on such May 1 or November 1, less any amounts on deposit in the Series 2025 Interest Account representing Capitalized Interest in accordance with Section 4.01(d) and less any other amounts already on deposit in the Series 2025 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, to the Series 2025 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2025 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2025 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next succeeding each Interest Payment Date, to the Series 2025 Debt Service Reserve Account an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2025 Debt Service Reserve Requirement;

FOURTH, notwithstanding the foregoing, at any time the Series 2025 Bonds are subject to redemption on a date which is not an Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2025 Interest Account the amount necessary to pay interest on the Series 2025 Bonds subject to redemption on such date; and

FIFTH, subject to the following paragraph, the balance of any moneys remaining after making the foregoing deposits shall remain in the Series 2025 Revenue Account unless pursuant to the Arbitrage Certificate it is necessary to make a deposit into the Rebate Fund, in which case the Issuer shall direct the Trustee in writing to make such deposit thereto.

On or after each November 2, the balance on deposit in the Series 2025 Revenue Account on such November 2 shall (i) before the Completion Date of the Series 2025 Project, be transferred into the Series 2025 Acquisition and Construction Account, and (ii) on and after the Completion Date of the Series 2025 Project, be paid over to the Issuer at the written direction of a Responsible Officer and used for any lawful purpose of the Issuer; provided, however, that on the date of either such proposed transfer the Trustee shall not have received written notice of an Event of Default under the Indenture relating to the Series 2025 Bonds, and all Trustee's fees and expenses relating to the Series 2025 Bonds shall have been paid.

SECTION 4.03. Power to Issue Series 2025 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2025 Bonds, to execute and deliver the Indenture and to pledge the Pledged Revenues for the benefit of the Series 2025 Bonds to the extent set forth herein. The Pledged Revenues are not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Series 2025 Bonds, except for Bonds issued to refund all or a portion of the Series 2025 Bonds. The Series 2025 Bonds and the provisions of the Indenture are and will be valid and legally enforceable obligations of the Issuer in accordance with their respective terms. The Issuer shall, at all times, to the extent permitted by law, defend, preserve and protect the pledge created by the Indenture and all the rights of the Owners of the Series 2025 Bonds under the Indenture against all claims and demands of all persons whomsoever.

SECTION 4.04. Series 2025 Project to Conform to Plans and Specifications; Changes. The Issuer will proceed to complete the Series 2025 Project, as described in the Engineer's Report, in accordance with the plans and specifications therefor, as such plans and specifications may be amended by the Issuer from time to time; provided that prior to any such amendment of the plans and specifications for the Series 2025 Project, the Consulting Engineer shall have delivered its certificate approving the proposed amendment to such plans and specifications.

SECTION 4.05. Prepayments; Removal of Special Assessment Liens.

(a) At any time any owner of property subject to the Series 2025 Special Assessments may, at its option, or under certain circumstances described in the Assessment Resolutions in connection with Series 2025 Prepayments derived from application of the "true-up" mechanism therein, require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2025 Special Assessments by paying to the Issuer all or a portion of the Series 2025 Special Assessment which shall constitute Series 2025 Prepayments as directed in writing by the Issuer pursuant to the provisions of Section 4.01(b) of this First Supplemental Indenture, plus accrued interest to the next succeeding Quarterly Redemption Date (or the second

succeeding Quarterly Redemption Date if such prepayment is made within forty-five (45) calendar days before a Quarterly Redemption Date), attributable to the property subject to such Series 2025 Special Assessment owned by such owner; provided, however, to the extent that such payments are to be used to redeem Series 2025 Bonds in the event the amount in the Series 2025 Debt Service Reserve Account will exceed the Series 2025 Debt Service Reserve Requirement as a result of a Series 2025 Prepayment in accordance with Section 4.01(f) and the resulting redemption of Series 2025 Bonds in accordance with Section 3.01(b)(ii) of this First Supplemental Indenture, the excess amount above the Series 2025 Debt Service Reserve Requirement shall be transferred from the Series 2025 Debt Service Reserve Account to the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund, as a credit against the Series 2025 Prepayment otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the Issuer together with a certificate of a Responsible Officer of the Issuer stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2025 Debt Service Reserve Account to equal or exceed the Series 2025 Debt Service Reserve Requirement and accompanied by cash flows which demonstrate that, after giving effect to the proposed redemption of Series 2025 Bonds, there will be sufficient Pledged Revenues to pay the principal and interest, when due, on all Series 2025 Bonds that will remain Outstanding. The written instructions shall be delivered to the Trustee on or before the 46th day prior to a Quarterly Redemption Date. The Trustee is authorized to make such transfers as provided in this section and has no duty to verify such calculations.

(b) Upon receipt of Series 2025 Prepayments as described in paragraph (a) above, which includes accrued interest to the next succeeding Quarterly Redemption Date (or the second succeeding Quarterly Redemption Date if such prepayment is made within forty-five (45) calendar days before a Quarterly Redemption Date), subject to satisfaction of the conditions set forth therein, the Issuer shall immediately pay the amount so received to the Trustee and clearly identify in writing such amounts as a Series 2025 Prepayment and the Issuer shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by the District Manager, to the effect that the Series 2025 Special Assessment has been paid in whole or in part and that such Series 2025 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be. Upon receipt of any such moneys from the Issuer the Trustee shall immediately deposit the same into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund to be applied in accordance with Section 4.01(h)(i) of this First Supplemental Indenture, to the redemption of Series 2025 Bonds in accordance with Section 3.01(b)(ii) of this First Supplemental Indenture.

The Trustee shall conclusively rely on the Issuer's determination of what moneys constitute Series 2025 Prepayments. The Trustee shall calculate the amount available for the extraordinary mandatory redemption of the applicable Series 2025 Bonds pursuant to Section 3.01(b)(ii) of this First Supplemental Indenture on each March 15, June 15, September 15 and December 15.

## **ARTICLE V**

### **ADDITIONAL COVENANTS OF THE ISSUER**

SECTION 5.01. Collection of Series 2025 Special Assessments. Notwithstanding Section 9.04 of the Master Indenture, the Series 2025 Special Assessments shall be directly collected and enforced by the Issuer pursuant to the provisions of the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto; provided, however, Series 2025 Special Assessments levied on platted lots and pledged hereunder to secure the Series 2025 Bonds will be collected pursuant to the Uniform Method pursuant to Section 9.04 of the Master Indenture. The Issuer covenants to enter into a Property Appraiser and Tax Collector Agreement with the County in order to comply with the provisions of this Section.

Notwithstanding the immediately preceding paragraph or any other provision in the Indenture to the contrary, upon the occurrence of an Event of Default, if the Trustee, acting at the written direction of the Majority Owners, requests that the Issuer not use the Uniform Method, but instead collect and enforce Series 2025 Special Assessments pursuant to another available method under the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto, then the Issuer shall collect and enforce said Series 2025 Special Assessments in the manner and pursuant to the method so requested by the Trustee.

Any Series 2025 Special Assessments that are not collected pursuant to the Uniform Method shall be billed directly to the applicable landowner and be payable not later than thirty (30) days prior to each Interest Payment Date.

SECTION 5.02. Additional Covenant Regarding Series 2025 Special Assessments. In addition to, and not in limitation of, the covenants contained elsewhere in the Indenture, the Issuer covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2025 Special Assessments, including the Assessment Resolutions and the Assessment Methodology, and to levy the Series 2025 Special Assessments and 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 2025 Bonds, when due.

SECTION 5.03. Foreclosure of Assessment Lien. Notwithstanding Section 9.06 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2025 Special Assessments and the Series 2025 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2025 Special Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2025 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the Issuer for an amount equal to the balance due on the Series 2025 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the Issuer and the Issuer 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 2025 Bonds; provided that the Trustee shall have the right, acting at the written direction of the Majority Owners, but shall not be obligated, to direct the Issuer with respect to any action taken pursuant to this Section. The Issuer, either through its

own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2025 Revenue Account. The Issuer, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of the Series 2025 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners.

SECTION 5.04. No Parity Bonds; Limitation on Parity Liens. Other than Bonds issued to refund the Outstanding Series 2025 Bonds, the Issuer shall not, while any Series 2025 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Pledged Revenues. The Issuer further covenants and agrees that so long as the Series 2025 Bonds are Outstanding, the Issuer will not impose debt service Special Assessments for capital projects on any lands then subject to the Series 2025 Special Assessments without the written consent of the Majority Owners; provided, however, such consent shall not be required if the Series 2025 Special Assessments have been Substantially Absorbed evidence of which shall be provided by the Issuer to the Trustee in a written certificate upon which the Trustee may conclusively rely. The Trustee shall have no duty to verify if the Series 2025 Special Assessments are Substantially Absorbed and in the absence of a certification as provided above can assume that the Series 2025 Special Assessments have not been Substantially Absorbed. Notwithstanding the foregoing, the Issuer is not precluded from imposing capital assessments (or the issuance of Bonds secured by such capital assessments) on property then subject to the Series 2025 Special 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 Issuer.

SECTION 5.05. Acknowledgment Regarding Series 2025 Acquisition and Construction Account Moneys Following an Event of Default. In accordance with the provisions of the Indenture, the Series 2025 Bonds are payable solely from the Pledged Revenues and any other moneys held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that the Pledged Revenues include, without limitation, all amounts on deposit in the Series 2025 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, and upon the occurrence of an Event of Default with respect to the Series 2025 Bonds, (i) the Pledged Revenues may not be used by the Issuer (whether to pay Costs of the Series 2025 Project or otherwise) without the consent of the Majority Owners of the Series 2025 Bonds, except to the extent that prior to the occurrence of an Event of Default the Issuer had incurred a binding obligation with third parties for work on the Series 2025 Project and payment is for such work and (ii) the Pledged Revenues may be used by the Trustee, at the written direction or with the written approval of the Majority Owners of the Series 2025 Bonds, to pay costs and expenses incurred in connection with the pursuit of remedies under the Indenture or as otherwise provided in the Master Indenture.

SECTION 5.06. Enforcement of Completion Agreement and True-Up Agreement. The Issuer, 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 Completion Agreement and the

True-Up Agreement, and, upon the occurrence and continuance of a default under either or both of such Agreements, the Issuer covenants and agrees that the Trustee, at the written direction of the Majority Owners of the Series 2025 Bonds may, subject to the provisions of Section 11.04 of the Master Indenture act on behalf of, and in the Issuer's stead, to enforce the provisions of such Agreement 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 Issuer to enforce, or permit the Trustee to enforce in its stead, all of the provisions of the Completion Agreement and the True-Up Agreement upon demand of the Majority Owners of the Series 2025 Bonds, or the Trustee at the written direction of the Majority Owners of the Series 2025 Bonds, shall constitute an Event of Default under the Indenture, provided, however, that the Issuer shall have a reasonable opportunity to cure.

SECTION 5.07. Assignment of Issuer's Rights Under Collateral Assignment. The Issuer hereby assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of the Series 2025 Bonds Outstanding under the Indenture. The Trustee shall not be deemed to have accepted any obligation under the Collateral Assignment by virtue of such assignment; provided, however, the Trustee shall act in accordance with the written directions of the Majority Owners of the Series 2025 Bonds. Notwithstanding anything to the contrary herein, prior to taking any action under this Section 5.07, the Trustee shall have first been indemnified to its satisfaction.

SECTION 5.08. Continuing Disclosure Agreement. Contemporaneously with the execution and delivery hereof, the Issuer has executed and delivered a Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended. The Issuer covenants and agrees to comply with the provisions of such Continuing Disclosure Agreement; however, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but instead shall be enforceable by mandamus, injunction or any other means of specific performance.

## ARTICLE VI CONCERNING THE TRUSTEE

SECTION 6.01. Acceptance by Trustee. The Trustee accepts the trusts declared and provided in this First Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth in the Master Indenture.

SECTION 6.02. Limitation of Trustee's Responsibility. The Trustee shall not be responsible in any manner for the due execution of this First Supplemental Indenture by the Issuer or for the recitals contained herein, all of which are made solely by the Issuer.

SECTION 6.03. 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 XI thereof.

## ARTICLE VII MISCELLANEOUS PROVISIONS

SECTION 7.01. Interpretation of Supplemental Indenture. This First Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2025 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this First Supplemental Indenture by reference. To the maximum extent possible, the Master Indenture and the Supplemental Indenture shall be read and construed as one document.

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

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

SECTION 7.04. Payment Dates. In any case in which an Interest Payment Date, principal payment date or the maturity date of the Series 2025 Bonds or the date fixed for the redemption of any Series 2025 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 7.05. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Series 2025 Bonds.

SECTION 7.06. Tax Reporting Obligations. If the Bonds are ever held in other than book entry form of registration, upon the Trustee's written request, the Issuer and each Owner shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation the cost basis reporting obligations under Section 6045 of the Code and the applicable regulations thereunder, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

**IN WITNESS WHEREOF**, Tranquility Community Development District has caused this First Supplemental Trust Indenture to be executed by the Chair or Vice Chair of its Board of Supervisors and its corporate seal to be hereunto affixed and attested by a Secretary or Assistant Secretary of its Board of Supervisors and U.S. Bank Trust Company, National Association has caused this First Supplemental Trust Indenture to be executed by a Vice President, all as of the day and year first above written.

**SEAL**

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

By: \_\_\_\_\_  
William Allen, Jr., Chair,  
Board of Supervisors

By: \_\_\_\_\_  
Secretary/Assistant Secretary  
Board of Supervisors

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

By: \_\_\_\_\_  
Name: Scott A. Schuhle  
Title: Vice President

**EXHIBIT B**

**FORM OF CONTRACT OF PURCHASE**

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
(City of Titusville, Florida)**

**[\$[Bond Amount] Special Assessment Bonds, Series 2025  
(2025 Assessment Area)**

**[BPA Date]**

**BOND PURCHASE AGREEMENT**

Tranquility Community Development District  
City of Titusville, Florida

Ladies and Gentlemen:

MBS Capital Markets, LLC (the "Underwriter") offers to enter into this Bond Purchase Agreement ("Purchase Agreement") with the Tranquility Community Development District (the "District"). This offer is made subject to written acceptance hereof by the District at or before 11:59 p.m., New York time, on the date hereof. If not so accepted, this offer will be subject to withdrawal by the Underwriter upon written notice delivered to the District at any time prior to the acceptance hereof by the District. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Limited Offering Memorandum or in the Indenture, as applicable, each as defined herein.

**1. Purchase and Sale.** Upon the terms and conditions and in reliance on the representations, warranties, covenants 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 \$[Bond Amount] Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area) (the "Series 2025 Bonds"). The Series 2025 Bonds shall be dated as of the date of their delivery and shall be payable on the dates and principal amounts, bear such rates of interest and be subject to redemption, all as set forth in Exhibit A attached hereto. Interest on the Series 2025 Bonds is payable semi-annually on May 1 and November 1 each year, commencing November 1, 2025. The purchase price for the Series 2025 Bonds shall be \$[PP] (representing the aggregate par amount of the Series 2025 Bonds of \$[Bond Amount].00, [less/plus] [net] original issue [discount/premium] of \$[OID/OIP] and less an Underwriter's discount of \$[UD]).

The disclosure statement required by Section 218.385, Florida Statutes, is attached hereto as Exhibit B.

**2. The Series 2025 Bonds.** The Series 2025 Bonds are authorized and issued pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes (the "Act"), the Florida Constitution, and other applicable provisions of law, and Ordinance No. 4-2022, enacted by the City Council of the City of Titusville, Florida on February 22, 2022 (the "Ordinance"). The District was established for the purposes, among other things, of financing and managing the design, acquisition, construction,

maintenance, and operation of systems, facilities and basic infrastructure within and without the boundaries of the premises to be governed by the District. The Series 2025 Bonds are being issued pursuant to the Act and a Master Trust Indenture, dated as of September 1, 2025 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture, dated as of September 1, 2025, between the District and the Trustee (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), and Resolution Nos. 2022-13 and 2025-[], adopted by the Board of Supervisors of the District (the "Board") on March 23, 2022 and August [8], 2025, respectively (collectively, the "Bond Resolution"), authorizing the issuance of the Series 2025 Bonds. The Series 2025 Special Assessments comprising the Pledged Revenues have been levied by the District on the lands within the District specially benefited by the Series 2025 Project pursuant to Resolution Nos. 2022-14 and 2022-15 adopted by the Board on March 23, 2022, Resolution No. 2022-22 adopted by the Board on May 11, 2022 and a resolution to be adopted by the Board on or about September [], 2025 (collectively, the "Assessment Resolutions").

Consistent with the requirements of the Indenture and the Act, the Series 2025 Bonds are being issued to (a) finance a portion of the Costs of the Series 2025 Project, (b) pay certain costs associated with the issuance of the Series 2025 Bonds, (c) make a deposit into the Series 2025 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2025 Bonds, and (d) pay the interest to become due on the Series 2025 Bonds through and including November 1, 2025.

The principal and interest on the Series 2025 Bonds are payable from and secured by the Pledged Revenues, which consist primarily of the revenues received by the District from the Series 2025 Special Assessments levied against certain lands in the District that are subject to assessment as a result of the Series 2025 Project or any portion thereof.

At the time of issuance of the Series 2025 Bonds, the District and/or Carolina Holdings II, LLC, a Nevada limited liability company, and Sunbelt Titusville Investments, LLC, a Nevada limited liability company (together, the "Landowner") will enter into:

(a) the Continuing Disclosure Agreement (the "Disclosure Agreement") among the District, the Landowner, and Governmental Management Services – Central Florida, LLC (the "Dissemination Agent"), dated as of the date of Closing (hereinafter defined);

(b) the [True-Up Agreement] (the "True-Up Agreement") between the District and the Landowner, dated as of the date of Closing;

(c) the [Collateral Assignment] (the "Collateral Assignment") between the District and the Landowner, dated as of the date of Closing;

(d) the [Completion Agreement] (the "Completion Agreement") between the District and the Landowner, dated as of the date of Closing;

(e) the [Acquisition Agreement] (the "Acquisition Agreement") between the District and the Landowner, dated as of the date of Closing; and

(f) the [Declaration of Consent to Jurisdiction] (the "Declaration of Consent") by the Landowner, dated as of the date of Closing.

For purposes hereof, this Purchase Agreement, the Indenture, the Disclosure Agreement, the True-Up Agreement, the Collateral Assignment, the Completion Agreement, the Acquisition Agreement and the Declaration of Consent, are referred to herein collectively as the "Financing Documents."

### **3. Delivery of Limited Offering Memorandum and Other Documents.**

(a) Prior to the date hereof, the District provided to the Underwriter for its review the Preliminary Limited Offering Memorandum, dated [PLOM Date] (the "Preliminary Limited Offering Memorandum"), that the District deemed final as of its date, except for certain permitted omissions (the "permitted omissions"), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission (the "SEC Rule") in connection with the pricing of the Series 2025 Bonds. The District hereby confirms that the Preliminary Limited Offering Memorandum was deemed final as of its date, except for the permitted omissions.

(b) The District shall deliver, or cause to be delivered, at its expense, to the Underwriter, within seven (7) business days after the date hereof, or use good faith to deliver within such shorter period as may be requested by the Underwriter and at least one (1) business day prior to the date of Closing, or within such other period as the Underwriter may inform the District which is necessary for the Underwriter to comply with regulations of the Municipal Securities Rulemaking Board ("MSRB") in order to accompany any confirmation that requests payment from any customer, sufficient copies of the final Limited Offering Memorandum (the "Limited Offering Memorandum") to enable the Underwriter to fulfill its obligations pursuant to the securities laws of the State of Florida (the "State") and the United States, in form and substance satisfactory to the Underwriter. In determining whether the number of copies to be delivered by the District are reasonably necessary, at a minimum, the number shall be determined by the Underwriter and conveyed to the District as shall be sufficient to enable the Underwriter to comply with the requirements of the SEC Rule, all applicable rules of the MSRB, and to fulfill its duties and responsibilities under State and federal securities laws generally.

The Underwriter agrees to file the Limited Offering Memorandum in accordance with applicable MSRB rules.

The District authorizes, or ratifies as the case may be, the use and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in connection with the limited public offering and sale of the Series 2025 Bonds. The Underwriter agrees that it will not confirm the sale of any Series 2025 Bonds unless the confirmation of sale requesting payment is accompanied or preceded by the delivery of a copy of the Limited Offering Memorandum.

(c) From the date hereof until the earlier of (1) ninety (90) days from the "end of the underwriting period" (as defined in the SEC Rule), or (2) the time when the Limited Offering Memorandum is available to any person from the MSRB (but in no case less than twenty-five (25) days following the end of the underwriting period), if the District has

knowledge of the occurrence of any event which may make it necessary to amend or supplement the Limited Offering Memorandum in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter and if, in the reasonable opinion of the District or the Underwriter, such event requires the preparation and publication of an amendment or supplement to the Limited Offering Memorandum, the District, at its expense (unless such event was caused by the Underwriter), shall promptly prepare an appropriate amendment or supplement thereto (and file, or cause to be filed, the same with the MSRB, and mail such amendment or supplement to each record owner of Series 2025 Bonds) so that the statements in the Limited Offering Memorandum as so amended or supplemented will not, in light of the circumstances under which they were made, be misleading, in a form and in a manner reasonably approved by the Underwriter. The District will promptly notify the Underwriter of the occurrence of any event of which it has knowledge which, in its opinion, is an event described in the preceding sentence. The amendments or supplements that may be authorized for use with respect to the Series 2025 Bonds are hereinafter included within the term "Limited Offering Memorandum."

**4. Authority of the Underwriter.** The Underwriter is duly authorized to execute this Purchase Agreement and to perform its obligations hereunder. The Underwriter hereby represents that neither it nor any "person" or "affiliate" has been on the "convicted vendor list" during the past 36 months, as all such terms are defined in Section 287.133, Florida Statutes.

**5. Offering and Sale of Series 2025 Bonds.** The Underwriter agrees to make a bona fide limited offering to "accredited investors" representing the general public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) of all of the Series 2025 Bonds at not in excess of the initial public offering price or prices (or below the yield or yields) set forth in Exhibit A attached hereto; provided, however, that the Underwriter may (a) offer and sell the Series 2025 Bonds to certain bond houses, brokers or to similar persons or organizations acting in the capacity of underwriters or wholesalers at prices lower than the public offering prices set forth in Exhibit A attached hereto, or (b) change such initial offering prices (or yields) as the Underwriter deems necessary in connection with the marketing of the Series 2025 Bonds. The Underwriter agrees to assist the District in establishing the issue price as provided in Section 20 hereof.

The District hereby authorizes the Underwriter to use the Limited Offering Memorandum in connection with the limited public offering and sale of the Series 2025 Bonds and ratifies and confirms the distribution and use by the Underwriter prior to the date hereof of the Preliminary Limited Offering Memorandum in connection with such limited public offering and sale.

**6. District Representations, Warranties, Covenants and Agreements.** The District represents and warrants to and covenants and agrees with the Underwriter that, as of the date hereof and as of the date of Closing:

(a) The District is a local unit of special purpose government, duly organized and established and validly existing under the Act and the Constitution and laws of the State, with full legal right, power and authority to (1) impose, levy and collect the Series 2025

Special Assessments in the manner described in the Limited Offering Memorandum, (2) issue the Series 2025 Bonds for the purposes for which they are to be issued, as described in the Limited Offering Memorandum, (3) secure the Series 2025 Bonds as provided by the Indenture, (4) enter into the Financing Documents to which it is a party, (5) carry out and consummate all of the transactions contemplated by the Bond Resolution, the Assessment Resolutions and the Financing Documents to which it is a party, and (6) undertake the completion of the Series 2025 Project.

(b) The District has complied and will at Closing be in compliance in all respects with the Bond Resolution, the Assessment Resolutions, the Act, and the Constitution and laws of the State in all matters relating to the Financing Documents and the Series 2025 Bonds, and the imposition, levy and collection of the Series 2025 Special Assessments.

(c) The District has, or by Closing will have, duly authorized and approved (1) the execution and delivery, or adoption, as the case may be, and performance of the Bond Resolution, the Assessment Resolutions, the Financing Documents to which it is a party, the Series 2025 Special Assessments and the Series 2025 Bonds, (2) the use and distribution of the Preliminary Limited Offering Memorandum and the delivery and distribution of the Limited Offering Memorandum, and (3) the taking of any and all such action as may be required on the part of the District to carry out, give effect to and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Series 2025 Special Assessments, the Series 2025 Bonds and the Limited Offering Memorandum.

(d) Each of the Financing Documents to which the District is a party constitutes, or will constitute at Closing, a legally valid and binding obligation of the District enforceable in accordance with its terms and, upon due authorization, execution and delivery thereof by the parties thereto, will constitute a legally valid and binding obligation of the District enforceable in accordance with its terms.

(e) When delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Purchase Agreement, the Series 2025 Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute legally valid and binding special obligations of the District, conforming to the Act, and entitled to the benefit and security of the Indenture.

(f) Upon the execution, authentication, issuance and delivery of the Series 2025 Bonds as aforesaid, the Indenture will provide, for the benefit of the holders from time to time of the Series 2025 Bonds, a legally valid and binding pledge of and a security interest in and to the Pledged Revenues pledged to the Series 2025 Bonds, subject only to the provisions of the Indenture permitting the application of such Pledged Revenues for the purposes and on the terms and conditions set forth in the Indenture.

(g) Other than any approvals that might be required under the securities laws of any state, no approval, permit, consent or authorization of, or registration or filing with, any governmental or public agency or authority or any other entity not already obtained or made, or to be obtained or made simultaneously with the issuance of the Series 2025 Bonds, is required to be obtained or made by the District in connection with the issuance and sale of the Series 2025 Bonds, or the execution and delivery by the District of, or the due

performance of its obligations under, the Financing Documents to which it is a party and the Series 2025 Bonds, and any such approvals, permits, consents or authorizations so obtained are in full force and effect.

(h) Other than as disclosed in the Limited Offering Memorandum, the District is not in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State or the United States, the Financing Documents to which it is a party, the Series 2025 Bonds or any applicable judgment or decree or any other 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, that could have a materially adverse effect on the business or operations of the District, and no event of default by the District has occurred and is continuing under any such instrument except as otherwise stated herein.

(i) The execution and delivery by the District of the Financing Documents, the Series 2025 Bonds and any other instrument to which the District is a party and which is used or contemplated for use in conjunction with the transactions contemplated by the Financing Documents, the Series 2025 Bonds, or the Limited Offering Memorandum, and the compliance with the provisions of each such instrument and the consummation of any transactions contemplated hereby and thereby, will not conflict with or constitute a breach of or default under any indenture, contract, agreement, or other instrument to which the District is a party or by which it is bound, or to the best of its knowledge under any provision of the Constitution of the State or any existing law, rule, regulation, ordinance, judgment, order or decree to which the District (or any of its supervisors or officers in their respective capacities as such) or its properties is subject.

(j) Except as disclosed in the Limited Offering Memorandum, there is no action, suit, hearing, inquiry or investigation, at law or in equity, before or by any court, public board, agency or body, pending or, to the best knowledge of the District, threatened against or affecting the District or any of its supervisors in their respective capacities as such, in which an unfavorable decision, ruling or finding would, in any material way, adversely affect (1) the transactions contemplated by the Bond Resolution, the Assessment Resolutions, the Financing Documents or the Series 2025 Bonds, (2) the organization, existence or powers of the District or any of its supervisors or officers in their respective capacities as such, (3) the business, properties or assets or the condition, financial or otherwise, of the District, (4) the validity or enforceability of the Series 2025 Bonds, the Financing Documents to which it is a party, the Series 2025 Special Assessments or any other agreement or instrument to which the District is a party and which is used or contemplated for use in the transactions contemplated hereby or by the Indenture, (5) the exclusion from gross income for federal income tax purposes of the interest on the Series 2025 Bonds, (6) the exemption under the Act of the Series 2025 Bonds and the interest thereon from taxation imposed by the State, (7) the legality of investment in the Series 2025 Bonds for certain investors as provided in the Act, (8) the issuance, sale or delivery of the Series 2025 Bonds, or (9) the collection of the Series 2025 Special Assessments and the pledge thereof under the Indenture to pay the principal, premium, if any, or interest on the Series 2025 Bonds.

(k) The District has not issued, assumed or guaranteed any indebtedness, incurred any material liabilities, direct or contingent, or entered into any contract or

arrangement of any kind payable from or secured by a pledge of the Pledged Revenues pledged to the Series 2025 Bonds with a lien thereon prior to or on a parity with the lien of the Series 2025 Bonds.

(l) Between the date of this Purchase Agreement and the date of Closing, the District will not, without the prior written consent of the Underwriter, incur any material liabilities, direct or contingent, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District, other than (1) as contemplated by the Limited Offering Memorandum, or (2) in the ordinary course of business.

(m) Any certificates signed by any official of the District authorized to do so shall be deemed a representation and warranty by the District to the Underwriter as to the statements made therein.

(n) No representation or warranty by the District in this Purchase Agreement nor any statement, certificate, document or exhibit furnished or to be furnished by the District pursuant to this Purchase Agreement or the Limited Offering Memorandum or in connection with the transactions contemplated hereby contains or will contain on the date of Closing any untrue statement of a material fact or omits or will omit a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; provided, however, that no representation is made with respect to information concerning The Depository Trust Company, the Underwriter, or concerning information in the Limited Offering Memorandum under the captions "SUITABILITY FOR INVESTMENT," "DESCRIPTION OF THE SERIES 2025 BONDS – Book-Entry Only System," "THE LANDOWNER AND THE DEVELOPER," "THE DEVELOPMENT," "TAX MATTERS," "LITIGATION – Landowner," "CONTINUING DISCLOSURE – Landowner Continuing Compliance," and "UNDERWRITING."

(o) Except as disclosed in the Limited Offering Memorandum, the District is not in default and has not been in default at any time after December 31, 1975, as to principal or interest with respect to any obligations issued or guaranteed by the District.

**7. The Closing.** At 12:00 noon, New York time, on [Closing Date], or at such earlier or later time or date to which the District and the Underwriter may mutually agree, the District will, subject to the terms and conditions hereof, deliver the Series 2025 Bonds to the Underwriter in full book-entry form, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the aggregate purchase price of the Series 2025 Bonds as set forth in Section 1 hereof (such delivery of and payment for the Series 2025 Bonds is herein called the "Closing"). The District shall cause CUSIP identification numbers to be printed on the Series 2025 Bonds, but neither the failure to print such number on any Series 2025 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Series 2025 Bonds in accordance with the terms of this Purchase Agreement. The Closing shall occur at the offices of the District, or such other place to which the District and the Underwriter shall have mutually agreed. The Series 2025 Bonds shall be prepared and delivered as fully registered bonds in such authorized denominations and registered in full book-entry form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New

York ("DTC") and shall be delivered to DTC during the business day prior to the Closing for purposes of inspection, unless the DTC "F.A.S.T." procedure is used which requires the Registrar to retain possession of the Series 2025 Bonds.

**8. Closing Conditions.** The Underwriter has entered into this Purchase Agreement in reliance upon the representations, warranties, covenants and agreements of the District contained herein and contained in the documents and instruments delivered at the Closing, and upon the performance by the District of its obligations hereunder, as of the date of Closing. Accordingly, the Underwriter's obligations under this Purchase Agreement to cause the purchase, acceptance of delivery and payment for the Series 2025 Bonds shall be subject to the performance by the District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following conditions:

(a) The representations and warranties of the District contained herein shall be true, complete and correct on and as of the date of Closing, the statements made in all certificates and other documents delivered to the Underwriter at the Closing shall be true, complete and correct as of the date of Closing, and the District shall be in compliance with each of the agreements made by it in this Purchase Agreement and the Indenture as of the date of Closing;

(b) At the Closing, (1) the Bond Resolution, the Assessment Resolutions, the Financing Documents and the Series 2025 Special Assessments shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and the District shall have adopted and there shall be in full force and effect such additional agreements therewith and in connection with the issuance of the Series 2025 Bonds all such action as in the reasonable opinion of Bond Counsel shall be necessary in connection with the transactions contemplated hereby, (2) the Limited Offering Memorandum shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, (3) there shall not have occurred any event that causes the Limited Offering Memorandum or any amendment or supplement thereto to contain an untrue or misleading statement of fact that in the opinion of the Underwriter or its counsel is material or omits to state a fact that in the opinion of the Underwriter or its counsel is material and necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (4) the District shall perform or shall have performed all of its obligations under or specified in the Financing Documents to which it is a party to be performed at or prior to the Closing, and (5) the Series 2025 Bonds shall have been duly authorized, executed, authenticated and delivered; and

(c) At or prior to the Closing, the Underwriter shall have received executed or certified copies of the following documents:

(1) the Bond Resolution and Assessment Resolutions, certified by authorized officers of the District under its seal as true and correct copies and as having been adopted with only such amendments, modifications or supplements as may have been approved by the Underwriter;

(2) the Master Indenture and Supplemental Indenture;

(3) the Limited Offering Memorandum, and any amendments or supplements thereto;

(4) a certificate of the District, dated the date of Closing, signed on its behalf by the Chair or Vice Chair and the Secretary or an Assistant Secretary of its Board of Supervisors, in substantially the form attached hereto as Exhibit C;

(5) an opinion, dated the date of Closing, of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, substantially in the form attached as an Appendix to the Limited Offering Memorandum;

(6) a supplemental opinion, dated the date of Closing, of Bond Counsel to the effect that (A) the Underwriter may rely on the approving opinion of Bond Counsel as though such opinion were addressed to it, (B) the Series 2025 Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended, and (C) Bond Counsel has reviewed (i) the statements contained in the Limited Offering Memorandum under the sections captioned "DESCRIPTION OF THE SERIES 2025 BONDS" (other than the portion thereof captioned "Book-Entry Only System" and other than any information therein relating to DTC or the book-entry system) and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS" (other than the portions thereof captioned "Agreement for Assignment of Development Rights," "Completion Agreement" and "True-Up Agreement") and is of the opinion that insofar as such statements purport to summarize certain provisions of the Series 2025 Bonds and the Indenture, such statements are accurate summaries of the provisions purported to be summarized therein, and (ii) the information contained in the Limited Offering Memorandum under the section captioned "TAX MATTERS" and believes that such information is accurate;

(7) an opinion, dated the date of Closing, of Cobb & Cole, P.A., DeLand, Florida, District Counsel, in substantially the form attached hereto as Exhibit D;

(8) an opinion, dated the date of Closing, of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Counsel to the Underwriter (the "Underwriter's Counsel"), in form and substance satisfactory to the Underwriter;

(9) an opinion, dated the date of Closing and addressed to the Underwriter and the District, of counsel to the Trustee, in form and substance acceptable to the Underwriter and the District and a customary authorization and incumbency certificate, dated the date of Closing, signed by authorized officers of the Trustee;

(10) a certificate, dated the date of Closing, of the authorized officers of the District to the effect that, on the basis of the facts, estimates and circumstances in effect on the date of Closing, it is not expected that the proceeds of the Series 2025 Bonds will be used in a manner that would cause the Series 2025 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

- (11) specimen Series 2025 Bonds;
- (12) executed Financing Documents;
- (13) the executed Letter of Representations between the District and DTC;
- (14) the Master Assessment Methodology for Tranquility Community Development District, dated May 11, 2022, and the First Supplemental Assessment Methodology for the Series 2025 Project, dated on or about the date hereof, each prepared by the Assessment Consultant;
- (15) a certificate of the Assessment Consultant, in substantially the form attached hereto as Exhibit E;
- (16) the Engineer's Report for Tranquility Community Development District, dated [March 17, 2022], and the Tranquility Community Development District Supplemental Engineer's Report (Series 2025 Project), dated [June 17, 2025], each prepared by the Consulting Engineer;
- (17) a certificate of the Consulting Engineer, in substantially the form attached hereto as Exhibit F;
- (18) a certificate of the District Manager and Dissemination Agent, in substantially the form attached hereto as Exhibit G;
- (19) a certificate of the Landowner, in substantially the form attached hereto as Exhibit H and an opinion of counsel to the Landowner in substantially the form attached hereto as Exhibit I;
- (20) evidence of compliance with the requirements of Section 189.051 and Section 215.84, Florida Statutes;
- (21) the final judgment and certificate of no appeal; and
- (22) such additional legal opinions, certificates (including such certificates as may be required by regulations of the Internal Revenue Service in order to establish the tax exempt character of the Series 2025 Bonds, which certificates shall be satisfactory in form and substance to Bond Counsel), and other evidence as the Underwriter, Bond Counsel or Underwriter's Counsel may deem necessary to evidence the truth and accuracy as of the date of Closing of the representations and warranties of the District herein contained and of the information contained in the Limited Offering Memorandum and the due performance and satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by it.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance as set forth herein or as described herein or as otherwise satisfactory to the Underwriter. Receipt of, and payment for, the Series 2025 Bonds shall constitute evidence of the satisfactory nature of such as to

the Underwriter. The performance of any and all obligations of the District hereunder and the performance of any and all conditions herein for the benefit of the Underwriter may be waived by the Underwriter in its sole discretion.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to cause the purchase, acceptance of delivery and payment for the Series 2025 Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to cause the purchase, acceptance of delivery and payment for the Series 2025 Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate, and neither the Underwriter nor the District shall be under further obligation hereunder; provided, however, that the respective obligations of the Underwriter and the District set forth in Section 10 hereof shall continue in full force and effect.

**9. Termination.** The Underwriter may terminate this Purchase Agreement by written notice to the District in the event that between the date hereof and the date of Closing:

(a) the marketability of the Series 2025 Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially adversely affected by (1) an amendment to the Constitution of the United States, (2) any legislation (other than any actions taken by either House of Congress on or prior to the date hereof) (A) enacted or adopted by the United States, (B) recommended to the Congress or otherwise endorsed for passage, by press release, other form of notice or otherwise, by the President of the United States, the Chairman 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, the Treasury Department of the United States or the Internal Revenue Service, or (C) favorably reported out of the appropriate Committee for passage to either House of the Congress by any full Committee of such House to which such legislation has been referred for consideration, (3) any decision of any court of the United States, (4) any order, rule or regulation (final, temporary or proposed) on behalf of the Treasury Department of the United States, the Internal Revenue Service or any other authority or regulatory body of the United States, (5) a release or announcement or communication issued or sent by the Treasury Department of the United States or the Internal Revenue Service, or (6) any comparable legislative, judicial or administrative development affecting the federal tax status of the District, its property or income, obligations of the general character of the Series 2025 Bonds, as contemplated hereby, or the interest thereon; or

(b) any legislation, rule, or regulation shall be introduced in, or be enacted or adopted in the State, or a decision by any court of competent jurisdiction within the State shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2025 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2025 Bonds to be purchased by it; or

(c) any amendment to the Limited Offering Memorandum is proposed by the District or deemed necessary by Bond Counsel or the Underwriter which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2025 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2025 Bonds to be purchased by it; or

(d) there shall have occurred any outbreak or escalation of hostility, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Underwriter, impractical or inadvisable to proceed with the offering or delivery of the Series 2025 Bonds as contemplated by the Limited Offering Memorandum (exclusive of any amendment or supplement thereto); or

(e) legislation shall be enacted or adopted, or any action shall be taken by, or on behalf of, the Securities and Exchange Commission (the "SEC") which, in the reasonable opinion of Bond Counsel, has the effect of requiring the contemplated distribution of the Series 2025 Bonds to be registered under the Securities Act of 1933, as amended (the "1933 Act"), or the Indenture to be qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), or any laws analogous thereto relating to governmental bodies, and compliance therewith cannot be accomplished prior to the Closing; or

(f) legislation shall be introduced by amendment or otherwise in or be enacted by the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, release, regulation, official statement or no-action letter by or on behalf of the SEC or any other governmental authority having jurisdiction of the subject matter of the Series 2025 Bonds shall have been proposed, issued or made (which is beyond the control of the Underwriter or the District to prevent or avoid) to the effect that the issuance, offering or sale of the Series 2025 Bonds as contemplated hereby or by the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Series 2025 Bonds is or would be in violation of any of the federal securities laws at Closing, including the 1933 Act, as amended and then in effect, the Securities Exchange Act of 1934, as amended and then in effect, or the 1939 Act, as amended and then in effect, or with the purpose or effect of otherwise prohibiting the offering and sale of either the Series 2025 Bonds as contemplated hereby, or of obligations of the general character of the Series 2025 Bonds; or

(g) there shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the District or proceedings under the federal or State bankruptcy laws shall have been instituted by the District, in either case the effect of which, in the reasonable judgment of the Underwriter, is such as to materially and adversely affect the market price or the marketability of the Series 2025 Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Series 2025 Bonds; or

(h) a general banking moratorium shall have been declared by the United States, New York or State authorities which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2025 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2025 Bonds to be purchased by it; or

(i) any national securities exchange or any governmental authority shall impose, as to the Series 2025 Bonds or obligations of the general character of the Series 2025 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the establishment of material restrictions upon trading of securities, including limited or minimum prices, by any governmental authority or by any national securities exchange which, in the reasonable opinion of the Underwriter, materially adversely affects

the market for the Series 2025 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2025 Bonds to be purchased by it; or

(j) legal action shall have been filed against the District wherein an adverse ruling would materially adversely affect the transactions contemplated hereby or by the Limited Offering Memorandum or the validity of the Series 2025 Bonds, the Bond Resolution, the Assessment Resolutions or any of the Financing Documents; provided, however, that as to any such litigation, the District may request and the Underwriter may accept an opinion by Bond Counsel, or other counsel acceptable to the Underwriter, that in such counsel's opinion the issues raised by any such litigation or proceeding are without substance or that the contentions of any plaintiffs therein are without merit; or

(k) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the District's obligations; or

(l) any information shall have become known which, in the Underwriter's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Limited Offering Memorandum, as the information contained therein has been supplemented or amended by other information, or causes the Limited Offering Memorandum, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit 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 and upon the receipt of notice of the same by the District, the District fails to promptly amend or supplement the Limited Offering Memorandum; or

(m) an event occurs as a result of which the Limited Offering Memorandum, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact which is 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 which, in the reasonable opinion of the Underwriter, requires an amendment or supplement to the Limited Offering Memorandum and, in the reasonable opinion of the Underwriter, materially adversely affects the marketability of the Series 2025 Bonds or the contemplated offering prices thereof and upon the receipt of notice of the same by the District, the District fails to promptly amend or supplement the Limited Offering Memorandum; or

(n) the Internal Revenue Service makes a determination with respect to any special purpose development district formed under State law (referred to herein as a "Special District") deeming that all or certain of such Special Districts are not a "political subdivision" for purposes of Section 103(a) of the Internal Revenue Code, and such determination, in the reasonable opinion of the Underwriter, materially adversely affects the federal tax status of the District, the tax exempt character or marketability of the Series 2025 Bonds or the contemplated offering prices thereof.

**10. Expenses.**

(a) The District agrees to pay from the proceeds of the Series 2025 Bonds, and the Underwriter shall be under no obligation to pay, all expenses incident to the performance of the District's obligations hereunder, including but not limited to (1) the cost of the preparation, printing or other reproduction (for distribution prior to, on or after the date of acceptance of this Purchase Agreement) of a reasonable number of copies of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, (2) the fees and disbursements of Bond Counsel, District Counsel, Underwriter's Counsel, Governmental Management Services – Central Florida, LLC, as Assessment Consultant, Honeycutt & Associates, Inc., as Consulting Engineer, and any other experts or consultants retained by the District, including, but not limited to, the fees and expenses of the District Manager and the Dissemination Agent, (3) the fees and disbursements of the Trustee, Registrar and Paying Agent under the Indenture, and (4) out-of-pocket expenses of the District.

(b) The Underwriter shall pay (1) the cost of qualifying the Series 2025 Bonds for sale in various states chosen by the Underwriter and the cost of preparing or printing any Blue Sky and legal investment memoranda to be used in connection with such sale, and (2) out-of-pocket expenses and advertising incurred by it in connection with their offering and distribution of the Series 2025 Bonds.

(c) In the event that either the District or the Underwriter shall have paid obligations of the other as set forth in this Section, adjustment shall be made at or prior to Closing.

**11. Notices.** All notices, demands and formal actions hereunder shall be in writing and mailed or otherwise delivered to:

The Underwriter: MBS Capital Markets, LLC  
152 Lincoln Avenue  
Winter Park, Florida 32789  
Attn: Brett Sealy

The District: Tranquility Community Development District  
c/o Governmental Management Services – Central  
Florida, LLC  
219 East Livingston Street  
Orlando, Florida 32801  
Attn: George S. Flint

Copy to District Counsel: Cobb & Cole, P.A.  
231 North Woodland Boulevard  
DeLand, Florida 32720  
Attn: Mark A. Watts, Esq.

**12. Parties in Interest.** This Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assignees of the District or the Underwriter) and no other party or person shall acquire or have any right hereunder or

by virtue hereof. All representations, warranties, covenants and agreements in this Purchase Agreement shall remain operative and in full force and effect, regardless of (a) any investigations made by or on behalf of the Underwriter, (b) the delivery of and payment for the Series 2025 Bonds pursuant to this Purchase Agreement, or (c) any termination of this Purchase Agreement but only to the extent provided by the last paragraph of Section 8 hereof.

**13. Waiver.** Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in its sole discretion.

**14. Effectiveness.** This Purchase Agreement shall become effective upon the execution of the acceptance hereof by the Chair and shall be valid and enforceable at the time of such acceptance.

**15. Counterparts.** This Purchase Agreement may be executed in several counterparts, each of which shall be regarded as a net original and all of which shall constitute one and the same document.

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

**17. Florida Law Governs.** The validity, interpretation and performance of this Purchase Agreement shall be governed by the laws of the State.

**18. Truth In Bonding Statement.** Pursuant to the provisions of Section 218.385(2) and (3), Florida Statutes, as amended, the Underwriter provides the following truth-in-bonding statement:

(a) The District is proposing to issue \$[Bond Amount].00 of its Series 2025 Bonds for the purposes described in Section 2 hereof. This obligation is expected to be repaid over a period of approximately [30] years. At a true interest cost of approximately [TIC]%, total interest paid over the life of the obligation will be \$[\_\_\_\_\_].

(b) The source of repayment for the Series 2025 Bonds is the Pledged Revenues (as described in Section 2 hereof). Authorizing this obligation will result in an average of approximately \$[\_\_\_\_\_] not being available to finance other services of the District every year for approximately [30] years; provided however, that in the event that the Series 2025 Bonds were not issued, the District would not be entitled to impose and collect the Series 2025 Special Assessments in the amount of the principal of and interest to be paid on the Series 2025 Bonds.

**19. No Advisory or Fiduciary Role.** The District acknowledges and agrees that (a) the purchase and sale of the Series 2025 Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter, (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as an advisor (including, without

limitation, a Municipal Advisor, as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act), agent or fiduciary of the District, (c) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter or any affiliate of the Underwriter has provided other services or is currently providing other services to the District on other matters) and the Underwriter has no obligation to the District with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement, (d) the District has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with the offering of the Series 2025 Bonds, (e) the Underwriter has financial and other interests that differ from those of the District, and (f) the District has received the Underwriter's G-17 Disclosure Letter.

## **20. Establishment of Issue Price.**

(a) The Underwriter agrees to assist the District in establishing the issue price of the Series 2025 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, substantially in the form attached hereto as Exhibit J, 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 2025 Bonds.

(b) Except as otherwise set forth in Exhibit A attached hereto, the District will treat the first price at which 10% of each maturity of the Series 2025 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 Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Series 2025 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2025 Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Series 2025 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing has occurred, until the 10% test has been satisfied as to the Series 2025 Bonds of that maturity or until all Series 2025 Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Series 2025 Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Series 2025 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 2025 Bonds, the Underwriter will neither offer nor sell unsold Series 2025 Bonds of that maturity to any person at a price that is higher than the initial

offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2025 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 2025 Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5<sup>th</sup>) business day after the sale date.

(d) The Underwriter acknowledges that sales of any Series 2025 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;

(2) "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2025 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2025 Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025 Bonds to the public);

(3) a purchaser of any of the Series 2025 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) 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), (B) 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 (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) "sale date" means the date of execution of this Purchase Agreement by all parties.

[Remainder of Page Intentionally Left Blank]

**21. Entire Agreement.** This Purchase Agreement when accepted by you in writing as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the District or the Underwriter). No other person shall acquire or have any right hereunder or by virtue hereof.

Very truly yours,

**MBS CAPITAL MARKETS, LLC**

By: \_\_\_\_\_  
Brett Sealy, Managing Partner

Accepted by:

**TRANQUILITY  
COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
William Allen, Jr., Chair,  
Board of Supervisors

## EXHIBIT A

### MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS†

The purchase price for the Series 2025 Bonds shall be \$[PP] (representing the \$[Bond Amount].00 aggregate principal amount of the Series 2025 Bonds, [less/plus] [net] original issue [discount/premium] of \$[OID/OIP] and less an Underwriter's discount of \$[UD]).

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>
*					
*					
*					

\* Represents maturity for which 10% test has been met as of sale date.

† The District is not responsible for the use of CUSIP numbers, nor is any representation made as to their correctness.

### Redemption Provisions

*Optional Redemption.* The Series 2025 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 2025 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

*Mandatory Sinking Fund Redemption.* The Series 2025 Bond maturing on 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 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% 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>(May 1)</u>	<u>Sinking Fund</u> <u>Installment</u>	<u>Year</u> <u>(May 1)</u>	<u>Sinking Fund</u> <u>Installment</u>
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\* Final maturity

The Series 2025 Bond maturing on 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 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% 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:

<b>Year (May 1)</b>	<b>Sinking Fund Installment</b>	<b>Year (May 1)</b>	<b>Sinking Fund Installment</b>
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\* Final maturity

The Series 2025 Bond maturing on 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 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% 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:

<b>Year (May 1)</b>	<b>Sinking Fund Installment</b>	<b>Year (May 1)</b>	<b>Sinking Fund Installment</b>
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\* Final maturity

The above Sinking Fund Installments are subject to recalculation, as provided in the Master Indenture, as the result of the redemption of Series 2025 Bonds other than in accordance with scheduled Sinking Fund Installments so as to re-amortize the remaining Outstanding principal of Series 2025 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term thereof.

*Extraordinary Mandatory Redemption.* The Series 2025 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any Quarterly Redemption Date, in the manner determined by the Registrar at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption as follows, if and to the extent that any one or more of the following have occurred:

(a) on or after the Completion Date of the Series 2025 Project, pursuant to the Indenture by application of moneys transferred from the Series 2025 Acquisition and Construction Account to the Series 2025 Prepayment Account in accordance with the terms of the Indenture; or

(b) from amounts required by the Indenture to be deposited into the Series 2025 Prepayment Account including, but not limited to, Series 2025 Prepayment Principal and any excess amounts in the Series 2025 Debt Service Reserve Account as a result of the

deposit of such Series 2025 Prepayment Principal and any excess amount on deposit in the Series 2025 Debt Service Reserve Account resulting from a reduction in the Series 2025 Debt Service Reserve Requirement; or

(c) on the date on which the amount on deposit in the Series 2025 Debt Service Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2025 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2025 Bonds shall be called for redemption, the particular Series 2025 Bonds or portions of Series 2025 Bonds to be redeemed shall, unless otherwise provided in the Indenture, be selected by lot by the Registrar as provided in the Indenture.

**EXHIBIT B**

**[\$[Bond Amount] Tranquility Community Development District  
Special Assessment Bonds, Series 2025 (2025 Assessment Area)**

**DISCLOSURE STATEMENT**

[BPA Date]

Tranquility Community Development District  
Titusville, Florida

Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced bonds (the "Series 2025 Bonds"), MBS Capital Markets, LLC (the "Underwriter"), having purchased the Series 2025 Bonds pursuant to a Bond Purchase Agreement, dated [BPA Date] (the "Purchase Agreement"), between the Underwriter and Tranquility Community Development District (the "District"), makes the following disclosures in connection with the limited public offering and sale of the Series 2025 Bonds:

(a) The total underwriting discount paid to the Underwriter pursuant to the Purchase Agreement is \$[\_\_\_\_\_] (approximately [\_\_]%).

(b) The total amount of expenses estimated to be incurred by the Underwriter in connection with the issuance of the Series 2025 Bonds is \$[\_\_\_\_\_]. An itemization of these expenses is attached hereto as Schedule I.

(c) 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 2025 Bonds.

(d) The components of the Underwriter's discount are as follows:

	Per \$1,000	
Management Fee	_____	
Takedown		
Expenses	_____	_____

(e) There are no other fees, bonuses, or other compensation estimated to be paid by the Underwriter in connection with the Series 2025 Bonds to any person not regularly employed or retained by the Underwriter.

(f) The name and address of the Underwriter is set forth below:

MBS Capital Markets, LLC  
152 Lincoln Avenue  
Winter Park, Florida 32789

We understand that you do not require any further disclosure from the Underwriter, pursuant to Section 218.385(6), Florida Statutes.

Very truly yours,

**MBS CAPITAL MARKETS, LLC**

By: \_\_\_\_\_  
Brett Sealy, Managing Partner

## **SCHEDULE I**

### **ESTIMATED EXPENSES TO BE INCURRED BY UNDERWRITER**

Travel Expenses

Communication

Day Loan

Clearance & Settlement Charges

CUSIP / DTC

Contingency

**Total**

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## EXHIBIT C

### FORM OF CERTIFICATE OF DISTRICT

The undersigned, as Chair and Assistant Secretary, respectively, of the Board of Supervisors (the "Board") of Tranquility Community Development District (the "District"), a local unit of special-purpose government duly established and validly existing under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes (the "Act"), hereby certify to MBS Capital Markets, LLC (the "Underwriter") in satisfaction of Section 8(c)(4) of the Bond Purchase Agreement, dated [BPA Date], between the District and the Underwriter (the "Purchase Agreement") in connection with the issuance by the District of its \$[Bond Amount] Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area) (the "Series 2025 Bonds"), as follows (terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement):

1. William Allen, Jr. is the duly appointed and acting Chair of, and Jeremy LeBrun is a duly appointed and acting Assistant Secretary to, the Board, authorized by resolution of the Board pursuant to the Act to be custodian of all bonds, documents and papers filed with the District and the official seal of the District.

2. There is currently one (1) vacancy on the Board. The following named persons are as of the date hereof the duly elected, qualified and acting members of the Board:

<u>Name</u>	<u>Term Expires November</u>
William Allen, Jr.*	2026
Kenneth Belshe*	2026
William Livingston	2028
Clinton Smith III*	2026

\* Affiliated with Carolina Holdings II, LLC, Sunbelt Titusville Investments, LLC, or one of its affiliates.

3. The following named persons are the only designated, elected or appointed, qualified and acting officers of the Board, holding the office of appointment set forth opposite their names, respectively:

<u>Name</u>	<u>Title</u>
William Allen, Jr.	Chair
Kenneth Belshe	Vice Chair
William Livingston	Assistant Secretary
Clinton Smith III	Assistant Secretary
George S. Flint	Secretary
Jeremy LeBrun	Assistant Secretary
Jill Burns	Treasurer
Katie Costa	Assistant Treasurer

Each of said persons since his or her appointment as aforesaid has been and now is the duly designated and qualified officer of the Board holding the office set forth opposite his or her name, if required to file an oath of office, has done so, and if legally required to

give a bond or undertaking has filed such bond or undertaking in form and amount required by law.

4. The seal, an impression of which appears below, is the only proper and official seal of the District.

5. At duly called and held meetings of the Board on March 23, 2022 and August [8], 2025, the Board duly adopted Resolution Nos. 2022-13 and 2025-[ ], respectively (collectively, the "Bond Resolution"), which Bond Resolution remains in full force and effect on the date hereof.

6. At duly called and held meetings of the Board on March 23, 2022, May 11, 2022 and September [ ], 2025, the Board duly adopted Resolution Nos. 2022-14, 2022-15, 2022-22 and 2025-\_\_ (collectively, the "Assessment Resolution"), which Assessment Resolution remains in full force and effect on the date hereof.

7. The above referenced meetings of the Board at which the Bond Resolution and Assessment Resolution were adopted were duly called in accordance with applicable law and at said meetings a quorum was present and acted throughout. All meetings of the Board at which the Board considered any matters related to the Bond Resolution, the Assessment Resolution, the Indenture, the Series 2025 Bonds or any documents related to the issuance of the Series 2025 Bonds have been open to the public and held in accordance with the procedures required by Section 189.015 and Chapter 286, Florida Statutes, and all laws amendatory thereof and supplementary thereto.

8. The District has complied with the provisions of Chapters 170, 190 and 197, Florida Statutes, related to the imposition, levy, collection and enforcement of the Series 2025 Special Assessments.

9. Upon authentication and delivery of the Series 2025 Bonds, the District will not be in default in the performance of the terms and provisions of the Bond Resolution, the Assessment Resolution or the Indenture.

10. Each of the representations and warranties made by the District in the Purchase Agreement is true and accurate on and as of this date.

11. The District has complied with all the agreements and satisfied all the conditions on its part to be complied with on or before the date hereof for delivery of the Series 2025 Bonds pursuant to the Purchase Agreement, the Bond Resolution, the Assessment Resolution and the Indenture.

12. To the best of our knowledge, since the date of the Limited Offering Memorandum, no material or adverse change has occurred in the business, properties, other assets or financial position of the District or results of operations of the District, and to the best of our knowledge, the District has not, since the date of the Limited Offering Memorandum, incurred any material liabilities other than as set forth in or contemplated by the Limited Offering Memorandum.

13. To the best of our knowledge, the statements appearing in the Limited Offering Memorandum did not as of its date and do not as of the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be included therein or necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading; provided, however, that no representation is made with respect to information concerning The Depository Trust Company or its book-entry only system, or concerning information in the Limited Offering Memorandum under the captions "SUITABILITY FOR INVESTMENT," "DESCRIPTION OF THE SERIES 2025 BONDS – Book-Entry Only System," "THE LANDOWNER AND THE DEVELOPER," "THE DEVELOPMENT," "TAX MATTERS," "LITIGATION – Landowner," "CONTINUING DISCLOSURE – Landowner Continuing Compliance," and "UNDERWRITING." Subject to the foregoing limitations, nothing has come to our attention which would lead us to believe that the Limited Offering Memorandum, as of its date or as of the date hereof contained an untrue statement of a material fact, or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

14. Except as set forth in the Limited Offering Memorandum, no litigation or other proceedings are pending or to the knowledge of the District threatened in or before any agency, court or tribunal, state or federal, (a) restraining or enjoining or seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2025 Bonds or the imposition, levy and collection of the Series 2025 Special Assessments or the pledge thereof to the payment of the principal of, premium, if any, and interest on the Series 2025 Bonds, (b) questioning or affecting the validity of any provision of the Series 2025 Bonds, the Bond Resolution, the Assessment Resolution, the Financing Documents or the Series 2025 Special Assessments, (c) questioning or affecting the validity of any of the proceedings or the authority for the authorization, sale, execution or delivery of the Series 2025 Bonds, (d) questioning or affecting the organization or existence of the District or the title of any of its officers to their respective offices or any powers of the District under the laws of the State, (e) contesting or affecting the Series 2025 Special Assessments or the Series 2025 Project, (f) contesting the accuracy or completeness of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or any amendment or supplement thereto, (g) contesting the exclusion of interest on the Series 2025 Bonds from federal income taxation, or (h) contesting the exemption from taxation of the Series 2025 Bonds and the interest thereon under State law or the legality for investment therein.

15. To the best of our knowledge, the interest rates on the Series 2025 Bonds are in compliance with the requirements of Section 215.84(3), Florida Statutes.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, we have executed this certificate and affixed the official seal of the District as of the [ ] day of September, 2025.

(SEAL)

By: \_\_\_\_\_  
William Allen, Jr., Chair,  
Board of Supervisors  
Tranquility Community Development District

By: \_\_\_\_\_  
Jeremy LeBrun, Assistant Secretary,  
Tranquility Community Development District

## **EXHIBIT D**

### **FORM OF DISTRICT COUNSEL OPINION**

[Closing Date]

Tranquility Community Development District  
Titusville, Florida

Governmental Management Services – Central Florida, LLC  
Orlando, Florida

U.S. Bank Trust Company, National Association, as Trustee  
Fort Lauderdale, Florida

Bryant, Miller, Olive, P.A.  
Orlando, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

Re: \$[Bond Amount] Tranquility Community Development District Special  
Assessment Bonds, Series 2025 (2025 Assessment Area) (the "Series 2025  
Bonds")

Ladies and Gentlemen:

We have acted as counsel to the Tranquility Community Development District, a community development district (the "District") established pursuant to Chapter 190, Florida Statutes (the "Act"), and by Ordinance No. 4-2022, enacted by the City Council of the City of Titusville, Florida on February 22, 2022 (the "Ordinance"), in connection with the issuance by the District of the above-described Series 2025 Bonds.

The Series 2025 Bonds are being issued pursuant to the Act and a Master Trust Indenture, dated as of September 1, 2025 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture, dated as of September 1, 2025, between the District and the Trustee (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), and Resolution Nos. 2022-13 and 2025-[ ], adopted by the Board of Supervisors of the District (the "Board") on March 23, 2022 and August [8], 2025, respectively (collectively, the "Bond Resolution"), authorizing the issuance of the Series 2025 Bonds. The Series 2025 Special Assessments comprising the Pledged Revenues have been levied by the District on the lands within the District specially benefited by the Series 2025 Project pursuant to Resolution Nos. 2022-14 and 2022-15 adopted by the Board on March 23, 2022, Resolution No. 2022-22 adopted by the Board on May 11, 2022, and a resolution to be adopted by the Board on September [ ], 2025 (collectively, the "Assessment Resolutions").

Consistent with the requirements of the Indenture and the Act, the Series 2025 Bonds are being issued to (a) finance a portion of the Costs of the Series 2025 Project, (b) pay certain costs associated with the issuance of the Series 2025 Bonds, (c) make a deposit into the Series 2025 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2025 Bonds, and (d) pay the interest to become due on the Series 2025 Bonds through and including November 1, 2025.

In our capacity as counsel to the District, we have examined such documents as we have deemed necessary or appropriate in rendering the opinions set forth below, including, but not limited to (i) the Bond Resolution; (ii) the Assessment Resolutions (which, together with the Bond Resolution, hereinafter, the "District Resolutions"); (iii) the Indenture; (iv) the Bond Purchase Agreement, dated [BPA Date] (the "Purchase Contract"); (v) the Continuing Disclosure Agreement, dated as of [Closing Date] (the "Continuing Disclosure Agreement"); (vi) the [Completion Agreement], dated as of [Closing Date] (the "Completion Agreement"); (vii) the [Acquisition Agreement], dated as of [Closing Date] (the "Acquisition Agreement"); (viii) the [Collateral Assignment], dated as of [Closing Date] (the "Collateral Assignment"), (ix) the [Declaration of Consent to Jurisdiction], dated as of [Closing Date] (the "Declaration"); (x) the [True-Up Agreement], dated [Closing Date] (the "True-Up Agreement"), and (xi) the Preliminary Limited Offering Memorandum, dated [PLOM Date], and the final Limited Offering Memorandum, dated [BPA Date] (collectively, the "Offering Memoranda"), and such other documents as we have deemed necessary or appropriate in rendering the opinions set forth below. The Indenture, the Purchase Contract, the Continuing Disclosure Agreement, the Completion Agreement, the Acquisition Agreement, the Collateral Assignment, the Declaration, the True-Up Agreement and the Offering Memoranda shall be referred to herein as the "Financing Documents."

In rendering the following opinion, we have reviewed certified proceedings, resolutions and documents, have relied, with your approval, as to factual matters that affect our opinion, solely on our examination of such documents (and we have assumed that all statements made therein are true, complete and accurate as of the effective date hereof), and have made no verification of the facts asserted to be true and correct therein.

In rendering our opinion, we have assumed in good faith: (i) the genuineness of the signatures of all persons executing instruments or documents examined or relied upon by us (except for those of the District); (ii) the authenticity of all documents submitted to us as originals; and (iii) the conformity with the original documents of all documents submitted to us as certified or as photostatic or xerographic copies. In addition, we have relied in good faith upon certificates of public officials as to matters contained therein and upon the certificates of the District as to matters of fact. Any opinion expressed herein as being made "to the best of our knowledge" is based upon our having made due inquiry of the District or our having actual knowledge as a result of our representation of the District in other matters, but not upon our having made an independent investigation. We specifically exclude any opinion as to the applicability or effect of any federal or state laws, rules or regulations relating to taxation (including, but not limited to, the taxation of income).

Based on the foregoing, and on current laws, facts, circumstances, and upon such other information and documents furnished to us and such inquiries as we deem necessary or appropriate, and subject to the qualifications and assumptions set forth in this letter, we are of the opinion that:

1. The District has been established and validly exists as a community development district, is an independent local unit of special purpose government under applicable Florida law and is a political subdivision of the State of Florida. The Financing Documents and the Series 2025 Bonds have been duly authorized, executed and delivered, and assuming due execution by the other party(s) thereto, if applicable, the Financing Documents, the Series 2025 Bonds and the District Resolutions constitute legal, valid and binding obligations of the District, enforceable in accordance with their respective terms (except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and transfer, and similar law affecting the rights of creditors' generally, and provided that no opinion need be expressed, nor is, as to the availability of equitable remedies). This does not mean that any particular remedy is available or enforceable upon a material default or that every provision of the referenced documents will be upheld or enforced in any or each circumstance by a court; nevertheless, subject to the bankruptcy and the equitable remedies limitations, such unenforceability will not render the Financing Documents invalid as a whole, or substantially interfere with the practical realization of the principal benefits purported to be provided by the Financing Documents.

2. To the best of our knowledge, there is no action, suit or proceeding at law or in equity by or before any court or public board or body pending or, to our knowledge, threatened against the District: (a) contesting the existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (b) seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2025 Bonds; (c) contesting or affecting, specifically as to the District, the validity or enforceability of the Act or any action of the District related to the authorization for the issuance of the Series 2025 Bonds, the District Resolutions, the Financing Documents or application of the proceeds of the Series 2025 Bonds for the purposes set forth in the Offering Memoranda; (d) specifically contesting the exclusion from federal gross income of interest on the Series 2025 Bonds; or (e) contesting the completeness or accuracy of the Offering Memoranda.

3. The District has duly authorized, executed (excluding the Preliminary Limited Offering Memorandum), and delivered the Offering Memoranda.

4. Based upon our participation in the preparation of the Offering Memoranda as District Counsel, nothing has come to our attention which would lead us to believe that the statements contained in the Offering Memoranda under the captions "INTRODUCTION," "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS," "ENFORCEMENT OF ASSESSMENT COLLECTIONS," "THE DISTRICT" (excluding information contained under the sub-caption, "District Manager and Other Consultants"), "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "VALIDATION," "LITIGATION – District," "CONTINUING DISCLOSURE" (as it relates to the District), "LEGALITY FOR INVESTMENT," and "AGREEMENT BY THE STATE," contains an untrue statement of a material fact or omits to state any material fact necessary to make the statements, in light of the circumstances under which they were made, not misleading.

5. The District is not, to the best of our knowledge, in any manner material to the issuance of the Series 2025 Bonds, the adoption of the Assessment Resolutions, or the execution and delivery of the Financing Documents, in breach of or default under any applicable provision of the Act or constitutional provision, statute, or administrative regulation of the State or the United States, or, to the best of our knowledge, any applicable judgment or decree, any loan agreement, indenture, bond, note, resolution, agreement, or any other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of our knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the District under any such instrument; provided, however, that no opinion is expressed as to compliance with any state or federal tax laws or with any state "Blue Sky" or other securities laws.

6. The execution and delivery of the Series 2025 Bonds, the Financing Documents, and the adoption of the District Resolutions and compliance with the provisions on the District's part contained therein will not conflict with or constitute a breach of or default under any applicable constitutional provision or law, or to the best of our knowledge, under any administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as expressly provided by the Series 2025 Bonds and the Indenture. To the best of our knowledge after due inquiry, the District has taken no action which, with the lapse of time or the giving of notice, or both would constitute a material default or event of default by the District under the Series 2025 Bonds or the Financing Documents.

7. To the best of our knowledge, all consents, permits or licenses, and all notices to or filings with governmental authorities necessary for the consummation by the District of the transactions described in the Offering Memoranda and contemplated by the Financing Documents required to be obtained or made, have been obtained or made or there is no reason to believe they will not be obtained or made when required, provided that no opinion is expressed as to the applicability of or compliance with tax laws, any state "Blue Sky" or other securities laws. Further, except as otherwise described in the Offering Memoranda, (a) we have no knowledge that the Landowner has not received all government permits, consents and licenses required in connection with the construction and completion of the development of the Series 2025 Project and the lands in the District as described in the Offering Memoranda; (b) we have no knowledge of any default of any zoning condition, land use permit or development agreement which would adversely affect the Landowner's ability to complete development of the Series 2025 Project and the lands in the District as described in the Offering Memoranda and all appendices thereto; and (c) we have no knowledge and are not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the development of the lands in the District as described in the Offering Memoranda will not be obtained in due course as required by the Landowner.

8. The District has the right and authority under the Act and other state law to adopt the District Resolutions, to issue the Series 2025 Bonds, and to levy the Series 2025

Special Assessments that will secure the Series 2025 Bonds and has duly adopted the District Resolutions.

9. All proceedings undertaken by the District with respect to the Series 2025 Special Assessments were undertaken in accordance with Florida law, and the District has taken all necessary action as of the date hereof to levy and impose the Series 2025 Special Assessments. The Series 2025 Special Assessments constitute legal, valid, binding and enforceable first liens upon the property against which such Series 2025 Special Assessments are assessed, co-equal with the lien of all state, county, district and municipal taxes and assessments, and superior in dignity to all other non-federal tax liens, titles and claims, until paid.

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

11. The District has the full power and authority to own and operate the Series 2025 Project to the extent not to be conveyed to another governmental entity.

12. All conditions prescribed in the Indenture and the Purchase Contract to be performed by the District as precedent to the issuance of the Series 2025 Bonds have been fulfilled.

We do not express any opinion herein concerning any laws other than the laws of the State of Florida and the federal laws of the United States of America. To the extent that the opinions expressed herein relate to or are dependent upon the determination that the interest on the Series 2025 Bonds is excluded from gross income of the owners of the Series 2025 Bonds for federal income tax purposes, we understand that you are relying upon the opinion of Bryant Miller Olive P.A. delivered on the date hereof, and no opinion is expressed herein as to such matters.

This opinion is rendered solely in connection with the transaction to which this opinion relates, as contemplated by the Indenture and the Financing Documents. This opinion may be relied upon by you only in connection with this transaction and may not be relied upon by any other person or entity (regardless of whether such other person or entity is related or affiliated with you), nor used for any other purpose or published in whole or part, in each instance, without, in each instance, our prior written consent.

Sincerely,

**Mark A. Watts**  
COBB COLE

**EXHIBIT E**  
**FORM OF CERTIFICATE OF ASSESSMENT CONSULTANT**

[Closing Date]

Tranquility Community Development District  
Titusville, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

I, George S. Flint, Vice President of Governmental Management Services – Central Florida, LLC ("GMS-CF"), do hereby certify to Tranquility Community Development District (the "District") and MBS Capital Markets, LLC (the "Underwriter") in connection with the issuance, sale and delivery by the District on this date of its \$[Bond Amount] Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area) (the "Series 2025 Bonds") as follows (terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Limited Offering Memorandum, dated [BPA Date] (the "Limited Offering Memorandum"), of the District relating to the Series 2025 Bonds):

1. GMS-CF has been retained by the District to prepare the Master Assessment Methodology for Tranquility Community Development District, dated May 11, 2022, and the First Supplemental Assessment Methodology for the Series 2025 Project, dated [BPA Date], comprising a part of the assessment proceedings of the District (collectively, the "Report");

2. the Series 2025 Special Assessments when, as and if finally determined in accordance with the methodology set forth in such Report will be sufficient to meet the debt service requirements on the Series 2025 Bonds;

3. the Series 2025 Project provides a special benefit to the properties assessed and the Series 2025 Special Assessments are fairly and reasonably allocated to the properties assessed;

4. GMS-CF consents to the use of the Report included as Appendix B to the Limited Offering Memorandum;

5. GMS-CF consents to the references to the firm in the Limited Offering Memorandum;

6. the Report was prepared in accordance with all applicable provisions of State law;

7. except as disclosed in the Limited Offering Memorandum, GMS-CF knows of no material change in the matters described in the Report and is of the opinion that the considerations and assumptions used in compiling the Report are reasonable; and

8. the information contained in the Report and in the Limited Offering Memorandum under the caption "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" is true and correct in all material respects and such information did not, and does not, contain any untrue statement of a material fact and did not, and does not, omit to state any fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

**IN WITNESS WHEREOF**, the undersigned has executed this certificate as of the date set forth above.

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA, LLC**

By: \_\_\_\_\_  
George S. Flint, Vice President

## **EXHIBIT F**

### **FORM OF CERTIFICATE OF CONSULTING ENGINEER**

[Closing Date]

Tranquility Community Development District  
Titusville, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

Re: Tranquility Community Development District Special Assessment Bonds,  
Series 2025 (2025 Assessment Area) (the "Series 2025 Bonds")

Ladies and Gentlemen:

The undersigned serves as the Consulting Engineer to the Tranquility Community Development District (the "District"). This Certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Agreement, dated [BPA Date], between the District and MBS Capital Markets, LLC (the "Purchase Agreement") relating to the sale of the Series 2025 Bonds. Terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in said Purchase Agreement or in the Limited Offering Memorandum, dated [BPA Date], relating to the Series 2025 Bonds (the "Limited Offering Memorandum").

1. Honeycutt & Associates, Inc. (the "Firm") has been retained by the District to serve as the Consulting Engineer and to prepare the Engineer's Report for Tranquility Community Development District, dated [March 17, 2022], and the Tranquility Community Development District Supplemental Engineer's Report (Series 2025 Project), dated [June 17, 2025] (collectively, the "Report"), included as an appendix to the Limited Offering Memorandum. Consent is hereby given to the references to the Firm and the Report in the Limited Offering Memorandum and to the inclusion of the Report as an appendix to the Limited Offering Memorandum.

2. The Report was prepared in accordance with generally accepted engineering practices. The cost estimates in the Report are fair, reasonable, and consistent with current market conditions, and do not exceed the lesser of the actual costs of completing the Series 2025 Project or fair market value thereof.

3. In connection with the preparation of the Report personnel of the Firm participated in meetings with representatives of the District and its counsel, Bond Counsel, the Underwriter and its counsel and others in regard to the Series 2025 Project. The Series 2025 Project consists solely of infrastructure and other improvements set forth in the Act. Nothing has come to the attention of the Firm in relation to our engagement as described in this paragraph which would cause us to believe that the Report was, as of its date, or is as of the date hereof, or any of the statements in the Limited Offering Memorandum specifically attributed to the Firm were, as of the date of the Limited Offering Memorandum, or are as of the date hereof, inaccurate in any material respect.

4. The information contained in the Limited Offering Memorandum under the heading "THE CAPITAL IMPROVEMENT PROGRAM AND THE SERIES 2025 PROJECT" and in Appendix "A" to the Limited Offering Memorandum are accurate statements and fairly present the information purported to be shown, and nothing has come to the attention of the Firm that would lead it to believe that such section and appendix contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such statements, in light of the circumstances in which they were made, not misleading.

5. Except as described in the Report, all permits, consents or licenses, and all notices to or filings with governmental agencies necessary for the construction and acquisition of the Series 2025 Project as described in the Limited Offering Memorandum required to be obtained or made have been obtained or made or it is reasonable to believe that they will be obtained or made when required. There is no reason to believe that any permits, consents, licenses or governmental approvals required to complete any portion of the Series 2025 Project as described in the Limited Offering Memorandum will not be obtained as required, and there is no reason to believe it is not feasible to complete the Series 2025 Project as planned. There is no reason to believe that the necessary water and sewer capacity will not be available when needed to permit the development of the Development as described in the Limited Offering Memorandum.

**HONEYCUTT & ASSOCIATES, INC.**

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

**EXHIBIT G**  
**FORM OF CERTIFICATE OF DISTRICT MANAGER  
AND DISSEMINATION AGENT**

[Closing Date]

Tranquility Community Development District  
Titusville, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

I, George S. Flint, Vice President of Governmental Management Services – Central Florida, LLC ("GMS-CF"), do hereby certify to Tranquility Community Development District (the "District") and MBS Capital Markets, LLC (the "Underwriter") in connection with the issuance, sale and delivery by the District on this date of its \$[Bond Amount] Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area) (the "Series 2025 Bonds"), as follows (terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Limited Offering Memorandum, dated [BPA Date] (the "Limited Offering Memorandum"), of the District relating to the Series 2025 Bonds):

1. GMS-CF has acted as District Manager to the District in connection with the issuance of the Series 2025 Bonds;

2. GMS-CF consents to the references to the firm in the Limited Offering Memorandum;

3. as District Manager, nothing has come to our attention that would lead us to believe that the Limited Offering Memorandum, as it relates to the District, or any information provided by us, as of its date 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;

4. as District Manager, 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 2025 Bonds, or in any way contesting or affecting the validity of the Series 2025 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 2025 Bonds, or the existence or powers of the District; and

5. GMS-CF has agreed 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. In its capacity as Dissemination Agent, GMS-CF is aware of the continuing disclosure requirements set forth in the Disclosure Agreement and Rule 15c2-12 and GMS-CF has policies and procedures in place to ensure its compliance with its obligations under the Disclosure Agreement.

**IN WITNESS WHEREOF**, the undersigned has executed this certificate as of the date set forth above.

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA, LLC**

By: \_\_\_\_\_  
George S. Flint, Vice President

**EXHIBIT H**  
**FORM OF CERTIFICATE OF LANDOWNER**

[Closing Date]

Tranquility Community Development District  
Titusville, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

The undersigned, the duly authorized representatives of **CAROLINA HOLDINGS II, LLC**, a Nevada limited liability company, and **SUNBELT TITUSVILLE INVESTMENTS, LLC**, a Nevada limited liability company (together, the "Landowner"), the landowner of the lands within The Shores at Tranquility (the "Development"), do hereby certify to the **TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT** (the "District") and **MBS CAPITAL MARKETS, LLC** (the "Underwriter"), that:

1. This Certificate is furnished pursuant to Section 8(c)(19) of the Bond Purchase Agreement, dated [BPA Date], between the District and the Underwriter (the "Purchase Agreement") relating to the sale by the District of its \$[Bond Amount] Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area) (the "Series 2025 Bonds"). Capitalized terms used, but not defined, herein shall have the meanings assigned thereto in the Purchase Agreement.

2. Each entity constituting the Landowner is a limited liability company organized and existing under the laws of the State of Nevada and authorized to do business in the State of Florida.

3. Representatives of the Landowner have provided information to the District and the Underwriter to be used in connection with the offering by the District of the Series 2025 Bonds, pursuant to a Preliminary Limited Offering Memorandum, dated [PLOM Date] (the "Preliminary Limited Offering Memorandum"), and a Limited Offering Memorandum, dated [BPA Date] (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda").

4. The Financing Documents to which the Landowner is a party constitute valid and binding obligations of the Landowner enforceable against the Landowner in accordance with their respective terms.

5. The Landowner has reviewed and approved the information contained in the Limited Offering Memoranda under the captions "THE CAPITAL IMPROVEMENT PROGRAM AND THE SERIES 2025 PROJECT," "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS," "THE LANDOWNER AND THE DEVELOPER," "THE DEVELOPMENT," "LITIGATION – Landowner," and "CONTINUING DISCLOSURE," and with respect to the Landowner and the Development under the captions "INTRODUCTION" and "BONDOWNERS' RISKS" and warrants and represents that such information did not as of its date, 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 light of the circumstances under which they were made, not misleading. In addition, the Landowner is not aware of any other information in the Limited Offering Memoranda that contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

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

7. As of the date hereof, there has been no material adverse change in the business, properties, assets or financial condition of the Landowner which has not been disclosed in the Limited Offering Memoranda and/or in all other information provided by the Landowner to the Underwriter or the District.

8. The Landowner hereby consents to the levy of the Series 2025 Special Assessments on the lands in the District owned by the Landowner. The levy of the Series 2025 Special Assessments on the lands in the District owned by the Landowner will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which the Landowner is a party or to which its property or assets are subject. The Landowner agrees and acknowledges that the Series 2025 Special Assessments are valid and binding first liens on the real property on which they have been levied which is owned by the Landowner.

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

10. The Landowner acknowledges that the Series 2025 Bonds have the debt service requirements set forth in the Limited Offering Memorandum and that the Series 2025 Special Assessments will be levied by the District at times, and in amounts sufficient, to enable the District to pay debt service on the Series 2025 Bonds when due.

11. To the best of my knowledge, the Landowner is not in default under any other resolution, ordinance, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which the Landowner is subject or by which the Landowner or its properties are or may be bound, which would have a material adverse effect on the consummation of the transactions contemplated by the Financing Documents or on the Development, and further, the Landowner is current in the payment of all ad valorem, federal and state taxes associated with the Development.

12. Except as otherwise disclosed in the Limited Offering Memoranda, there is no action, suit or 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 Landowner (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of the Financing

Documents to which the Landowner is a party, (b) contesting or affecting the validity or enforceability of the Financing 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 Landowner, or of the Landowner's business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Landowner.

13. To the best of my knowledge after due inquiry, the Landowner is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Development as described in the Limited Offering Memoranda, including applying for all necessary permits. Except as otherwise described in the Limited Offering Memoranda, (a) the Development is zoned and properly designated for its intended use, (b) all government permits other than certain permits, which permits are expected to be received as needed, have been received, (c) the Landowner is not aware of any default of any zoning condition, permit or development agreement which would adversely affect the Landowner's ability to complete or cause the completion of development of the Development as described in the Limited Offering Memoranda and all appendices thereto, and (d) there is no reason to believe that any permits, consents and licenses required to complete the Development as described in the Limited Offering Memoranda will not be obtained as required.

14. The Landowner acknowledges that it will have no rights under Chapter 170, Florida Statutes, to prepay, without interest, the Series 2025 Special Assessments imposed on lands in the District owned by the Landowner within thirty (30) days following completion of the Series 2025 Project and acceptance thereof by the District.

15. The Landowner has never failed to timely comply with disclosure obligations pursuant to SEC Rule 15c2-12, other than as noted in the Limited Offering Memorandum under the heading "CONTINUING DISCLOSURE" and the Landowner is not insolvent.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, the undersigned has executed this certificate for and on behalf of the Landowner as of the date set forth above.

**CAROLINA HOLDINGS II, LLC**,  
a Nevada limited liability company

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

**SUNBELT TITUSVILLE INVESTMENTS,  
LLC**, a Nevada limited liability company

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

## **EXHIBIT I**

### **FORM OF OPINION OF COUNSEL TO LANDOWNER**

[Closing Date]

Tranquility Community Development District  
Titusville, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

Re:     \$[Bond Amount] Tranquility Community Development District Special  
Assessment Bonds, Series 2025 (2025 Assessment Area) (the "Bonds")

Ladies and Gentlemen:

I am counsel to Carolina Holdings II, LLC, a Nevada limited liability company and Sunbelt Titusville Investments, LLC, a Nevada limited liability company (together, the "Landowner"), in connection with the issuance by Tranquility Community Development District (the "District") of the above-referenced Bonds as described in the District's Preliminary Limited Offering Memorandum, dated [PLOM Date] (the "Preliminary Limited Offering Memorandum"), and the Limited Offering Memorandum, dated [BPA Date] (the "Limited Offering Memorandum"). Unless otherwise expressly defined herein, capitalized terms used herein have the respective meanings assigned to them in the Limited Offering Memorandum or in the Bond Purchase Agreement between the District and MBS Capital Markets, LLC, dated [BPA Date].

In my capacity as counsel to the Landowner, I have examined such documents and have made such examination of laws as I have deemed necessary or appropriate in rendering the opinions set forth below.

In basing my opinions and other matters set forth herein on "my knowledge", the words "my knowledge" signify that, in the course of my role as counsel to the Landowner, no information has come to my attention that would give me actual knowledge or actual notice that any such opinions or other matters are not accurate or that any of the foregoing documents, certificates, reports, and information on which I have relied are not accurate and complete. Except as otherwise stated herein, I have undertaken no independent investigation or verification of such matters.

In my representation of the Landowner, I have examined only the documents provided to me in rendering the opinions set forth below. I have further relied upon certificates and representations made by the Landowner, the Landowner's representatives and the parties to this transaction described in the Limited Offering Memorandum.

In rendering this opinion, I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as certified, conformed or photostatic copies, and the legal capacity of all natural persons. As to any fact relevant to this opinion, I have

relied solely upon representations of the Landowner and its engineers. Except to the extent expressly set forth herein, I have not undertaken any independent investigation to determine the existence or absence of any such facts, and no inference as to my knowledge of the existence of such facts should be drawn from the fact of my representation of the Landowner.

This opinion is submitted with the following qualifications:

1. With respect to the enforceability of obligations under any instruments, all rights and remedies may be limited by (a) the Bankruptcy Code, insolvency, reorganization and moratorium laws and other laws, state or federal, now or hereafter in effect, which generally affect the enforcement of mortgagees' and creditors' rights, and (b) general equitable principles which limit specific enforcement of or indemnification provisions in the documents, or which provide for the appointment of a receiver.

2. I have further assumed that all documents which we have examined are binding upon the District and/or the Trustee, as applicable, so that all such instruments have mutuality of binding effect, and, in such connection, I have assumed proper corporate power, due authorization, execution and delivery by the District and the Trustee.

3. No opinion is expressed herein with respect to the Federal securities laws or the securities laws of the State of Florida.

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

5. With respect to any opinion concerning certain land uses, zoning, permits, and approvals obtained with respect to the Development, I point out that in many cases zoning and land use codes are subject to varying interpretations and internal and it is not possible to render opinions as a matter of law regarding the manner in which certain requirements of the comprehensive land use statutes or the applicable county zoning and land use codes may be applied or enforced in any particular instance.

Based upon and subject to the assumptions, limitations and qualifications contained herein, I am of the opinion that, as of this date:

1. Each entity constituting the Landowner is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Nevada and authorized to do business in the State of Florida.

2. The Landowner has the power and authority to conduct its business. In addition, Carolina Holdings II, LLC has the power and authority to undertake the development of the Development as described in the Limited Offering Memorandum.

3. The execution, delivery, and performance by the Landowner of the Financing Documents to which it is a party (the "Landowner Documents"), and any other documents to which it is a party contemplated within, or required by, the Landowner Documents, are within the Landowner's power and authority and have been duly authorized by all required company action.

4. The Landowner Documents are each in full force and effect, are the legal, valid, and binding obligations of the Landowner, enforceable in accordance with their respective terms, and to my knowledge no event has occurred under such instruments which constitutes, or which with the passage of time, the giving of notice, or both, would constitute, an event of default thereunder.

5. The execution and delivery by the Landowner of the Landowner Documents do not violate (a) the Landowner's organizational and operating documents, (b) any agreement, instrument or federal or Florida law, rule or regulation known to us to which the Landowner is a party or by which the Landowner's assets are or may be bound, or (c) any judgment, decree or order of any administrative tribunal, which judgment, decree, or order is binding on the Landowner or its assets.

6. The Landowner is not in default under its organizational or operating documents or under its company resolutions and/or affidavits, and, to my knowledge, no notice of default has been received from any applicable governmental authority having jurisdiction over the Development, which default would have a material adverse effect on the Bonds or the Development.

7. To my knowledge, the Landowner is not in default under any mortgage, trust indenture, lease, or other instrument to which it or any of its assets is subject, which default would have a material adverse effect on the Bonds or the Development.

8. The levy of the Series 2025 Special Assessments on the lands within the Development that are owned by the Landowner to secure the repayment of the Bonds (the "Landowner Lands") will not conflict with or constitute a breach of or default under any existing agreement, indenture, or other instrument to which the Landowner is a party or to which its property or assets is subject.

9. To my knowledge, there is no action, suit or proceeding at law or in equity by or before any court or public board or body pending or threatened against the Landowner: (a) seeking to restrain or enjoin the Landowner from executing and delivering the Landowner Documents; (b) contesting the validity or enforceability of the Landowner Documents or the transactions contemplated thereunder; (c) contesting or affecting the existence of the Landowner or the election or appointment of any of its officers or members; or (d) contesting or affecting any of the corporate powers of the Landowner which would impact its assets or financial condition in such manner as to materially adversely affect the Landowner's ability to perform its obligations under the Landowner Documents as to the development of the Development as described in the Limited Offering Memorandum.

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

11. Nothing has come to my attention that would lead me to believe that the information contained in the Limited Offering Memorandum under the captions "THE LANDOWNER AND THE DEVELOPER" and "THE DEVELOPMENT" and, as it pertains to the Landowner, "LITIGATION" and "CONTINUING DISCLOSURE," does not accurately and fairly present the information purported to be shown or contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading as of the date of the Limited Offering Memorandum and as of the date hereof.

12. The property on which the Landowner will construct the Series 2025 Project is zoned and, to my knowledge has, or will have in the ordinary course of business, all other approvals and permits to permit the construction of the Series 2025 Project as described in the Limited Offering Memorandum. Except as disclosed in the Limited Offering Memorandum, to my knowledge, there is no default by the Landowner of any zoning condition, permit or development agreement which would adversely affect the Landowner's ability to complete construction of the Series 2025 Project or development of the Development as described in the Limited Offering Memorandum.

13. Based on a review of that certain title opinion, dated [\_\_\_\_\_] (the "Title Report") and without independent inquiry, fee simple title to the Landowner Lands on which the Series 2025 Project will be developed is held by the Landowner and is subject only to the liens, encumbrances, easements and agreements set forth in such Title Report, none of which will impede in any material respect the development of the Development as described in the Limited Offering Memorandum or the development of the infrastructure needed for the Development. The opinion in this paragraph is given as of the date of the Title Report and, to the best of my knowledge as of the date hereof, there has been no material change thereto since the date of the Title Report.

14. Based upon my review of the published tax records of Brevard County, Florida, all 2024 and prior year taxes relating to the Landowner Lands have been paid and there are no real estate taxes currently due which are unpaid.

This opinion is solely for the benefit of the addressees and this opinion may not be relied upon in any manner, or used, by any other persons or entities.

Sincerely,

William I. Livingston, Esquire  
Florida Bar No. 0163403

## EXHIBIT J

### FORM OF ISSUE PRICE CERTIFICATE

#### TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT \$[Bond Amount] Special Assessment Bonds, Series 2025 (2025 Assessment Area)

The undersigned, on behalf of **MBS CAPITAL MARKETS, LLC** ("MBS"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Series 2025 Bonds"). Capitalized terms shall have the meanings ascribed in Section 2 hereof.

MBS and the District entered into a Bond Purchase Agreement on the Sale Date in connection with the sale of the Series 2025 Bonds (the "Purchase Agreement"). Pursuant to the terms of the Purchase Agreement, MBS made a bona fide limited offering of the Series 2025 Bonds to a portion of the Public representing accredited investors as required by Florida law at the prices or yields for each such maturity as shown on the cover page of the Limited Offering Memorandum, dated [BPA Date], relating to the Series 2025 Bonds.

1. Sale of the Series 2025 Bonds. As of the date of this certificate, for each Maturity of the Series 2025 Bonds, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Defined Terms.

(a) *District* means Tranquility Community Development District.

(b) *Maturity* means Series 2025 Bonds with the same credit and payment terms. Series 2025 Bonds with different maturity dates, or Series 2025 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Series 2025 Bonds. The Sale Date of the Series 2025 Bonds is [BPA Date].

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District to participate in the initial sale of the Series 2025 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2025 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2025 Bonds to the Public).

3. Reserve Account. A reserve account in an amount equal to the Series 2025 Debt Service Reserve Requirement was necessary in order to market and sell the Series 2025 Bonds given the nature of the Series 2025 Bonds which are secured by special assessments and the delinquent assessment collection procedures related thereto.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents MBS' interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Arbitrage Certificate executed by the District in connection with the issuance, sale and delivery of the Series 2025 Bonds and with respect to compliance with the federal income tax rules affecting the Series 2025 Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Series 2025 Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Series 2025 Bonds.

**MBS CAPITAL MARKETS, LLC**

By: \_\_\_\_\_  
Brett Sealy, Managing Partner

Dated: [Closing Date]

**SCHEDULE A**  
**SALE PRICES OF THE SERIES 2025 BONDS**  
*(Attached)*

**EXHIBIT C**

**FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM**

**PRELIMINARY LIMITED OFFERING MEMORANDUM DATED AUGUST [ ], 2025**

**NEW ISSUE – BOOK-ENTRY ONLY  
LIMITED OFFERING**

**NOT RATED**

*In the opinion of Bond Counsel, assuming compliance by the District with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and is not an item of tax preference for purposes of the federal alternative minimum tax; however, interest on the Series 2025 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. See "TAX MATTERS" herein for a description of other tax consequences to holders of the Series 2025 Bonds.*

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
(City of Titusville, Florida)  
\$6,790,000\* Special Assessment Bonds, Series 2025  
(2025 Assessment Area)**

**Dated: Date of original issuance**

**Due: May 1, as shown below**

The \$6,790,000\* Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area) (the "Series 2025 Bonds"), are being issued by the Tranquility Community Development District (the "District") pursuant to a Master Trust Indenture dated as of September 1, 2025 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of September 1, 2025, between the District and the Trustee (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"). Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

The Series 2025 Bonds are being issued only in fully registered form, in denominations of \$5,000 or any integral multiple thereof; provided however, that the Series 2025 Bonds shall be delivered to the initial purchasers thereof in aggregate principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000. The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes (the "Act"), the Florida Constitution, and other applicable provisions of law, and established by Ordinance No. 4-2022, enacted by the City Council of the City of Titusville, Florida (the "City") on February 22, 2022 (the "Ordinance"). The Series 2025 Bonds are payable from and secured by the Pledged Revenues (as defined herein), which consist primarily of the revenues received by the District from non-ad valorem special assessments levied against certain lands within the District. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS" herein.

The Series 2025 Bonds, when issued, will be registered in the name of Cede & Co., as the Owner and nominee for The Depository Trust Company ("DTC"). Purchases of beneficial interests in the Series 2025 Bonds will be made in book-entry only form. Accordingly, principal of and interest on the Series 2025 Bonds will be paid from the sources provided herein by the Trustee directly to Cede & Co. as the nominee of DTC and the registered Owner thereof. Disbursements of such payments to the Direct Participants (as defined herein) is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the

responsibility of the Direct Participants and Indirect Participants (as defined herein), as more fully described herein. Any purchaser as a Beneficial Owner of a Series 2025 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 2025 Bond. See "DESCRIPTION OF THE SERIES 2025 BONDS – Book-Entry Only System" herein. The Series 2025 Bonds will bear interest at the fixed rates set forth below, calculated on the basis of a 360-day year of twelve 30-day months. Interest on the Series 2025 Bonds is payable semi-annually on each May 1 and November 1, commencing November 1, 2025.

**The Series 2025 Bonds are subject to optional, mandatory and extraordinary mandatory redemption at the times, in the amounts and at the redemption prices as more fully described herein. See "DESCRIPTION OF THE SERIES 2025 BONDS – Redemption Provisions" herein.**

The Series 2025 Bonds are being issued to (a) finance a portion of the Costs of the Series 2025 Project (as defined herein), (b) pay certain costs associated with the issuance of the Series 2025 Bonds, (c) make a deposit into the Series 2025 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2025 Bonds, and (d) pay the interest to become due on the Series 2025 Bonds through and including November 1, 2025.

THE SERIES 2025 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE CITY, BREVARD COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2025 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2025 SPECIAL ASSESSMENTS (AS DEFINED HEREIN) TO SECURE AND PAY THE SERIES 2025 BONDS. THE SERIES 2025 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE CITY, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

THE SERIES 2025 BONDS INVOLVE A DEGREE OF RISK (SEE "BONDOWNERS' RISKS" HEREIN) AND ARE NOT SUITABLE FOR ALL INVESTORS (SEE "SUITABILITY FOR INVESTMENT" HEREIN). THE UNDERWRITER IS LIMITING THE OFFERING OF THE SERIES 2025 BONDS TO ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. HOWEVER, THE LIMITATION OF THE INITIAL OFFERING OF THE SERIES 2025 BONDS TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2025 BONDS. THE SERIES 2025 BONDS ARE NOT CREDIT ENHANCED AND ARE NOT RATED AND NO APPLICATION HAS BEEN MADE FOR CREDIT ENHANCEMENT OR A RATING WITH RESPECT TO THE SERIES 2025 BONDS, NOR IS THERE ANY REASON TO BELIEVE THAT THE DISTRICT WOULD HAVE BEEN SUCCESSFUL IN OBTAINING EITHER CREDIT ENHANCEMENT OR A RATING FOR THE SERIES 2025 BONDS HAD APPLICATION BEEN MADE.

This cover page contains information for quick reference only. It is not, and is not intended to be, a summary of the Series 2025 Bonds. Investors must read this entire Limited Offering Memorandum, including the appendices attached hereto, to obtain information essential to the making of an informed investment decision.

**PRINCIPAL AMOUNTS, INTEREST RATES, MATURITY DATES,  
YIELDS, PRICES AND INITIAL CUSIP NUMBERS†**

\$ _____	____%	Term Series 2025 Bond Due May 1, 20__	Yield ____%	Price ____	CUSIP No.† _____
\$ _____	____%	Term Series 2025 Bond Due May 1, 20__	Yield ____%	Price ____	CUSIP No.† _____
\$ _____	____%	Term Series 2025 Bond Due May 1, 20__	Yield ____%	Price ____	CUSIP No.† _____

*The Series 2025 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to the receipt of the opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, as to the validity of the Series 2025 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Cobb & Cole, P.A., DeLand, Florida, for the Landowner (as defined herein) by its counsel, William Livingston, Esq., Flagler Beach, Florida, for the Trustee by its counsel, Aponte & Associates Law Firm, P.L.L.C., Orlando, Florida, and for the Underwriter by its counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida. It is expected that the Series 2025 Bonds will be available for delivery through the facilities of DTC on or about \_\_\_\_\_, 2025.*

**MBS Capital Markets, LLC**

Dated: \_\_\_\_\_, 2025

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\* Preliminary, subject to change.

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

## **RED HERRING LANGUAGE**

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. The Series 2025 Bonds may not be sold nor may offers to buy be accepted prior to the time the Limited Offering Memorandum is delivered in final form. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the Series 2025 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

# **TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT**

## **BOARD OF SUPERVISORS\***

William Allen, Jr.<sup>†</sup>, Chair  
Kenneth Belshe<sup>†</sup>, Vice Chair  
William Livingston, Assistant Secretary  
Clinton Smith III<sup>†</sup>, Assistant Secretary

## **DISTRICT MANAGER/ASSESSMENT CONSULTANT**

Governmental Management Services – Central Florida, LLC  
Orlando, Florida

## **DISTRICT COUNSEL**

Cobb & Cole, P.A.  
DeLand, Florida

## **CONSULTING ENGINEER**

Honeycutt & Associates, Inc.  
Titusville, Florida

## **BOND COUNSEL**

Bryant Miller Olive P.A.  
Orlando, Florida

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\* There is currently one (1) vacancy on the Board.

<sup>†</sup> Affiliate or employee of the Landowner (as defined herein).

## **REGARDING USE OF THIS LIMITED OFFERING MEMORANDUM**

No dealer, broker, salesperson or other person has been authorized by the District, the City of Titusville, Florida, Brevard County, Florida, the State of Florida or the Underwriter (as defined herein) to give any information or to make any representations other than those contained in this Limited Offering Memorandum and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2025 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 District, the District Manager, the Consulting Engineer, the Assessment Consultant, the Landowner (each as defined herein) and other sources that are believed by the Underwriter to be reliable.

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.

At closing, the District, the District Manager, the Consulting Engineer, the Assessment Consultant, and the Landowner will each deliver certificates certifying that certain of the information supplied by each does not contain any untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information and expressions of opinion herein 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 with respect to the matters described herein since the date hereof.

The Series 2025 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 2025 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 of Titusville, Florida, Brevard County, Florida, the State of Florida, nor any of its subdivisions or agencies have guaranteed or passed upon the merits of the Series 2025 Bonds, upon the probability of any earnings thereon or upon the accuracy or adequacy of this Limited Offering Memorandum.

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "anticipate," "budget," or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The

District and the Landowner do not plan to issue any updates or revisions to those forward-looking statements if or when any of their expectations, events, conditions or circumstances on which such statements are based occur, other than as described under "CONTINUING DISCLOSURE" herein.

The order and placement of materials in this Limited Offering Memorandum, including the appendices, are not to be deemed a determination of relevance, materiality or importance, and this Limited Offering Memorandum, including the appendices, must be considered in its entirety. The captions and headings in this Limited Offering Memorandum are for convenience of reference only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Limited Offering Memorandum.

This Limited Offering Memorandum is being provided to prospective purchasers in electronic format on the following websites: [www.munios.com](http://www.munios.com) and [www.emma.msrb.org](http://www.emma.msrb.org). This Limited Offering Memorandum may be relied upon only as printed in its entirety directly from either of such websites.

References to website addresses presented herein are for information purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Limited Offering Memorandum for any purpose, including for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

This Limited Offering Memorandum is not, and shall not be deemed to constitute, an offer to sell, or the solicitation of an offer to buy, real estate, which may only be made pursuant to offering documents satisfying applicable federal and state laws relating to the offer and sale of real estate.

This Preliminary Limited Offering Memorandum is in a form deemed final by the District for purposes of Rule 15c2-12 issued 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**

**relating to**

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
(City of Titusville, Florida)  
\$6,790,000\* Special Assessment Bonds, Series 2025  
(2025 Assessment Area)**

## **INTRODUCTION**

The purpose of this Limited Offering Memorandum, including the cover page and appendices hereto, is to set forth certain information concerning the Tranquility Community Development District (the "District") in connection with the offering and issuance by the District of its \$6,790,000\* Tranquility Community Development District Special Assessment Bonds, Series 2025 (2025 Assessment Area) (the "Series 2025 Bonds").

The Series 2025 Bonds are being issued pursuant to the Act (hereinafter defined), a Master Trust Indenture dated as of September 1, 2025 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of September 1, 2025, between the District and the Trustee (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), and resolutions adopted by the Board of Supervisors of the District (the "Board") on March 23, 2022 and August [8], 2025, authorizing the issuance of the Series 2025 Bonds. 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, the form of which appears in composite APPENDIX C attached hereto.

The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes (the "Act"), the Florida Constitution, and other applicable provisions of law, and established by Ordinance No. 4-2022, enacted by the City Council of the City of Titusville, Florida (the "City") on February 22, 2022 (the "Ordinance"). See "THE DISTRICT" herein. The District was established for the purpose, among other things, of financing and managing the design, acquisition, construction, maintenance, and operation of systems, facilities and basic infrastructure within and without the boundaries of the premises to be governed by the District.

The boundaries of the District include approximately 346 acres of land (the "District Lands") located entirely within the City within Brevard County, Florida (the "County"), anticipated to be developed into 2,404 residential units, 280,000 square feet of commercial space, a 270-room hotel, various recreational amenities and a marina. Of the 2,404 residential units planned within the District, 269 single-family residential units within the first three (3) phases of the District ("Phases 1 through 3") will be subject to the Series 2025 Special Assessments (hereinafter defined) securing the Series 2025 Bonds (such 269 single-family residential units hereinafter referred to as the "2025 Assessment Area"). The capital improvement program for the District (the "CIP") consists of certain infrastructure

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\* Preliminary, subject to change.

improvements for the benefit of the District Lands, including onsite and offsite roadway improvements, stormwater management, water and sewer, parks, open space and amenities, landscaping and irrigation, and mitigation. The portion of the CIP benefiting Phases 1 through 3 is hereinafter referred to as the "Series 2025 Project." See "THE CAPITAL IMPROVEMENT PROGRAM AND THE SERIES 2025 PROJECT" and "THE DEVELOPMENT" herein.

The Act authorizes the District to issue bonds for the purposes, among others, of financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping, operating and maintaining water management, water supply, sewer and wastewater management, bridges or culverts, district roads, recreational facilities and other basic infrastructure projects within or without the boundaries of the District, all as provided in the Act.

Under the Constitution and laws of the State of Florida (the "State"), including the Act, the District has the power and authority to levy non-ad valorem assessments upon the District Lands and to issue bonds for the purposes of providing community development services and facilities, including those financed with the proceeds of the Series 2025 Bonds as described herein.

Consistent with the requirements of the Indenture and the Act, the Series 2025 Bonds are being issued to (a) finance a portion of the Costs of the Series 2025 Project, (b) pay certain costs associated with the issuance of the Series 2025 Bonds, (c) make a deposit into the Series 2025 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2025 Bonds, and (d) pay the interest to become due on the Series 2025 Bonds through and including November 1, 2025.

The Series 2025 Bonds are payable from and secured by the Pledged Revenues, which is defined in the Supplemental Indenture to mean (a) all revenues received by the District from the Series 2025 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2025 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2025 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2025 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues shall not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon, and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A) and (B) of this proviso).

"Series 2025 Special Assessments" is defined in the Supplemental Indenture to mean the Special Assessments levied on that portion of the District Lands specially benefitted by the Series 2025 Project or any portion thereof, which assessments correspond in amount to the debt service on the Series 2025 Bonds.

"Special Assessments" is defined in the Master Indenture to mean (a) the net proceeds derived from the levy and collection of "special assessments," as provided for in Sections

190.011(14) and 190.022 of the Act (except for any such special assessments levied and collected for operation and maintenance purposes), against the District Lands that are subject to assessment as a result of a particular Project or any portion thereof, and (b) the net proceeds derived from the levy and collection of "benefit special assessments," as provided for in Section 190.021(2) of the Act, against the District Lands that are subject to assessment as a result of a particular Project or any portion thereof, and in the case of both "special assessments" and "benefit special assessments," including the interest and penalties on such assessments, pursuant to all applicable provisions of the Act and Chapter 170, Florida Statutes, and Chapter 197, Florida Statutes (and any successor statutes thereto), including, without limitation, any amount received from any foreclosure proceeding for the enforcement of collection of such assessments or from the issuance and sale of tax certificates with respect to such assessments, less (to the extent applicable) the fees and costs of collection thereof payable to the Tax Collector (hereinafter defined) and less certain administrative costs payable to the Property Appraiser (hereinafter defined) pursuant to the Property Appraiser and Tax Collector Agreement. "Special Assessments" shall not include "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act.

The Series 2025 Special Assessments represent an allocation of the costs of the Series 2025 Project, including bond financing costs, to certain of the District Lands benefiting from the Series 2025 Project in accordance with the Assessment Report (hereinafter defined). The Assessment Report and Assessment Resolutions (collectively, the "Assessment Proceedings") permit the prepayment in part or in full of the Series 2025 Special Assessments at any time without penalty, together with interest at the rate on the corresponding Series 2025 Bonds to the Quarterly Redemption Date that is more than forty-five (45) days next succeeding the date of prepayment. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX B – ASSESSMENT REPORT" attached hereto.

Subsequent to the issuance of the Series 2025 Bonds, the District may cause one or more Series of Bonds to be issued pursuant to the Master Indenture, subject to the terms and conditions thereof. Bonds may be issued for the purpose of financing the Cost of acquisition or construction of a Project or to refund all or a portion of a Series of Bonds. The District covenants and agrees in the Supplemental Indenture that other than Bonds issued to refund the Outstanding Series 2025 Bonds, the District shall not, while any Series 2025 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Pledged Revenues. The District further covenants and agrees in the Supplemental Indenture that so long as the Series 2025 Bonds are Outstanding, the District will not impose debt service Special Assessments for capital projects on any lands then subject to the Series 2025 Special Assessments without the written consent of the Majority Owners; provided, however, such consent shall not be required if the Series 2025 Special Assessments have been Substantially Absorbed, evidence of which shall be provided by the District to the Trustee in a written certificate upon which the Trustee may conclusively rely. The Trustee shall have no duty to verify if the Series 2025 Special Assessments are Substantially Absorbed and in the absence of a certification as provided above can assume that the Series 2025 Special Assessments have not been Substantially Absorbed. Notwithstanding the foregoing, the District is not precluded from imposing capital assessments (or the issuance of Bonds secured by such capital assessments) on property then subject to the Series 2025 Special 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. "Substantially Absorbed" is defined in the Supplemental Indenture to mean the date on

which a principal amount of the Series 2025 Special Assessments equaling at least ninety percent (90%) of the then Outstanding principal amount of the Series 2025 Bonds are levied on the District Lands with respect to which a certificate of occupancy has been issued for a structure thereon. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS – No Parity Bonds; Limitation on Parity Liens" herein.

There follows in this Limited Offering Memorandum a brief description of the District, the Development (hereinafter defined) and the 2025 Assessment Area, together with summaries of the terms of the Series 2025 Bonds, the Indenture and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and statutes and all references to the Series 2025 Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture, the form of which appears in composite APPENDIX C attached hereto.

## **SUITABILITY FOR INVESTMENT**

Investment in the Series 2025 Bonds poses certain economic risks. No dealer, broker, salesperson or other person has been authorized by the District or MBS Capital Markets, LLC (the "Underwriter"), to give any information or make any representations, other than those contained in this Limited Offering Memorandum. Additional information will be made available to each prospective investor, including the benefit of a site visit to the District, and the opportunity to ask questions of the District, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the Series 2025 Bonds. Prospective investors are encouraged to request such additional information, visit the District and ask such questions.

While the Series 2025 Bonds are not subject to registration under the Securities Act of 1933, as amended (the "Securities Act"), the Underwriter has determined that the Series 2025 Bonds are not suitable for investment by persons other than, and, as required by Chapter 189, Florida Statutes, will offer the Series 2025 Bonds only to, "accredited investors," as such term is defined in Chapter 517, Florida Statutes, and the rules promulgated thereunder. However, the limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2025 Bonds. Prospective investors in the Series 2025 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 2025 Bonds and should have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment.

## **DESCRIPTION OF THE SERIES 2025 BONDS**

### **General**

The Series 2025 Bonds are issuable as fully registered bonds, without coupons, in denominations of \$5,000 or any integral multiple thereof; provided however, that the Series 2025 Bonds shall be delivered to the initial purchasers thereof in aggregate principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000.

The Series 2025 Bonds will be dated their date of issuance and delivery to the initial purchasers thereof and will bear interest payable on each May 1 and November 1, commencing November 1, 2025 (each, an "Interest Payment Date") and shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The Series 2025 Bonds will mature on May 1 of such years, in such amounts and at such rates as set forth on the cover page of this Limited Offering Memorandum.

Interest on the Series 2025 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2025 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to November 1, 2025, in which case from the date of original issuance of the Series 2025 Bonds, or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

Except as otherwise provided in the Supplemental Indenture in connection with a book-entry only system of registration of the Series 2025 Bonds, the principal or Redemption Price of the Series 2025 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2025 Bonds. Except as otherwise provided in the Supplemental Indenture in connection with a book-entry only system of registration of the Series 2025 Bonds, the payment of interest on the Series 2025 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2025 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at such Owner's address as it appears on the Bond Register. Any interest on any Series 2025 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Series 2025 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5<sup>th</sup>) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2025 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date.

The Series 2025 Bonds will initially be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), which will act initially as securities depository for the Series 2025 Bonds and, so long as the Series 2025 Bonds are held in book-entry only form, Cede & Co. will be considered the registered Owner for all purposes hereof. See "- Book-Entry Only System" below for more information about DTC and its book-entry only system.

## Redemption Provisions

*Optional Redemption.* The Series 2025 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 2025 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

*Mandatory Sinking Fund Redemption.* The Series 2025 Bond maturing on 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 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% 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 (May 1)</u>	<u>Sinking Fund Installment</u>	<u>Year (May 1)</u>	<u>Sinking Fund Installment</u>
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\* Final maturity

The Series 2025 Bond maturing on 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 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% 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 (May 1)</u>	<u>Sinking Fund Installment</u>	<u>Year (May 1)</u>	<u>Sinking Fund Installment</u>
-------------------------	-------------------------------------	-------------------------	-------------------------------------

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\* Final maturity

The Series 2025 Bond maturing on 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 2025 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking

Fund Installments at the Redemption Price of 100% 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:

<b>Year (May 1)</b>	<b>Sinking Fund Installment</b>	<b>Year (May 1)</b>	<b>Sinking Fund Installment</b>
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\* Final maturity

The above Sinking Fund Installments are subject to recalculation, as provided in the Master Indenture, as the result of the redemption of Series 2025 Bonds other than in accordance with scheduled Sinking Fund Installments so as to re-amortize the remaining Outstanding principal of Series 2025 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term thereof.

*Extraordinary Mandatory Redemption.* The Series 2025 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any Quarterly Redemption Date, in the manner determined by the Registrar at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption as follows, if and to the extent that any one or more of the following have occurred:

(a) on or after the Completion Date of the Series 2025 Project, pursuant to the Indenture by application of moneys transferred from the Series 2025 Acquisition and Construction Account to the Series 2025 Prepayment Account in accordance with the terms of the Indenture; or

(b) from amounts required by the Indenture to be deposited into the Series 2025 Prepayment Account including, but not limited to, Series 2025 Prepayment Principal and any excess amounts in the Series 2025 Debt Service Reserve Account as a result of the deposit of such Series 2025 Prepayment Principal and any excess amount on deposit in the Series 2025 Debt Service Reserve Account resulting from a reduction in the Series 2025 Debt Service Reserve Requirement; or

(c) on the date on which the amount on deposit in the Series 2025 Debt Service Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2025 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2025 Bonds shall be called for redemption, the particular Series 2025 Bonds or portions of Series 2025 Bonds to be redeemed shall, unless otherwise provided in the Indenture, be selected by lot by the Registrar as provided in the Indenture.

**Although not obligated to do so, the Developer currently anticipates prepaying a portion of the Series 2025 Special Assessments levied on the sixty-seven (67) 50' single-family lots in Phase 3 of the 2025 Assessment Area. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein for a breakdown of the estimated Series 2025 Special Assessments to be levied on the lands within the 2025 Assessment Area.**

### **Notice of Redemption**

When required to redeem or purchase Series 2025 Bonds under any provision of the Indenture or directed to do so by the District, the Trustee shall cause notice of the redemption, either in whole or in part, to be given by Electronic Means or mailed at least twenty (20) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of Series 2025 Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5<sup>th</sup>) day prior to such mailing), at their registered addresses, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Series 2025 Bonds for which notice was duly mailed in accordance with the Master Indenture. Such notice shall be given in the name of the District, shall be dated, shall set forth the Series 2025 Bonds Outstanding which shall be called for redemption or purchase and shall include, without limitation, the following additional information: (a) the redemption or purchase date; (b) the redemption or purchase price; (c) CUSIP numbers, to the extent applicable, and any other distinctive numbers and letters; (d) if less than all Outstanding Series 2025 Bonds to be redeemed or purchased, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2025 Bonds to be redeemed or purchased; (e) that on the redemption or purchase date the redemption or purchase price will become due and payable upon surrender of each such Series 2025 Bond or portion thereof called for redemption or purchase, and that interest thereon shall cease to accrue from and after said date; (f) the place where such Series 2025 Bonds are to be surrendered for payment of the redemption or purchase price, which place of payment shall be a corporate trust office of the Trustee; and (g) any condition or conditions to be met prior to the redemption of the Series 2025 Bonds, including, but not limited to receipt of funds sufficient to accomplish the redemption of the Series 2025 Bonds.

If at the time of mailing of notice of an optional redemption or purchase, the District shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the Series 2025 Bonds called for redemption or purchase, such notice shall state that it is subject to the deposit of the redemption or purchase moneys with the Trustee or Paying Agent, as the case may be, not later than the opening of business on the redemption or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

### **No Acceleration**

The Indenture does not permit the acceleration of the principal of the Series 2025 Bonds upon an Event of Default (as defined in the Indenture). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS – Enforcement and Collection of Series 2025 Special Assessments" herein and "APPENDIX C – Forms of Master Indenture and Supplemental Indenture" attached hereto.

## **Book-Entry Only System**

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND NEITHER THE DISTRICT NOR THE UNDERWRITER MAKE ANY REPRESENTATION OR WARRANTY OR TAKE ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

DTC will act as securities depository for the Series 2025 Bonds. The Series 2025 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 2025 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 ("SEC"). More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of the Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 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 2025 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 2025

Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 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 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 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 2025 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 BONDS**

### **General**

The Series 2025 Bonds are payable from and secured by the Pledged Revenues, which is defined in the Supplemental Indenture to mean (a) all revenues received by the District from the Series 2025 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2025 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2025 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2025 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues shall not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon, and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A) and (B) of this proviso).

The Series 2025 Special Assessments represent an allocation of the costs of the Series 2025 Project, including bond financing costs, to the District Lands benefiting from the Series 2025 Project in accordance with the Assessment Report, which is attached hereto as composite APPENDIX B.

THE SERIES 2025 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE CITY, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2025 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2025

SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2025 BONDS. THE SERIES 2025 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE CITY, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

### **No Parity Bonds; Limitation on Parity Liens**

The District covenants and agrees in the Supplemental Indenture that other than Bonds issued to refund the Outstanding Series 2025 Bonds, the District shall not, while any Series 2025 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Pledged Revenues. The District further covenants and agrees in the Supplemental Indenture that so long as the Series 2025 Bonds are Outstanding, the District will not impose debt service Special Assessments for capital projects on any lands then subject to the Series 2025 Special Assessments without the written consent of the Majority Owners; provided, however, such consent shall not be required if the Series 2025 Special Assessments have been Substantially Absorbed, evidence of which shall be provided by the District to the Trustee in a written certificate upon which the Trustee may conclusively rely. The Trustee shall have no duty to verify if the Series 2025 Special Assessments are Substantially Absorbed and in the absence of a certification as provided above can assume that the Series 2025 Special Assessments have not been Substantially Absorbed. Notwithstanding the foregoing, the District is not precluded from imposing capital assessments (or the issuance of Bonds secured by such capital assessments) on property then subject to the Series 2025 Special 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. "Substantially Absorbed" is defined in the Supplemental Indenture to mean the date on which a principal amount of the Series 2025 Special Assessments equaling at least ninety percent (90%) of the then Outstanding principal amount of the Series 2025 Bonds are levied on the District Lands with respect to which a certificate of occupancy has been issued for a structure thereon.

WHILE NO FUTURE ADDITIONAL BONDS WILL BE PAYABLE FROM OR SECURED BY THE SERIES 2025 SPECIAL ASSESSMENTS PLEDGED AS SECURITY FOR THE SERIES 2025 BONDS, THE DISTRICT, THE CITY, THE COUNTY, THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF MAY IN THE FUTURE IMPOSE, LEVY AND COLLECT ASSESSMENTS AND TAXES THE LIENS OF WHICH WILL BE CO-EQUAL WITH THE LIEN OF SPECIAL ASSESSMENTS WHICH INCLUDES THE SERIES 2025 SPECIAL ASSESSMENTS SECURING THE SERIES 2025 BONDS. See "– Enforcement and Collection of Series 2025 Special Assessments" below.

### **Series 2025 Debt Service Reserve Account**

Pursuant to the Master Indenture, the Trustee shall establish an Account within the Debt Service Reserve Fund designated as the "Series 2025 Debt Service Reserve Account." The Series 2025 Debt Service Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2025 Debt Service Reserve Requirement. "Series 2025 Debt Service Reserve Requirement" is defined in the Supplemental Indenture to mean initially an amount equal to 100% of the maximum annual Debt Service Requirements for all

Outstanding Series 2025 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions are met, at which time and thereafter the Series 2025 Debt Service Reserve Requirement shall be an amount equal to fifty percent (50%) of the maximum annual Debt Service Requirements for all Outstanding Series 2025 Bonds. On the date of initial issuance of the Series 2025 Bonds, the Series 2025 Debt Service Reserve Requirement shall be \$\_\_\_\_\_.

"Reserve Account Release Conditions" is defined in the Supplemental Indenture to mean, collectively, that (a) all homes subject to the Series 2025 Special Assessments have been built, sold and closed with end-users, (b) all Series 2025 Special Assessments are being collected pursuant to the Uniform Method (hereinafter defined), and (c) there are no Events of Default occurring or continuing under the Indenture with respect to the Series 2025 Bonds. Upon satisfaction of the Reserve Account Release Conditions, a Responsible Officer shall provide a written certification to the Trustee certifying that the events in clauses (a) and (b) have occurred and affirming clause (c) on which certifications the Trustee may conclusively rely (collectively, the "Reserve Release Certifications").

Except as otherwise provided in the Indenture, amounts on deposit in the Series 2025 Debt Service Reserve Account shall be used only for the purpose of making payments into the Series 2025 Interest Account and the Series 2025 Sinking Fund Account to pay Debt Service Requirements on the Series 2025 Bonds, when due, to the extent the moneys on deposit in such Accounts and available therefor are insufficient and for no other purpose.

Upon satisfaction of the Reserve Account Release Conditions, a Responsible Officer of the District shall provide the Reserve Release Certifications to the Trustee, upon which certifications the Trustee may conclusively rely, and thereupon a Responsible Officer of the District shall recalculate the Series 2025 Debt Service Reserve Requirement and instruct the Trustee to transfer any excess as a result of having met such Reserve Account Release Conditions to the Series 2025 Acquisition and Construction Account of the Acquisition and Construction Fund to be used for the purposes of such Account.

On the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date (or, if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the first Business Day preceding such forty-fifth (45<sup>th</sup>) day), the District shall recalculate the Series 2025 Debt Service Reserve Requirement taking into account any Series 2025 Prepayment Principal on deposit in the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2025 Debt Service Reserve Account in excess of the Series 2025 Debt Service Reserve Requirement as a result of such Series 2025 Prepayment Principal to the Series 2025 Prepayment Account as a credit against the Series 2025 Prepayment otherwise required to be made by the owner of such lot or parcel. Following the foregoing transfer, such amounts in the Series 2025 Prepayment Account shall be applied to the extraordinary mandatory redemption of the Series 2025 Bonds on the earliest date permitted for redemption therein and in the Supplemental Indenture. The Trustee is authorized to make such transfers and has no duty to verify such calculations.

On the earliest date on which there is on deposit in the Series 2025 Debt Service Reserve Account sufficient monies, after taking into account other monies available therefor, to pay and redeem all of the Outstanding Series 2025 Bonds, together with accrued interest

on such Series 2025 Bonds to the earliest date of redemption permitted therein and in the Supplemental Indenture, then the Trustee shall transfer the amount on deposit in the Series 2025 Debt Service Reserve Account into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund to pay and redeem all of the Outstanding Series 2025 Bonds on the earliest date permitted for redemption therein and in the Supplemental Indenture.

Anything in the Indenture to the contrary notwithstanding, amounts on deposit in the Series 2025 Debt Service 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 Series 2025 Special Assessments.

Earnings on investments in the Series 2025 Debt Service Reserve Account shall be disposed of as follows:

(a) if as of the last date on which amounts on deposit in the Series 2025 Debt Service Reserve Account were valued by the Trustee there was a deficiency in the Series 2025 Debt Service Reserve Account, or if after such date withdrawals have been made from the Series 2025 Debt Service Reserve Account and have created such a deficiency, then earnings on investments in the Series 2025 Debt Service Reserve Account shall be deposited to the credit of the Series 2025 Debt Service Reserve Account until the amounts on deposit therein equal the Series 2025 Debt Service Reserve Requirement; and

(b) as long as no notice of an Event of Default under the Indenture has been delivered to the Trustee or if such Event of Default described in a notice has been cured or waived as provided in the Master Indenture, and the amount in the Series 2025 Debt Service Reserve Account is not reduced below the then Series 2025 Debt Service Reserve Requirement, then earnings on investments in such Account shall be applied as follows: (i) prior to the Completion Date of the Series 2025 Project, to the Series 2025 Acquisition and Construction Account of the Acquisition and Construction Fund; and (ii) on and after the Completion Date of the Series 2025 Project, to the Series 2025 Revenue Account of the Revenue Fund. Upon the occurrence and continuance of an Event of Default, earnings on investments in the Series 2025 Debt Service Reserve Account shall remain therein.

### **Series 2025 Revenue Account**

Pursuant to the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Series 2025 Revenue Account." The Trustee shall deposit into the Series 2025 Revenue Account the Pledged Revenues, other than Series 2025 Prepayment Principal, which shall be identified by the District to the Trustee as such in writing upon deposit and which shall be deposited into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund, and any other revenues required by other provisions of the Indenture to be deposited therein. The Trustee may conclusively rely on the assumption that, unless otherwise instructed in writing by the District at the time of deposit to the Trustee, Pledged Revenues paid to the Trustee shall be deposited into the Series 2025 Revenue Account, and that Pledged Revenues which the District informs the Trustee constitute Series 2025 Prepayment Principal shall be deposited into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund.

On the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date with respect to the Series 2025 Bonds (or if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the Business Day preceding such forty-fifth (45<sup>th</sup>) day), the Trustee shall determine the amount on deposit in the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund and, if the balance therein is greater than zero, shall, upon written direction from the District, transfer from the Series 2025 Revenue Account for deposit into the Series 2025 Prepayment Account, an amount sufficient to increase the amount on deposit therein to the next highest integral multiple of \$5,000 (provided that there are sufficient funds remaining therein to pay the Debt Service Requirements coming due on the Series 2025 Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2025 Bonds in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2025 Prepayment Account in accordance with the provisions for extraordinary mandatory redemption of the Series 2025 Bonds set forth in the Indenture.

Following the foregoing transfers, the Trustee shall transfer from amounts on deposit in the Series 2025 Revenue Account of the Revenue Fund to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, no later than the Business Day preceding each May 1 and November 1, to the Series 2025 Interest Account, an amount equal to the interest on the Series 2025 Bonds due on such May 1 or November 1, less any amounts on deposit in the Series 2025 Interest Account representing Capitalized Interest in accordance with the Supplemental Indenture and less any other amounts already on deposit in the Series 2025 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, to the Series 2025 Sinking Fund Account, an amount equal to the principal amount of Series 2025 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2025 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next succeeding each Interest Payment Date, to the Series 2025 Debt Service Reserve Account an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2025 Debt Service Reserve Requirement;

FOURTH, notwithstanding the foregoing, at any time the Series 2025 Bonds are subject to redemption on a date which is not an Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2025 Interest Account the amount necessary to pay interest on the Series 2025 Bonds subject to redemption on such date; and

FIFTH, subject to the following paragraph, the balance of any moneys remaining after making the foregoing deposits shall remain in the Series 2025 Revenue Account unless pursuant to the Arbitrage Certificate it is necessary to make a deposit into the Rebate Fund, in which case the District shall direct the Trustee in writing to make such deposit thereto.

On or after each November 2, the balance on deposit in the Series 2025 Revenue Account on such November 2 shall (a) before the Completion Date of the Series 2025 Project,

be transferred into the Series 2025 Acquisition and Construction Account, and (b) on and after the Completion Date of the Series 2025 Project, be paid over to the District at the written direction of a Responsible Officer and used for any lawful purpose of the District; provided, however, that on the date of either such proposed transfer the Trustee shall not have received written notice of an Event of Default under the Indenture relating to the Series 2025 Bonds, and all Trustee's fees and expenses relating to the Series 2025 Bonds shall have been paid.

### **Series 2025 Bond Redemption Fund**

Pursuant to the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Fund designated as the "Series 2025 Bond Redemption Fund" and within such Fund, a "Series 2025 General Account" and a "Series 2025 Prepayment Account." Except as otherwise provided in the Supplemental Indenture, moneys to be deposited into the Series 2025 Bond Redemption Fund, as provided in Article VI of the Master Indenture, shall be deposited to the Series 2025 General Account of the Series 2025 Bond Redemption Fund. Series 2025 Prepayments shall be identified as such by the District to the Trustee to then be deposited directly into the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund, as provided in the Indenture.

Moneys in the Series 2025 General Account (including all earnings on investments held therein) shall be accumulated therein to be used in the following order of priority, to the extent that the need therefor arises:

FIRST, to make such deposits into the Rebate Fund for the Series 2025 Bonds, if any, as the District may direct in writing in accordance with the Arbitrage Certificate, such moneys thereupon to be used solely for the purposes specified in the Arbitrage Certificate. Any moneys so transferred from the Series 2025 General Account to the Rebate Fund shall thereupon be free from the lien and pledge of the Indenture; and

SECOND, the remainder to be utilized by the Trustee, at the written direction of a Responsible Officer, to call for redemption such Series 2025 Bonds that are subject to optional redemption pursuant to the Supplemental Indenture such amount of Series 2025 Bonds as, with the redemption premium, may be practicable; provided, however, that not less than \$5,000 principal amount of Series 2025 Bonds shall be called for redemption at one time.

Moneys in the Series 2025 Prepayment Account of the Series 2025 Bond Redemption Fund (including all earnings on investments therein) shall be accumulated therein to be used to call for extraordinary mandatory redemption pursuant to the Supplemental Indenture an amount of Series 2025 Bonds equal to the amount of money transferred to the Series 2025 Prepayment Account pursuant to the aforesaid provision, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in the Supplemental Indenture.

### **Series 2025 Acquisition and Construction Account**

The Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the "Series 2025 Acquisition and Construction Account."

Net proceeds of the Series 2025 Bonds shall be deposited into the Series 2025 Acquisition and Construction Account in the amounts set forth in the Supplemental Indenture, together with any excess moneys transferred to the Series 2025 Acquisition and Construction Account. Such moneys in the Series 2025 Acquisition and Construction Account shall be applied as set forth in the Indenture to pay costs to acquire and/or construct portions of the Series 2025 Project, or as otherwise provided in the Supplemental Indenture after the Completion Date. Each requisition shall substantially be in the form of requisition attached as Exhibit D to the Master Indenture. The Trustee shall have no duty to review the requisition to determine if the amount requested is for payment of a cost permitted under the Indenture. After the Completion Date of the Series 2025 Project, which shall not occur until the satisfaction of the Reserve Account Release Conditions and after transferring any resulting excess Series 2025 Debt Service Reserve Requirement from the Series 2025 Debt Service Reserve Account to the Series 2025 Acquisition and Construction Account, and after retaining in the Series 2025 Acquisition and Construction Account the amount, if any, of all remaining unpaid Costs of any portion of the Series 2025 Project set forth in the Consulting Engineer's Certificate establishing such Completion Date, any funds remaining in the Series 2025 Acquisition and Construction Account shall be transferred to and deposited into the Series 2025 General Account of the Series 2025 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2025 Bonds, and the Series 2025 Acquisition and Construction Account shall be closed. Earnings on investments in the Series 2025 Acquisition and Construction Account shall remain therein. The Series 2025 Acquisition and Construction Account shall remain open until the Reserve Account Release Conditions have been satisfied.

In accordance with the provisions of the Indenture, the Series 2025 Bonds are payable solely from the Pledged Revenues and any other moneys held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District acknowledges in the Supplemental Indenture that the Pledged Revenues include, without limitation, all amounts on deposit in the Series 2025 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, and upon the occurrence of an Event of Default with respect to the Series 2025 Bonds, (a) the Pledged Revenues may not be used by the District (whether to pay Costs of the Series 2025 Project or otherwise) without the consent of the Majority Owners of the Series 2025 Bonds, except to the extent that prior to the occurrence of an Event of Default the District had incurred a binding obligation with third parties for work on the Series 2025 Project and payment is for such work, and (b) the Pledged Revenues may be used by the Trustee, at the written direction or with the written approval of the Majority Owners of the Series 2025 Bonds, to pay costs and expenses incurred in connection with the pursuit of remedies under the Indenture or as otherwise provided in the Master Indenture.

### **Other Funds and Accounts**

The Trustee shall establish a separate subaccount within the Series 2025 Acquisition and Construction Account designated as the "Series 2025 Costs of Issuance Subaccount." Amounts in the Series 2025 Costs of Issuance Subaccount shall be applied by the Trustee to pay the costs relating to the issuance of the Series 2025 Bonds. Six (6) months after the date of issuance of the Series 2025 Bonds, any moneys remaining in the Series 2025 Costs of Issuance Subaccount which have not been requisitioned by the District to pay costs relating to the issuance of the Series 2025 Bonds shall be deposited into the Series 2025 Acquisition

and Construction Account and applied as set forth in the Indenture, and the Series 2025 Costs of Issuance Subaccount shall be closed.

Pursuant to the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2025 Interest Account." Net proceeds of the Series 2025 Bonds shall be deposited into the Series 2025 Interest Account in the amount set forth in the Supplemental Indenture. Moneys deposited into the Series 2025 Interest Account shall be applied for the purposes provided in the Indenture.

Pursuant to the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2025 Sinking Fund Account." Moneys shall be deposited into such Account as provided in the Indenture and applied for the purposes provided in the Indenture.

### **Collateral Assignment**

Contemporaneously with the issuance of the Series 2025 Bonds, Carolina Holdings II, LLC, a Nevada limited liability company (the "Developer"), and Sunbelt Titusville Investments, LLC, a Nevada limited liability company (together with the Developer, the "Landowner"), will enter into a [Collateral Assignment and Assumption of Development and Contract Rights] (the "Collateral Assignment") with the District. The following description of the Collateral Assignment is qualified in its entirety by reference to the Collateral Assignment. Pursuant to the Collateral Assignment, the Landowner collaterally assigns to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Landowner, all of the Landowner's development rights and contract rights relating to the Series 2025 Project (the "Development & Contract Rights") as security for the Landowner's payment and performance and discharge of its obligation to pay the Series 2025 Special Assessments levied against the 2025 Assessment Area. The assignment will become effective and absolute upon failure of the Landowner to pay the Series 2025 Special Assessments levied against the 2025 Assessment Area or such portion thereof owned by the Landowner. The Development & Contract Rights specifically exclude any such portion of the Development & Contract Rights which relate to any property which has been conveyed to the City, the County, the District, any third party developer unaffiliated with the Landowner, or other governing entity or association for the benefit of the Series 2025 Project. Pursuant to the Indenture, the District assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of the Series 2025 Bonds.

### **Completion Agreement**

In connection with the issuance of the Series 2025 Bonds, the District and the Landowner will enter into an agreement (the "Completion Agreement") pursuant to which the Landowner will agree to provide funds to complete the Series 2025 Project to the extent that proceeds of the Series 2025 Bonds are insufficient therefor. Remedies for a default under the Completion Agreement include damages and/or specific performance.

### **True-Up Agreement**

In connection with the issuance of the Series 2025 Bonds, the District and the Landowner will enter into an agreement (the "True-Up Agreement") pursuant to which the

Landowner agrees to pay, when requested by the District, any amount of Series 2025 Special Assessments allocated to unplatted acres on lands owned by the Landowner in excess of the allocation in place at the time of issuance of the Series 2025 Bonds pursuant to the Assessment Report. Remedies for a default under the True-Up Agreement include damages, injunctive relief and/or specific performance.

### **Enforcement of Completion Agreement and True-Up Agreement**

Pursuant to the Indenture, 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 Completion Agreement and the True-Up 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 written direction of the Majority Owners of the Series 2025 Bonds may, subject to the provisions of the Master Indenture, act on behalf of, and in the District's stead, to enforce the provisions of such Agreement and to pursue all available remedies under applicable law or in equity. Anything in the 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 Completion Agreement and the True-Up Agreement upon demand of the Majority Owners of the Series 2025 Bonds, or the Trustee at the written direction of the Majority Owners of the Series 2025 Bonds, shall constitute an Event of Default under the Indenture, provided, however, that the District shall have a reasonable opportunity to cure.

### **Events of Default**

The Indenture provides that each of the following shall be an "Event of Default" under the Indenture with respect to the Series 2025 Bonds:

- (a) if payment of any installment of interest on any Series 2025 Bond is not made when it becomes due and payable; or
- (b) if payment of the principal or Redemption Price of any Series 2025 Bond is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or
- (c) if the District, for any reason, fails to, or is rendered incapable of, fulfilling its obligations under the Indenture or under the Act; or
- (d) if the District proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the District or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the District and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or
- (e) if the District defaults in the due and punctual performance of any other covenant in the Indenture or in any Series 2025 Bond and such default continues for sixty

(60) days after written notice thereof that requires the same to be remedied shall have been given to the District by the Trustee, which notice may be given by the Trustee in its discretion and which notice shall be given by the Trustee at the written request of the Majority Owners of the Series 2025 Bonds; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if and so long as the District shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) any portion of the Series 2025 Special Assessments shall have become Delinquent Assessments and, as the result thereof, the Trustee has withdrawn funds in an amount greater than twenty-five percent (25%) of the amount on deposit in the Series 2025 Debt Service Reserve Account to pay the Debt Service Requirements on the Series 2025 Bonds; or

(g) more than twenty percent (20%) of the operation and maintenance assessments levied by the District on tax parcels subject to the Series 2025 Special Assessments pledged to the Series 2025 Bonds are not paid by the date such are due and payable, and such default continues for sixty (60) days after the date when due.

The District covenants and agrees in the Indenture 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 Series 2025 Special Assessments, the provisions for the foreclosure of liens of delinquent Series 2025 Special Assessments, and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the written direction of, and on behalf of, the Majority Owners, from time to time, of the Series 2025 Bonds. Notwithstanding anything to the contrary in the Indenture, and unless otherwise directed by the Majority Owners and allowed pursuant to federal or State law, the District acknowledges and agrees that (a) upon failure of any property owner to pay an installment of Series 2025 Special Assessments collected directly by the District when due, that the entire Series 2025 Special Assessments related to the Series 2025 Bonds on the tax parcel as to which such delinquent Series 2025 Special Assessment pertains, with interest and penalties thereon, shall immediately become due and payable and the District shall cause to be commenced the necessary legal proceedings for the foreclosure of liens of delinquent Series 2025 Special Assessments related to the Series 2025 Bonds with respect to such tax parcel, including interest and penalties, and (b) 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. Notwithstanding anything to the contrary in the Indenture, the District shall be entitled to first recover from any foreclosure before such proceeds are applied to the payment of principal or interest on the Series 2025 Bonds, all fees and costs expended in connection with such foreclosure, regardless of whether such fees and costs are included as part of the Series 2025 Special Assessments.

### **Provisions Relating to Bankruptcy or Insolvency of Landowner**

The provisions of the Master Indenture, as summarized below, shall apply both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or

other action by or against any owner of any tax parcel subject to at least five percent (5%) of the Series 2025 Special Assessments (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"), except where such tax parcel shall be homestead property. For as long as any Series 2025 Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Series 2025 Bonds or the Series 2025 Special Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the Series 2025 Bonds or for as long as any Series 2025 Bonds remain Outstanding.

The District acknowledges and agrees in the Indenture that, although the Series 2025 Bonds may be issued by the District, the Owners of the Series 2025 Bonds are categorically a party with a financial stake in the transaction and, consequently, a party with a vested interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer:

(a) the District agrees that it shall follow the direction of the Trustee in making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2025 Bonds or the Series 2025 Special Assessments or any rights of the Trustee under the Indenture;

(b) the District agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2025 Special Assessments, the Series 2025 Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee; provided, however, that the Trustee shall be deemed to have consented, on behalf of the Majority Owners of Outstanding Series 2025 Bonds, to the proposed action if the District does not receive a written response from the Trustee within forty-five (45) days following written request for consent;

(c) to the extent permitted by law, the Trustee shall have the right, but is not obligated to (unless directed by the Majority Owners of Outstanding Series 2025 Bonds and receipt by Trustee of indemnity satisfactory to the Trustee), (i) vote in any such Proceeding any and all claims of the District, except for any claims the District may have related to the District's operation and maintenance assessments or other claims unrelated to the Series 2025 Special Assessments or the Series 2025 Bonds, and (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the District, except for any claims the District may have related to the District's operation and maintenance assessments or other claims unrelated to the Series 2025 Special Assessments or the Series 2025 Bonds, including without limitation, motions seeking relief from the automatic stay, dismissal of the Proceeding, valuation of the property belonging to the Insolvent Taxpayer, termination of exclusivity, and objections to disclosure statements, plans of liquidation or reorganization, and motions for use of cash collateral, seeking approval of sales or post-petition financing; and, if the Trustee chooses to exercise any such rights (or is directed in writing by the Majority Owners of Outstanding Series 2025 Bonds and receipt by the Trustee of indemnity satisfactory to the Trustee), the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for

the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including, without limitation, the right to file and/or prosecute any claims, to propose and prosecute a plan, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the United States Bankruptcy Code; and

(d) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of the lands owned by any Insolvent Taxpayer submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District's claim with respect to the Series 2025 Special Assessments or receipt of adequate protection (as that term is defined in the United States Bankruptcy Code).

Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the Series 2025 Special Assessments, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

Notwithstanding the provisions of paragraph (b) above, nothing in this section 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 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 directions with respect to the Series 2025 Special Assessments whether such claim is pursued by the District or the Trustee.

### **Enforcement and Collection of Series 2025 Special Assessments**

The primary sources of payment for the Series 2025 Bonds are the Series 2025 Special Assessments imposed on each landowner within the 2025 Assessment Area which are specially benefited by the Series 2025 Project. To the extent that landowners fail to pay such Series 2025 Special Assessments, delay payments, or are unable to pay such Series 2025 Special Assessments, the successful pursuit of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2025 Bonds. The Act provides for various methods of collection of delinquent taxes by reference to other provisions of the Florida Statutes. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein for a summary of special assessment payment and collection procedures appearing in the Florida Statutes.

Pursuant to the Indenture, the Series 2025 Special Assessments shall be directly collected and enforced by the District pursuant to the provisions of the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto; provided, however, Series 2025 Special Assessments levied on platted lots and pledged to secure the Series 2025 Bonds will be collected pursuant to the uniform method for the levy, collection and enforcement of Special Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, as amended (the "Uniform Method"). The District covenants

in the Indenture to enter into a Property Appraiser and Tax Collector Agreement with the County in order to comply with the provisions of the Indenture.

Notwithstanding the immediately preceding paragraph or any other provision in the Indenture to the contrary, upon the occurrence of an Event of Default, if the Trustee, acting at the written direction of the Majority Owners, requests that the District not use the Uniform Method, but instead collect and enforce Series 2025 Special Assessments pursuant to another available method under the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto, then the District shall collect and enforce said Series 2025 Special Assessments in the manner and pursuant to the method so requested by the Trustee.

Any Series 2025 Special Assessments that are not collected pursuant to the Uniform Method shall be billed directly to the applicable landowner and be payable not later than thirty (30) days prior to each Interest Payment Date.

If the owner of any lot or parcel of land assessed for the Series 2025 Project shall be delinquent in the payment of any Series 2025 Special Assessment, then such Series 2025 Special Assessment shall be enforced pursuant to the provisions of Chapter 197, Florida Statutes, or any successor statute thereto, including but not limited to the sale of tax certificates and tax deeds as regards such delinquent Series 2025 Special Assessment. In the event the provisions of Chapter 197, Florida Statutes, and any provisions of the Act with respect to such sale are inapplicable by operation of law, then upon the delinquency of any Series 2025 Special Assessment the District may, to the extent permitted by law, utilize any other method of enforcement as provided in the Master Indenture, including, without limitation, declaring the entire unpaid balance of such Series 2025 Special Assessment to be in default and, at its own expense, cause such delinquent property to be foreclosed, pursuant to the provisions of Section 170.10, Florida Statutes, in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, Florida Statutes, and Sections 190.026 and 170.10, Florida Statutes, or otherwise as provided by law.

If any property shall be offered for sale for the nonpayment of any Series 2025 Special Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2025 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the Series 2025 Special 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 2025 Bonds; provided that the Trustee shall have the right, acting at the written direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to this section. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2025 Revenue Account. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of the Series 2025 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners.

THERE CAN BE NO ASSURANCE THAT ANY SALE, PARTICULARLY A BULK SALE, OF LAND SUBJECT TO DELINQUENT ASSESSMENTS WILL PRODUCE PROCEEDS SUFFICIENT TO PAY THE FULL AMOUNT OF SUCH DELINQUENT ASSESSMENTS PLUS OTHER DELINQUENT TAXES AND ASSESSMENTS APPLICABLE THERETO.

### **Additional Covenants Regarding Assessments**

The District covenants in the Indenture to comply with the terms of the proceedings heretofore adopted with respect to the Series 2025 Special Assessments, including the Assessment Resolutions and the Assessment Report, and to levy the Series 2025 Special Assessments and any required true-up payments set forth in the Assessment Report, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2025 Bonds, when due.

### **Prepayment**

At any time any owner of property subject to the Series 2025 Special Assessments may, at its option, or under certain circumstances described in the Assessment Resolutions in connection with Series 2025 Prepayments derived from application of the "true-up" mechanism therein, require the District to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2025 Special Assessments by paying to the District all or a portion of the Series 2025 Special Assessment which shall constitute Series 2025 Prepayments as directed in writing by the District pursuant to the provisions of the Supplemental Indenture, plus accrued interest to the next succeeding Quarterly Redemption Date (or the second succeeding Quarterly Redemption Date if such prepayment is made within forty-five (45) calendar days before a Quarterly Redemption Date), attributable to the property subject to such Series 2025 Special Assessment owned by such owner; provided, however, to the extent that such payments are to be used to redeem Series 2025 Bonds in the event the amount in the Series 2025 Debt Service Reserve Account will exceed the Series 2025 Debt Service Reserve Requirement as a result of a Series 2025 Prepayment in accordance with this section and the resulting redemption of Series 2025 Bonds in accordance with the Supplemental Indenture, the excess amount above the Series 2025 Debt Service Reserve Requirement shall be transferred from the Series 2025 Debt Service Reserve Account to the Series 2025 Prepayment Account as a credit against the Series 2025 Prepayment otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the District together with a certificate of a Responsible Officer of the District stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2025 Debt Service Reserve Account to equal or exceed the Series 2025 Debt Service Reserve Requirement and accompanied by cash flows which demonstrate that, after giving effect to the proposed redemption of Series 2025 Bonds, there will be sufficient Pledged Revenues to pay the principal and interest, when due, on all Series 2025 Bonds that will remain Outstanding. The written instructions shall be delivered to the Trustee on or before the forty-sixth (46<sup>th</sup>) day prior to a Quarterly Redemption Date. The Trustee is authorized to make such transfers as provided in this section and has no duty to verify such calculations.

Upon receipt of Series 2025 Prepayments as described in the preceding paragraph, which includes accrued interest to the next succeeding Quarterly Redemption Date (or the second succeeding Quarterly Redemption Date if such prepayment is made within forty-five

(45) calendar days before a Quarterly Redemption Date), subject to satisfaction of the conditions set forth therein, the District shall immediately pay the amount so received to the Trustee and clearly identify in writing such amounts as a Series 2025 Prepayment and the District shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by the District Manager, to the effect that the Series 2025 Special Assessment has been paid in whole or in part and that such Series 2025 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be. Upon receipt of any such moneys from the District, the Trustee shall immediately deposit the same into the Series 2025 Prepayment Account to be applied in accordance with the Supplemental Indenture, to the redemption of Series 2025 Bonds in accordance with the Supplemental Indenture.

The Trustee shall conclusively rely on the District's determination of what moneys constitute Series 2025 Prepayments. The Trustee shall calculate the amount available for the extraordinary mandatory redemption of the applicable Series 2025 Bonds pursuant to the Supplemental Indenture on each March 15, June 15, September 15 and December 15.

### **Re-Assessment**

Pursuant to the Master Indenture, if any Series 2025 Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the District shall be satisfied that any such Series 2025 Special Assessment is so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such Series 2025 Special Assessment when it might have done so, the District shall either (a) take all necessary steps to cause a new Series 2025 Special Assessment to be made for the whole or any part of said improvement or against any property benefited by said improvement, or (b) in its sole discretion, make up the amount of such Series 2025 Special Assessment from any legally available moneys, which moneys shall be deposited into the Series 2025 Revenue Account. In case such second Series 2025 Special Assessment shall be annulled, the District shall obtain and make other Series 2025 Special Assessments until a valid Series 2025 Special Assessment shall be made.

## **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

### **General**

The primary source of payment for the Series 2025 Bonds is the revenues received by the District from the collection of Series 2025 Special Assessments imposed on certain lands in the 2025 Assessment Area specially benefited by the Series 2025 Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX B – ASSESSMENT REPORT" attached hereto.

The imposition, levy, and collection of Series 2025 Special Assessments must be done in compliance with the provisions of State law. Failure by the District, the Brevard County Tax Collector (the "Tax Collector") or the Brevard County Property Appraiser (the "Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2025 Special Assessments during any year. Such delays in the collection of Series 2025 Special Assessments, or complete inability to collect any Series 2025 Special Assessments, would have a material adverse effect on the ability of the District

to make full or punctual payment of the Debt Service Requirements on the Series 2025 Bonds. See "BONDOWNERS' RISKS" herein. To the extent that landowners fail to pay the Series 2025 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2025 Bonds.

For the Series 2025 Special Assessments to be valid, the Series 2025 Special Assessments must meet two requirements: (a) the benefit from the Series 2025 Project to the lands subject to the Series 2025 Special Assessments must exceed or equal the amount of the Series 2025 Special Assessments; and (b) the Series 2025 Special Assessments must be fairly and reasonably allocated across all such benefited properties. The Assessment Consultant (hereinafter defined) will certify that these requirements have been met with respect to the Series 2025 Special Assessments.

Pursuant to the Act and the Assessment Proceedings, the District may collect the Series 2025 Special Assessments through a variety of methods. See "BONDOWNERS' RISKS" herein. Initially, and for undeveloped properties, the District will directly issue annual bills to landowners requiring payment of the Series 2025 Special Assessments and will enforce such bill through foreclosure proceedings. As lands are developed, the Series 2025 Special Assessments will be added to the County tax roll and collected pursuant to the Uniform Method. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX B – ASSESSMENT REPORT" attached hereto. 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 Chapter 170, Florida Statutes, and the Act, the District may directly levy, collect and enforce the Series 2025 Special Assessments. In this context, Section 170.10, 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 2025 Special Assessments, the whole assessment, with the interest and penalties thereon, shall immediately become due and payable and subject to foreclosure. Generally stated, the governing body of the entity levying the special assessment, in this case the District, may foreclose by commencing a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or, alternatively, by commencing an action under Chapter 173, Florida Statutes, which relates to foreclosure of municipal tax and special assessment liens. Such proceedings are in rem, meaning that the action would be brought against the land, and not against the landowner. In light of the one-year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2025 Special Assessments and the ability to foreclose the lien of such Series 2025 Special Assessments upon the failure to pay such Series 2025 Special Assessments may not be readily available or may be limited because enforcement is dependent upon judicial action which is often subject to discretion and delay.

Additionally, there is no guarantee that there will be demand for any foreclosed lands sufficient to repay the Series 2025 Special Assessments. See "BONDOWNERS' RISKS" herein.

### **Uniform Method Procedure**

Subject to certain conditions, and for developed lands (as described above), the District may alternatively elect to collect the Series 2025 Special Assessments using the Uniform Method. The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2025 Special Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2025 Special Assessments will be collected together with County, school, special district, and other ad valorem taxes and non-ad valorem assessments (together, "Taxes and Assessments"), all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of Taxes and Assessments provide that such Taxes and Assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such Taxes and Assessments, including the Series 2025 Special Assessments, are to be billed together 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 2025 Special Assessments.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by Florida law such as Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. Therefore, in the event the Series 2025 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item would cause the Series 2025 Special Assessments to not be collected to that extent, which could have a significant adverse effect on the ability of the District to make full or punctual payment of the Debt Service Requirements on the Series 2025 Bonds.

Under the Uniform Method, if the Series 2025 Special Assessments are paid during November when due or during the following three (3) months, the taxpayer is granted a variable discount equal to four percent (4%) in November and decreasing one percentage point per month to one percent (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

2025 Bonds that (a) the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2025 Special Assessments, (b) future landowners and taxpayers in the District will pay such Series 2025 Special Assessments, (c) 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 (d) the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2025 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2025 Special Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Series 2025 Special Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest, costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing, and any applicable interest, costs and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than eighteen percent (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 eighteen percent (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 eighteen percent (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 2025 Special Assessments), interest, costs and charges on the real property described in the certificate.

Any tax certificate in the hands of a person other than the County may be redeemed and canceled, in whole or in part (under certain circumstances), at any time before a tax deed is issued (unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees), at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, and charges due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of five percent (5%), unless the rate borne by the certificates is zero percent (0%). The proceeds of such 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 affected by purchase of such certificates from the County, as described above.

Any holder, other than the County, of a tax certificate that has not been redeemed has seven (7) years from the date of issuance of the tax certificate during which to act against the land that is the subject of the tax certificate. After an initial period ending two (2) 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 (7) 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 (2) years after April 1 of the year of issuance of the certificate or as soon thereafter as is reasonable. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

In any such public sale conducted by the Clerk of the Circuit Court, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, including costs incurred for the service of notice required by statute, redemption of other tax certificates on the land, and all other costs to the applicant for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. The holder is also responsible for payment of any amounts included in the bid not already paid, including but not limited to, documentary stamp tax, recording fees, and, if property is homestead property, the moneys to cover the one-half value of the homestead. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, together with all subsequent unpaid taxes plus the costs and expenses of the application for deed, with interest on the total of such sums, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholders and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear. If the property is purchased for an amount in excess of the statutory bid of the certificate holder, but such excess is not sufficient to pay all governmental liens of record, the excess shall be paid to each governmental unit pro rata.

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

If there are no bidders at the public sale, the clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the County Commission that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum

bid. Three (3) years from the date the property was offered for sale, unsold lands escheat to the County in which they are located, free and clear, and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of Series 2025 Special Assessments. For example, the demand for tax certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2025 Special Assessments, which are the primary source of payment of the Series 2025 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" herein.

## **THE DISTRICT**

### **General**

The District is a local unit of special purpose government duly organized and existing under the provisions of the Act and established by the Ordinance. The boundaries of the District include approximately 456 acres of land located entirely within the City.

### **Legal Powers and Authority**

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.

The Act provides that community development districts have the power to issue general obligation, revenue and special assessment revenue debt obligations in any combination to pay all or part of the cost of infrastructure improvements authorized under the Act. The Act further provides that community development districts have the power under certain conditions to levy and assess ad valorem taxes or non-ad valorem assessments, including the Series 2025 Special Assessments, on all taxable real property within their boundaries to pay the principal of and interest on debt obligations issued and to provide for any sinking or other funds established in connection with any such debt obligation issues. Pursuant to the Act, such assessments may be levied, collected and enforced in the same manner and time as county property taxes.

Among other provisions, the Act gives the District's Board of Supervisors the authority to: (a) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for: (i) water management and control for lands within the District and to connect any of such facilities with roads and

bridges; (ii) water supply, sewer and wastewater management reclamation and re-use systems or any combination thereof, and to construct and operate connecting intercepting or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) district roads equal to or exceeding the applicable specifications of the county in which such district roads are located; roads and improvements to existing public roads that are owned by or conveyed to the local general-purpose government, the State, or the federal government; street lights; alleys; landscaping; hardscaping; undergrounding of electric utility lines; buses, trolleys, transit shelters, ridesharing facilities and services, parking improvements, and related signage; (iv) conservation areas, mitigation areas, and wildlife habitat, including the maintenance of any plant or animal species, and any related interest in real or personal property; (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, including, but not limited to, guardhouses, fences and gates, and electronic intrusion-detection systems; (b) borrow money and issue bonds of the District; (c) levy, collect and enforce special assessments; (d) impose and foreclose special assessment liens as provided in the Act; and (e) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District authorized by the Act.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances and the Act does not empower the District to grant building permits. These functions are collectively performed by the City or the County and its respective departments of government.

The Act exempts all property of the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any Owner of bonds of the District to pursue any remedy for enforcement of any lien or pledge of the District in connection with such bonds, including the Series 2025 Bonds.

## **Board of Supervisors**

The Act provides for a five-member Board of Supervisors (as previously defined, the "Board") to serve as the governing body of the District. At the initial meeting of the landowners, members of the Board (the "Supervisors") must be elected by the landowners with the two (2) Supervisors receiving the highest number of votes to serve for a four-year term and the remaining Supervisors to serve for a two-year term. Three (3) of the five (5) Supervisors are elected to the Board every two (2) years in November. At such election, the two (2) Supervisors receiving the highest number of votes are elected to four-year terms and the remaining Supervisor is elected to a two-year term. Until the later of six (6) years after the initial appointment of Supervisors or the year in which there are at least 250 qualified electors in the District, or such earlier time as the Board may decide to exercise its ad valorem taxing power, the Supervisors are elected by vote of the landowners of the District. Ownership of the land within the District entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number and, for purposes of determining voting interests, platted lots are counted individually and rounded up to the

nearest whole acre and are not to be aggregated for determining the number of voting units held). Upon the later of six (6) years after the initial appointment of Supervisors or the year in which there are at least 250 qualified electors in the District, the Supervisors whose terms are expiring will be elected (as their terms expire) by qualified electors of the District, except as described below. A qualified elector is a registered voter who is at least eighteen (18) 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 (2) Supervisors must be qualified electors and be elected by qualified electors, both to a four-year term. The other Supervisor will be elected by landowners for a four-year term. Thereafter, as terms expire, all Supervisors must be qualified electors elected by qualified electors and are elected to serve staggered terms. If there is a vacancy on the Board, whether as a result of the resignation or removal of a Supervisor or because no elector qualifies for a seat to be filled in an election, the remaining Board members are to fill such vacancy for the unexpired term.

There is currently one (1) vacancy on the Board. The current members of the Board and their respective term expiration dates are set forth below.

<u>Name</u>	<u>Title</u>	<u>Expiration of Term</u>
William Allen, Jr.*	Chair	November 2026
Kenneth Belshe*	Vice Chair	November 2026
William Livingston	Assistant Secretary	November 2028
Clinton Smith III*	Assistant Secretary	November 2026

\* Affiliate or employee of the Landowner.

The Act empowers the Board to adopt administrative rules and regulations with respect to any projects of the District, and to enforce penalties for the violation of such rules and regulations. The Act permits the Board to levy taxes under certain conditions, and to levy special assessments, and to charge, collect and enforce fees and user charges for use of District facilities.

### **District Manager and Other Consultants**

The Act authorizes the Board to hire a District Manager as the chief administrative official of the District. The Act provides that the District Manager shall have charge and supervision of the works of the District and shall be responsible for (a) preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, (b) maintaining and operating the equipment owned by the District, and (c) performing such other duties as may be prescribed by the Board.

Governmental Management Services – Central Florida, LLC has been retained as the firm to provide district management services for the District (in such capacity, the "District Manager"). The District Manager's office is located at 219 East Livingston Street, Orlando, Florida 32801 and their phone number is (407) 841-5524.

The District Manager's typical responsibilities can briefly be summarized as directly overseeing and coordinating the District's planning, financing, purchasing, staffing, and reporting, and acting as governmental liaison for the District. The District Manager's

responsibilities also include requisitioning moneys to pay construction contracts and the related accounting and reporting that is required by the Indenture.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Bryant Miller Olive P.A., Orlando, Florida, as Bond Counsel; Cobb & Cole, P.A., DeLand, Florida, as District Counsel; Honeycutt & Associates, Inc., Titusville, Florida, as Consulting Engineer; and Governmental Management Services – Central Florida, LLC, Orlando, Florida, as Assessment Consultant.

## THE CAPITAL IMPROVEMENT PROGRAM AND THE SERIES 2025 PROJECT

Honeycutt & Associates, Inc. (the "Consulting Engineer"), has prepared the Engineer's Report for Tranquility Community Development District dated March 17, 2022 (the "Master Engineer's Report"), describing the scope and estimated cost of the District's capital improvement program (as previously defined, the "CIP") and, as supplemented with detailed information concerning the Series 2025 Project, the Tranquility Community Development District Supplemental Engineer's Report (Series 2025 Project) dated June 17, 2025 (the "Supplemental Engineer's Report" and, together with the Master Engineer's Report, the "Engineer's Report"). The Engineer's Report is attached hereto as composite APPENDIX A. The information in this section relating to the CIP and the Series 2025 Project is qualified in its entirety by reference to such Engineer's Report, which should be read in its entirety.

The CIP is estimated to cost approximately \$55.82 million and includes onsite and offsite roadway improvements, stormwater management, water and sewer, parks, open space and amenities, landscaping and irrigation, and mitigation. The capital improvements described in the CIP have and continue to be constructed in multiple phases over time to ultimately provide infrastructure supporting the development of the entire District. The initial phases are planned to include infrastructure for the development of 269 single-family residential lots comprising Phases 1 through 3 of the Development (as previously defined, the "2025 Assessment Area"), as well as certain master infrastructure necessary for the development of lands within the District.

The Series 2025 Project consists of a portion of the CIP in an approximate amount of \$19.94 million and includes the costs allocable to the 2025 Assessment Area. Enumeration of the estimated costs of the Series 2025 Project are provided in the table below.

<b>Infrastructure</b>	<b>Series 2025 Project</b>			<b>Total</b>
	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>	
Storm Drainage/Treatment	\$5,167,546	\$1,786,259	\$1,553,283	\$8,507,088
Roadways – Onsite	1,488,742	1,344,625	688,434	3,521,801
Roadways – Offsite	248,977	596,750	619,163	1,464,890
Sanitary Sewer/Potable Water	3,041,418	2,119,840	1,293,450	6,454,708
<b>Total</b>	<b>\$9,946,683</b>	<b>\$5,847,474</b>	<b>\$4,154,330</b>	<b>\$19,948,487</b>

Proceeds of the Series 2025 Bonds in the approximate amount of \$5.8 million\* will be used to fund the acquisition and/or construction of a portion of the Series 2025 Project. As of

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\* Preliminary, subject to change.

July 15, 2025, the Landowner estimates it has expended approximately \$26 million towards development related expenditures related to the 2025 Assessment Area. The remainder of the Series 2025 Project not funded with proceeds of the Series 2025 Bonds is anticipated to be funded by the Landowner. At the time of issuance of the Series 2025 Bonds, the Landowner and the District will enter into the Completion Agreement whereby the Landowner will agree to complete those portions of the Series 2025 Project not funded with proceeds of the Series 2025 Bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS – Completion Agreement" herein. The District cannot make any representation that the Landowner will have sufficient funds to complete the Series 2025 Project.

The status of construction and permitting for the Series 2025 Project is outlined in the Engineer's Report attached hereto as composite APPENDIX A. In addition to the Engineer's Report, please refer to "THE DEVELOPMENT – Zoning and Permitting" herein for a more detailed description of the zoning and permitting status of the 2025 Assessment Area.

## ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS

Governmental Management Services – Central Florida, LLC (in such capacity, the "Assessment Consultant"), has prepared the Master Assessment Methodology dated May 11, 2022 (the "Master Assessment Report") and the First Supplemental Assessment Methodology for the Series 2025 Project dated August 8, 2025 (the "Supplemental Assessment Report" and, together with the Master Assessment Report, the "Assessment Report"), attached hereto as composite APPENDIX B. The Assessment Report provides a methodology to allocate the total costs and benefit derived from the Series 2025 Project and the Series 2025 Special Assessments levied in connection with the Series 2025 Bonds.

The 2025 Assessment Area is planned to include 269 single-family residential lots located in Phases 1 through 3 of the Development. The Series 2025 Special Assessments securing the Series 2025 Bonds will initially be levied on an equal per acre basis on the 2025 Assessment Area. As the assessable parcels of land within the 2025 Assessment Area are developed and platted, the Series 2025 Special Assessments are then allocated to each of the platted units by product type as set forth in the Supplemental Assessment Report. The Series 2025 Special Assessments are ultimately expected to be allocated on a per unit basis to the 269 residential lots planned within the 2025 Assessment Area. As discussed herein, all 202 lots within Phases 1 and 2 have been platted thereby resulting in the allocation of approximately \$4.3 million or sixty-three percent (63%) of the principal amount of the Series 2025 Special Assessments to such units. The table below illustrates the per unit principal and annual Series 2025 Special Assessments.

<b>Product Type</b>	<b># of Units</b>	<b>Est. Series 2025 Bonds Principal Per Unit*</b>	<b>Est. Series 2025 Bonds Gross Annual Debt Service Per Unit*</b>
Single-family 70' ( <i>Phase 1 Intracoastal Direct &amp; View</i> )	99	\$21,337	\$1,650
Single-family 70' ( <i>Phase 2 Estate Lots</i> )	103	21,337	1,650
Single-family 50' ( <i>Phase 3 Estate Lots</i> )	67	37,015	2,861
<b>Total</b>	<b>269</b>		

\* Preliminary, subject to change. The Developer plans to prepay a portion of the Series 2025 Special Assessments to redeem approximately \$1.04 million of the Series 2025 Bonds pertaining to Phase 3. After such prepayments are made, the Series 2025 Special Assessments are expected to be reduced to approximately \$1,650 for a lot within Phase 3 of the Development.

*The following information appearing under the captions "THE LANDOWNER AND THE DEVELOPER" and "THE DEVELOPMENT" has been furnished by the Landowner for inclusion in this Limited Offering Memorandum as a means for prospective Bondholders to understand the anticipated development plan and risks associated with the 2025 Assessment Area and the provision of infrastructure to the real property within the District. Although believed to be reliable, such information has not been independently verified by the District or its counsel, the Underwriter or its counsel, or Bond Counsel, and no person other than the Landowner, subject to certain qualifications and limitations, makes any representation or warranty as to the accuracy or completeness of such information. At the time of issuance of the Series 2025 Bonds, the Landowner will represent in writing that the information herein under the captions "THE LANDOWNER AND THE DEVELOPER," "THE DEVELOPMENT," "LITIGATION – Landowner," and "CONTINUING DISCLOSURE" (as it relates to the Landowner) does not contain any untrue statement of a material fact and does not omit to state any material fact necessary in order to make the statements made herein, in light of the circumstances under which they are made, not misleading.*

*The Landowner's obligation to pay the Series 2025 Special Assessments is limited solely to its obligation as a landowner, just as any other landowner within the District. The Landowner is not a guarantor of payment on any property within the District and the recourse for the Landowner's failure to pay or otherwise comply with its obligations to the District is limited to its ownership interest in the land subject to the Series 2025 Special Assessments.*

## **THE LANDOWNER AND THE DEVELOPER**

Carolina Holdings II, LLC, a Nevada limited liability company (as previously defined, the "Developer"), is the developer of the Development and, together with Sunbelt Titusville Investments, LLC, a Nevada limited liability company (together, the "Landowner"), owns a majority of the lands within the District.

The majority membership interests of the Landowner are owned by affiliated entities of SunBelt Land Management, LLC, a Delaware limited liability company ("SunBelt"). SunBelt is a renowned brand in the field of land development, specializing in the creation of luxury waterfront communities throughout the southeastern United States. With a strong track record over the past fifty (50) years, the company has a recognized portfolio of developing more than 150 residential communities valued at \$1.5 billion and spanning 40,000 acres, including those listed below.

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<b>Project</b>	<b>Location</b>
The Shores at Tranquility	Titusville, Florida
Veranda Bay	Flagler Beach, Florida
Marina Del Palma	Palm Coast, Florida
The Pointe at Hyco Lake	Leasburg, North Carolina
Stonebridge	Bowie, Texas
Cannonsgate at Bogue Sound	Newport, North Carolina
Providence Country Club	Charlotte, North Carolina
Reflection Pointe	Belmont, North Carolina
Skycroft	Weddington, North Carolina
Summerhouse at Everett Bay	Holly Ridge, North Carolina
The Sanctuary at Costa Grande	Port O'Connor, Texas
Water Ridge	Auburndale, Florida
Waterbridge	Myrtle Beach, South Carolina
Waterway Palms	Myrtle Beach, South Carolina
Peninsula at Lake Hyco	Lake Hyco, North Carolina
Royal Pines	Huntsville, Texas

## **THE DEVELOPMENT**

### **General**

The Shores at Tranquility (the "Development") is an intracoastal waterfront community located within the City of Titusville, Florida (as previously defined, the "City") in Brevard County, Florida (as previously defined, the "County"). The Development consists of 346 acres and is bound on the south by U.S. Highway 1 (South Washington Avenue), on the east by State Road 405 (NASA Causeway) and runs north along the Indian River Lagoon. The main entrance to the Development is located along U.S. Highway 1 (South Washington Avenue). Additional access points are located along the southern and eastern border of the Development at U.S. Highway 1 and State Road 405 (NASA Causeway), respectively.

Situated on the Intracoastal Waterway in Florida's Space Coast, the Development is currently planned to include single-family and multi-family residential homes built around resort-like amenities, natural lands and waterfront views with a separate mixed-use town center parcel fronting the main entrance at U.S. Highway 1 (South Washington Avenue). The Development sits just across from the Kennedy Space Center and the 140,000-acre Merritt Island Wildlife Preserve. Canaveral National Seashore can be accessed from the Development in less than twenty (20) minutes. In addition, downtown Orlando is located approximately thirty-eight (38) miles west of the Development and Cape Canaveral is located approximately twenty-one (21) miles southeast of the Development. Further, the Orlando International Airport is located approximately thirty-eight (38) miles southwest of the Development.

Designed as a gated waterfront community, the Development is currently planned to include approximately 2,404 residential units, consisting of 269 single-family units and 2,135 multi-family units, along with 280,000 square feet of commercial space, a 270-room hotel, recreational facilities and a marina. Development activities in the Development commenced in March 2021. Since then, a significant amount of development has been completed or is underway including construction of the landscaped entry, the spine road and additional horizontal infrastructure supporting the initial phases of the Development.

As described herein, the community has been designed to offer a diverse range of residential offerings, including custom estate homesites and builder constructed homes. The first three (3) phases of the Development are planned to include 269 lots comprised of (a) Phase 1, which includes ninety-nine (99) direct intracoastal and intracoastal view custom estate homesites that front the Intracoastal Waterway, (b) Phase 2, which includes an additional 103 custom estate homesites situated just south of Phase 1, directly off the main spine road, branching east and west through the Development, and (c) Phase 3, which is planned to include sixty-seven (67) builder constructed homes situated in the southwestern corner of the Development, directly west of Addison Creek.

As indicated herein, the 2025 Assessment Area is currently planned to include the 269 single-family residential lots within Phases 1 through 3 of the Development. As described further herein, as of July 15, 2025, all 202 custom estate homesites in Phases 1 and 2 had been closed with retail buyers. Further, Toll Brothers had entered into a contract to purchase all sixty-seven (67) planned lots in Phase 3 upon development completion of such lots.

### **Land Acquisition/Development Financing**

The Landowner, or affiliates thereof, acquired the approximately 346 acres comprising the Development in February 2008 for an aggregate purchase price of approximately \$27.5 million. The acquisition of the lands was effectuated with cash and an \$8.5 million loan, which loan has been paid in full and the mortgage on the lands within the Development related to the loan has been extinguished.

As indicated herein, development activities in Phase 1 and Phase 2 have been completed and work on Phase 3 is anticipated to commence in the third quarter of 2025. Proceeds of the Series 2025 Bonds totaling approximately \$5.8 million\* will be utilized to construct and/or acquire a portion of the Series 2025 Project. As of July 15, 2025, the Landowner estimates approximately \$26 million has been expended in development-related expenditures allocable to the 2025 Assessment Area. The remainder of the Series 2025 Project not funded with proceeds of the Series 2025 Bonds are anticipated to be funded with equity contributions from the Landowner.

### **Zoning and Permitting**

*Zoning.* The Development is located within the Regional Mixed-Use zoning district. The development agreement (the "Development Agreement") governing the Development provides for the development of a maximum of 2,404 units, designated commercial parcels, and requires a minimum of twenty percent (20%) of the total acreage be set aside for open space and a minimum of fifteen percent (15%) dedicated to parks and recreation. The Development Agreement contemplates the lands within the Development will be developed pursuant to a master development plan and further sets forth various development conditions pertaining to, without limitation, construction of walking trails, a boardwalk, a riverfront park, and traffic signals and associated improvements at the intersection of State Road 405 (NASA Causeway) and the entrance to the Development. Certain of the conditions set forth in the Development Agreement are required to be undertaken in conjunction with achieving a certain number of building permits. The Development Agreement is valid for ten

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\* Preliminary, subject to change.

(10) years and is currently scheduled to expire in October 2032, with the right of the Landowner to request further extensions.

*Permits.* All necessary permits for Phases 1 and 2 of the Development have been obtained and the development activities therein are complete. The Developer has also applied for all permits and approvals required for the infrastructure necessary to serve Phase 3 of the Development which include, without limitation, a St. Johns River Water Management District Environmental Resource Permit, and Army Corps of Engineers, Florida Department of Environmental Protection and City permits including construction plan approval. These permits and approvals are anticipated to be received in [September 2025].

Upon issuance of the Series 2025 Bonds, the Consulting Engineer will certify that any permits and approvals necessary for the 2025 Assessment Area that have not previously been obtained are expected to be obtained in the ordinary course of business. As indicated herein, development activities in Phase 1 and Phase 2 have been completed and work on Phase 3 is anticipated to commence in the third quarter of 2025.

## **Environmental**

The Development formerly included a Florida East Coast railroad trackbed running north along the Development's border. As part of site assessment activities conducted in 2008 and again in 2014 by the Developer's consultant, Universal Engineering Services, contamination of soil along the abandoned railway line was confirmed. All assessments and remediation activities in the Development were submitted to and approved by the Florida Department of Environmental Protection ("FDEP") and soil redemption was subsequently completed in full. On November 14, 2024, the Developer received a letter from the FDEP confirming completion and compliance for the Development, including the 269 lots in the 2025 Assessment Area.

## **Utilities**

The City will provide water and wastewater to the 2025 Assessment Area. Electric power is being provided by Florida Power & Light. Telephone, internet and cable are being provided by AT&T.

## **Product Type/Phasing**

As described herein, the 2025 Assessment Area is planned to be developed in three (3) phases for the development of approximately 269 lots. As discussed herein, Phases 1 and 2 comprise 202 custom estate homesites and Phase 3 comprises sixty-seven (67) builder constructed homes. A summary of the unit mix and phasing is provided below, which is subject to change.

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<b>Product Type</b>	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>	<b>Total</b>
Single-family 70' ( <i>Intracoastal Direct &amp; View</i> )	99	0	0	99
Single-family 70' ( <i>Estate Lots</i> )	0	103	0	103
Single-family 50' ( <i>Estate Lots</i> )	0	0	67	67
<b>Total</b>	<b>99</b>	<b>103</b>	<b>67</b>	<b>269</b>

## **Development Status**

Development work in the 2025 Assessment Area commenced in March 2021 and is being developed in three (3) phases.

Phase 1 is complete and includes the full development and platting of ninety-nine (99) custom estate homesites located along the Intracoastal Waterway. Horizontal infrastructure development in Phase 2 is complete and has been platted for an additional 103 custom estate homesites. Further, work on Phase 3, planned for sixty-seven (67) builder constructed homes, is anticipated to commence in the third quarter of 2025.

In addition, development work is nearing completion on the main entry road off of U.S. Highway 1 known as Reflections Boulevard and the eastern and western spine road loop known as Isles of Palms Boulevard, which together will provide immediate access to all 269 homesites planned within the 2025 Assessment Area.

## **Participating Builder Agreements/Builder Contract Activity**

The Development is being marketed as a gated waterfront community planned to feature a variety of single-family and multi-family product type built around resort-like amenities, natural lands and waterfront views. As previously discussed, the first three (3) phases of the Development are planned to include 269 lots within the 2025 Assessment Area, including 202 custom estate homesites in Phases 1 and 2 and sixty-seven (67) builder constructed homes in Phase 3. As detailed below, the Developer has sold homesites in Phases 1 and 2 directly to retail purchasers who will in turn contract with a builder for home construction thereon. Accordingly, the Developer has curated a "Participating Builder Program" for custom estate homesites in Phases 1 and 2. Further, the Developer has entered into a purchase and sale contract with Toll Brothers for the takedown of sixty-seven (67) residential lots planned in Phase 3 upon development completion of such lots.

### *Phase 1 and Phase 2 – Participating Builder Agreements*

The Developer has implemented a Participating Builder Program for the 202 custom estate homesites in Phases 1 and 2 that have been sold directly to retail purchasers. The Developer has entered into a Participating Builder Agreement with seven (7) custom builders in the region, including NuVision Builders, Rosewood Homes, Hulbert Homes, DiPrima Homes, Carl Corley Construction, Beau Monde Builders and Loyd Contracting Company (each, a "Participating Builder" and collectively, the "Participating Builders"). All retail buyers of a custom estate homesite are required to use a Participating Builder to construct a home within the Development.

The following represents summary information and was obtained from the respective websites of the Participating Builders currently active in the 2025 Assessment Area as of the date of this Limited Offering Memorandum. Such information has not been independently

verified by the Landowner or its counsel, the District or its counsel, the Underwriter or its counsel, or Bond Counsel, and no person makes any representation or warranty as to the accuracy or completeness of such information.

**NuVision Builders** is a luxury custom homebuilder that started operating in Titusville, Florida in December 2009. The company is currently building custom homes throughout the Space Coast, including Brevard and Southern Volusia counties.

**Rosewood Homes** is an independently owned and operated franchise of AR Homes®. Located in Melbourne, Florida, Rosewood Homes is one of Brevard County's most sought-after builders of custom luxury homes.

**Hulbert Homes** is a premier award winning custom homebuilder that has been constructing homes since 1997 in Polk and Hillsborough Counties and has recently expanded into the City of Palm Coast in Flagler County and the Space Coast.

**DiPrima Homes** has been a leading Brevard County home builder for sixty (60) years providing luxurious homes at affordable prices. Founded by Joe DiPrima in 1961, the company has built commercial properties, county facilities, and residential subdivisions.

**Carl Corley Construction**, established in 1987 by Carl Corley, has an outstanding reputation for building quality custom homes in and around the Titusville area.

**Beau Monde Builders** is a distinguished custom home builder that operates in the Space Coast region of Florida. The company has a team of seasoned professionals who provide exceptional service and top-quality craftsmanship to each of their clients.

**Loyd Contracting Company** is a family-owned, fully licensed general contractor, offering their services to clients throughout Brevard County, Florida, and the surrounding regions.

### **Phase 3 – Builder Contract**

The Developer has entered into a lot purchase agreement (the "Purchase Agreement") with an affiliate of Toll Brothers, Inc. ("Toll Brothers") for the purchase of all sixty-seven (67) single-family lots in Phase 3. The Lot Purchase Agreement provides that closing on the sixty-seven (67) lots will occur upon substantial completion of all development-related work pertaining to such lots. The agreement establishes an aggregate purchase price of \$11.725 million, which equates to \$175,000 per lot for each of the sixty-seven (67) lots. Toll Brothers is required to make a refundable deposit equal to approximately \$1.5 million, which [such deposit has been made] and will be credited against the total purchase price due at closing.

Pursuant to the Purchase Agreement, the Developer is required to complete the development of all sixty-seven (67) single-family lots in Phase 3 no later than December 1, 2026, subject to certain extensions. If the lots are not completed by such date, Toll Brothers may either terminate the agreement and receive a full refund of the deposit, or at its discretion, extend the lot completion deadline. Further, pursuant to the Purchase Agreement, the Developer is required to construct a pedestrian bridge over Addison Creek connecting

Phase 1 and Phase 3, with commencement thereof to occur prior to closing on such lots. If commencement has not occurred by that time, the purchase price will be reduced by \$300,000.

**Toll Brothers** is a Fortune 500 company and is the nation's leading builder of luxury homes. The company began business over fifty (50) years ago in 1967 and became a public company in 1986. The company serves move-up, empty-nester, active-adult, and second-home buyers and operates in twenty-four (24) states. Toll Brothers builds an array of luxury residential single-family detached and attached homes, master planned resort-style golf communities, and urban low-, mid-, and high-rise communities, principally on land it develops and improves. The company operates its own architectural, engineering, mortgage, title, land development and land sale, golf course development and management, home security, and landscape subsidiaries.

Toll Brothers is a publicly-traded company the common stock of which is listed on the New York Stock Exchange under the symbol TOL. Toll Brothers is subject to the informational requirements of the Securities Exchange Commission Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements, and other information with the SEC. The file number for Toll Brothers is 001-09186. The registration statement and other SEC filings are available at the SEC's website at [www.sec.gov](http://www.sec.gov) and at the SEC's Public Reference Room at the SEC's Headquarters, located at 100 F Street, NE, Washington, D.C. 20549. All documents subsequently filed by Toll Brothers pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

## Residential Product Offerings

The Development is being marketed as a waterfront community featuring a modern Coastal Mediterranean style, offering a collection of waterfront and water view homes facing the Intracoastal Waterway as well as inland homes that offer lakefront and fountain views. Custom home prices are anticipated to start at \$1,000,000+, with select homes starting as high as \$3,000,000. Further, Toll Brothers' estate homes are anticipated to start at \$750,000.

Product Type	Estimated Base Square Footage	Estimated Base Prices
<b>Custom Estate Homes</b>		
Single-family ( <i>Intracoastal Direct</i> )	3,300	\$1,350,000+
Single-family ( <i>Intracoastal View</i> )	3,000	\$1,250,000+
Single-family ( <i>Estate Lots</i> )	2,800	\$1,000,000+
<b>Toll Brothers</b>		
Single-family ( <i>Estate Lots</i> )	2,500	\$750,000+

## Absorption/Lot Sales

Pre-sale activities for homesites within the 2025 Assessment Area commenced in 2021. As of July 15, 2025, all 202 custom homesites in Phases 1 and 2 had been closed with retail buyers. Phase 1 includes ninety-nine (99) custom homesites, sixty-three (63) of which front the Intracoastal Waterway and sold at prices ranging from \$329,900 to \$519,900, with certain retail buyers purchasing multiple lots or partial lots, resulting in higher aggregate purchase prices. The remaining thirty-six (36) custom estate homesites in Phase 1, which offer views of the Intracoastal Waterway, sold at prices ranging from \$176,400 to \$325,000.

The 103 custom homesites in Phase 2, which are inland lots with lakefront and fountain views, sold at prices ranging from \$197,400 to \$324,900, with certain retail buyers purchasing multiple lots or partial lots, resulting in higher aggregate purchase prices.

Construction of custom homes must commence within five (5) years of closing on a homesite. Home construction activities in Phase 1 have commenced and there are [sixteen (16) homes] currently under construction.

Further, as of [July 2025], Toll Brothers had entered into a contract to purchase all sixty-seven (67) planned lots in Phase 3 of the 2025 Assessment Area. [Pursuant to the Purchase Agreement previously described in more detail under the heading "Participating Builder Agreements/Builder Contract Activity," it is anticipated that Toll Brothers will takedown all lots in Phase 3 on or before December 1, 2026].

The information in the table below illustrates the current projected lot closings for the residential lot offerings in the 2025 Assessment Area, which information is subject to change.

<b>Product Type</b>	<b>Through July 15, 2025</b>	<b>Remaining 2025</b>	<b>2026</b>	<b>Total</b>
Phase 1 ( <i>Intracoastal Direct &amp; View</i> )	99	0	0	99
Phase 2 ( <i>Estate Lots</i> )	103	0	0	103
Phase 3 ( <i>Toll Brothers Estate Lots</i> )	0	0	67	67
<b>Total</b>	<b>202</b>	<b>0</b>	<b>67</b>	<b>269</b>

The aforementioned projections are based upon estimates and assumptions that are inherently uncertain, though considered reasonable, and are subject to significant business, economic and competitive uncertainties and contingencies, all of which are difficult to predict. As a result, there can be no assurance that such projections will occur or be realized in the time frames anticipated. See "BONDOWNERS' RISKS" herein.

## **Recreational Amenities**

The Development is planned to include recreational facilities to serve its residents. Such recreational facilities are planned to include a clubhouse, resort-style pool, fitness center, tennis and pickleball courts, playground, dog park, disc-golf course, walking trails and an observation pier. The estimated cost for such recreational facilities is approximately \$4.5 million. Construction of the recreational facilities is scheduled to commence in the third quarter of 2025 with scheduled completion in the third quarter of 2026. In addition, the Developer has proposed a marina with individual boat slips to which residents will be offered access, located along the Intracoastal Waterway adjacent east of Phase 1.

## **Schools**

Based upon current school districting, school-age children residing in the Development will attend Imperial Estates Elementary School, Andrew Jackson Middle School and Titusville High School, which received ratings of "C," "C" and "B," respectively, from the Florida Department of Education for 2025. However, future capacity limitations or redistricting could result in a change to which schools children residing in the Development would attend.

## Marketing

The Developer intends to employ a marketing plan for the Development that includes using various strategies, outlets and media. Further, the Participating Builders are charged a marketing fee which funds are utilized as a contribution towards the marketing efforts for the Development. The Participating Builders are also undertaking their own marketing efforts to market homes in the first phases of the Development. In addition, it is anticipated that Toll Brothers will build model homes in Phase 3 of the 2025 Assessment Area.

## Fees and Assessments

Each property owner in the 2025 Assessment Area will be required to pay annual taxes, assessments, and fees on an ongoing basis as a result of their ownership of property within the District, including ad valorem property taxes, the Series 2025 Special Assessments levied by the District in connection with the Series 2025 Bonds, homeowner's association ("HOA") fees, and administrative, operation and maintenance assessments ("O&M Assessments") levied by the District, all as described in more detail below.

**Property Taxes.** The current millage rate for the area in which the District is located is 17.5341. Assuming a home with a taxable value of \$850,000, the annual property tax would be approximately \$14,904.

**Homeowner's Association Fees.** All homeowners in the 2025 Assessment Area will be subject to annual master HOA fees for architectural review, deed restriction enforcement and maintenance of any HOA-owned facilities. The annual HOA fee for all homes in the 2025 Assessment Area is estimated to be \$1,600.

**District Special Assessments.** All property owners residing in the 2025 Assessment Area will be subject to the Series 2025 Special Assessments levied in connection with the Series 2025 Bonds which are expected to be paid annually over a thirty (30) year period. The table below illustrates the aforementioned Series 2025 Special Assessments that will be levied by the District for each of the respective product types within the 2025 Assessment Area.

<b>Product Type</b>	<b># of Units</b>	<b>Est. Series 2025 Bonds Principal Per Unit*</b>	<b>Est. Series 2025 Bonds Gross Annual Debt Service Per Unit*</b>
Single-family 70' (Phase 1 Intracoastal Direct & View)	99	\$21,337	\$1,650
Single-family 70' (Phase 2 Estate Lots)	103	21,337	1,650
Single-family 50' (Phase 3 Estate Lots)	67	37,015	2,861
<b>Total</b>	<b>269</b>		

\* Preliminary, subject to change. The Developer plans to prepay a portion of the Series 2025 Special Assessments to redeem approximately \$1.04 million of the Series 2025 Bonds pertaining to Phase 3. After such prepayments are made, the Series 2025 Special Assessments are expected to be reduced to approximately \$1,650 for a lot within Phase 3 of the Development.

In addition to the Series 2025 Special Assessments, all property owners within the District will be subject to annual O&M Assessments levied by the District which are derived from the District's annual budget and are subject to change each year. The estimated annual O&M Assessments at build out of the Development are anticipated to be \$[\_\_\_\_] per unit and are subject to change.

## **Competition**

While there are numerous communities situated in the Titusville sub-market, the Landowner feels that the Development uniquely offers custom homes with waterfront views and unique sightlines to the Kennedy Space Center, features that are not currently available in any other active development in the area, therefore differentiating it from such communities.

This section does not purport to summarize all of the existing or planned communities in the area of the Development, but rather to provide a description of those that the Developer feels pose primary competition to the homes to be constructed in the Development.

## **BONDOWNERS' RISKS**

There are certain risks inherent in an investment in bonds secured by special assessments issued by a public authority or governmental body in the State. Certain of these risks are described in the section above entitled "ENFORCEMENT OF ASSESSMENT COLLECTIONS." However, certain additional risks are associated with the Series 2025 Bonds offered hereby. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2025 Bonds and prospective purchasers are advised to read this Limited Offering Memorandum including all appendices hereto in its entirety to identify investment considerations relating to the Series 2025 Bonds.

## **Limited Pledge**

The principal security for the payment of the Debt Service Requirements on the Series 2025 Bonds is the timely collection of the Series 2025 Special Assessments. The Series 2025 Special Assessments do not constitute a personal indebtedness of the owners of the land subject thereto but are secured by a lien on such land. There is no assurance that the Landowner or any subsequent landowner will be able to pay the Series 2025 Special Assessments or that they will pay such Series 2025 Special Assessments even though financially able to do so. Neither the Landowner nor any subsequent landowner is a guarantor of payment of any Series 2025 Special Assessment and the recourse for the failure of the Landowner or any subsequent landowner to pay the Series 2025 Special Assessments is limited to the collection proceedings against the land. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. The District has not granted, and may not grant under State law, a mortgage or security interest in the Series 2025 Project. Furthermore, the District has not pledged the revenues, if any, from the operation of the Series 2025 Project as security for, or a source of payment of, the Series 2025 Bonds. The Series 2025 Bonds are payable solely from, and secured solely by, the Pledged Revenues, including the Series 2025 Special Assessments. The failure of the Landowner or any subsequent landowner to pay the required Series 2025 Special Assessment on its property will not result in an increase in the amount of Series 2025 Special Assessments other landowners are or would be required to pay.

## **Concentration of Land Ownership and Bankruptcy Risks**

Until further development takes place in the 2025 Assessment Area and assessable properties are sold to end users, payment of the Series 2025 Special Assessments is

substantially dependent upon their timely payment by the Landowner. In the event of the institution of bankruptcy or similar proceedings with respect to the Landowner or any other subsequent significant owner of property subject to the Series 2025 Special Assessments, delays and impairment could occur in the payment of the Debt Service Requirements on the Series 2025 Bonds as such bankruptcy could negatively impact the ability of (a) the Landowner or any other landowner being able to pay the Series 2025 Special Assessments, (b) the County to sell tax certificates in relation to such property with respect to the Series 2025 Special Assessments being collected pursuant to the Uniform Method, and (c) the District's ability to enforce collection with respect to the Series 2025 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2025 Bonds, the Trustee and the District 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 during a bankruptcy of the Landowner or any other landowner, the remedies specified by federal, State and local law and in the Indenture and the Series 2025 Bonds, including, without limitation, enforcement of the obligation to pay Series 2025 Special Assessments and the ability of the District to foreclose the lien of the Series 2025 Special Assessments, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2025 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 available remedies respecting the Series 2025 Bonds could have a material adverse impact on the interest of the Owners thereof.

### **Delay and Discretion Regarding Remedies**

Beyond legal delays that could result from bankruptcy, the ability of the County to sell tax certificates in regard to delinquent Series 2025 Special Assessments collected pursuant to the Uniform Method will be dependent upon various factors, including the interest rate which can be earned by ownership of such certificates and the value of the land which is the subject of such certificates and which may be subject to sale at the demand of the certificate holder after two (2) years. Similarly, the ability of the District to enforce collection of delinquent Series 2025 Special Assessments collected directly by the District will be dependent upon various factors, including the delay inherent in any judicial proceeding to enforce the lien of the Series 2025 Special Assessments and the value of the land which is the subject of such proceedings and which may be subject to sale. If the District should commence a foreclosure action against a landowner for nonpayment of Series 2025 Special Assessments which are not being collected pursuant to the Uniform Method and that are delinquent, such landowners may raise affirmative defenses to such foreclosure action, which although such affirmative defenses would likely be proven to be without merit, could result in delays in completing the foreclosure action.

### **Limitation on Funds Available to Exercise Remedies**

In the event of a default by a landowner in payment of Series 2025 Special Assessments that are not collected pursuant to the Uniform Method, the District is required under the Indenture to fund the costs of foreclosure of such delinquent Series 2025 Special Assessments. It is possible that the District will not have sufficient funds and will be

compelled to request the Owners of the Series 2025 Bonds to allow funds on deposit under the Indenture to be used to pay such costs. Under the Internal Revenue Code of 1986, as amended (the "Code"), there are limitations on the amount of Series 2025 Bond proceeds that can be used for such purpose. As a result, there may be insufficient funds for the exercise of remedies.

### **Determination of Land Value upon Default**

The assessment of the benefits to be received by the benefited land within the 2025 Assessment Area as a result of implementation and development of the Series 2025 Project is not indicative of the realizable or market value of the land, which value may actually be higher or lower than the assessment of benefits. In other words, the value of the land could potentially be ultimately less than the debt secured by the Series 2025 Special Assessments associated with it. To the extent that the realizable or market value of the land benefited by the Series 2025 Project is lower than the assessment of benefits, the ability of the Tax Collector to sell tax certificates relating to such land, or the District to realize sufficient value from a foreclosure action, may be adversely affected. Such adverse effect could render the District unable to collect delinquent Series 2025 Special Assessments, if any, and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of the Debt Service Requirements on the Series 2025 Bonds.

### **Landowner Challenge of Assessed Valuation**

Under State 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 2025 Special Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to such Series 2025 Special Assessment, even though the landowner is not contesting the amount of the Series 2025 Special Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem assessments and at least seventy-five percent (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.

### **Failure to Comply with Assessment Proceedings**

The District is required to comply with statutory procedures in levying the Series 2025 Special Assessments. Failure of the District to follow these procedures could result in the Series 2025 Special Assessments not being levied or potential future challenges to such levy.

### **Other Taxes and Assessments**

The willingness and/or ability of a landowner within the 2025 Assessment Area to pay the Series 2025 Special Assessments could be affected by the existence of other taxes and

assessments imposed upon the property. Public entities whose boundaries overlap those of the District, such as the City, the County, the Brevard County School District and other special districts could, without the consent of the owners of the land within the 2025 Assessment Area, impose additional taxes or assessments on the property within the 2025 Assessment Area. County, municipal, school and special district taxes and assessments, including the Series 2025 Special Assessments, and any additional voter-approved ad valorem taxes, are payable at the same time when collected pursuant to the Uniform Method, except for partial payment schedules as may be provided by Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment, such taxpayer cannot designate specific line items on the tax bill as deemed paid in full. Therefore, any failure by a landowner to pay any one line item, whether or not it is the Series 2025 Special Assessments, would result in such landowner's Series 2025 Special Assessments to not be fully collected, which could have a significant adverse impact on the District's ability to make full or punctual payment of the Debt Service Requirements on the Series 2025 Bonds.

As referenced herein, the Series 2025 Special Assessments are levied on lands within the 2025 Assessment Area that are also subject to O&M Assessments and HOA fees. See "THE DEVELOPMENT – Fees and Assessments" herein.

### **Limited Secondary Market**

The Series 2025 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2025 Bonds in the event an Owner thereof determines to solicit purchasers of the Series 2025 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2025 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2025 Bonds, depending on the progress of the 2025 Assessment Area, existing market conditions and other factors.

### **Inadequacy of Series 2025 Debt Service Reserve Account**

Some of the risk factors described herein, if materialized, could result in a delay in the collection of the Series 2025 Special Assessments or a failure to collect the Series 2025 Special Assessments, but may not affect the timely payment of the Debt Service Requirements on the Series 2025 Bonds because of the Series 2025 Debt Service Reserve Account established by the District for the Series 2025 Bonds. However, the ability of the District to fund deficiencies caused by delinquent or delayed Series 2025 Special Assessments is dependent upon the amount, duration and frequency of such deficiencies or delays. If the District has difficulty in collecting the Series 2025 Special Assessments, the Series 2025 Debt Service Reserve Account could be rapidly depleted and the ability of the District to pay the Debt Service Requirements on the Series 2025 Bonds could be materially adversely affected. Owners should note that although the Indenture contains the Series 2025 Debt Service Reserve Requirement for the Series 2025 Debt Service Reserve Account, and a corresponding obligation on the part of the District to replenish the Series 2025 Debt Service Reserve Account to the Series 2025 Debt Service Reserve Requirement, the District does not have a designated revenue source for replenishing the Series 2025 Debt Service Reserve Account. Moreover, the District may not be permitted to re-assess real property then burdened by the

Series 2025 Special Assessments in order to provide for the replenishment of the Series 2025 Debt Service Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS – No Parity Bonds; Limitation on Parity Liens" herein.

Moneys on deposit in the Series 2025 Debt Service 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 available in the Series 2025 Debt Service Reserve Account to make up deficiencies or delays in collection of Series 2025 Special Assessments.

### **Regulatory and Environmental Risks**

The Development 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. See "THE DEVELOPMENT – Zoning and Permitting" herein.

The value of the land within the 2025 Assessment Area, the ability to complete the Series 2025 Project, and the likelihood of timely payment of the Debt Service Requirements on the Series 2025 Bonds could be affected by environmental factors with respect to the lands in the 2025 Assessment Area, such as contamination by hazardous materials. 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 2025 Assessment Area or from surrounding property, and what effect such may have on the development of the lands within the 2025 Assessment Area. 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" herein.

### **Economic Conditions**

The development of the 2025 Assessment Area may be affected by changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Landowner or the District. Although the 2025 Assessment Area is anticipated to be developed as described herein, there can be no assurance that such development will occur or be realized in the manner or schedule currently anticipated.

### **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 assurance 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 the Debt Service Requirements on the Series 2025 Bonds.

### **Infectious Viruses and/or Diseases**

The COVID-19 pandemic severely impacted global financial markets, unemployment levels and commerce generally. It is possible that, in the future, the spread of epidemic or pandemic diseases and/or government health and public safety restrictions imposed in response thereto could adversely impact the District, the Landowner, the timely and successful completion of the 2025 Assessment Area, 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.

### **Damage to District from Natural Disasters**

The value of the lands subject to the Series 2025 Special Assessments could be adversely affected 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 2025 Assessment Area, such catastrophic events could potentially render the lands within the 2025 Assessment Area unable to support the construction of the Series 2025 Project. The occurrence of any such events could materially adversely affect the District's ability to collect Series 2025 Special Assessments and pay the Debt Service Requirements on the Series 2025 Bonds. The Series 2025 Bonds are not insured and the District's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

### **Change in Development Plans**

The Landowner has the right to modify or change plans for development of certain property within the District, 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.

### **Completion of Series 2025 Project**

The Series 2025 Bond proceeds will not be sufficient to finance the completion of the Series 2025 Project. The portions of the Series 2025 Project not funded with proceeds of the Series 2025 Bonds are expected to be funded with contributions from the Landowner. There is no assurance that the Landowner will be able to pay for the cost of any of these improvements. Upon issuance of the Series 2025 Bonds, the Landowner will enter into the Completion Agreement with respect to any portions of the Series 2025 Project not funded with the proceeds of the Series 2025 Bonds. Such obligation of the Landowner is an unsecured obligation. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS – Completion Agreement" herein. There can be no assurance, that the District will have sufficient moneys on hand to complete the Series 2025 Project or that the District will be able to raise through the issuance of bonds, or otherwise, the moneys necessary to complete

the Series 2025 Project. Pursuant to the Indenture, the District covenants and agrees that so long as the Series 2025 Bonds are Outstanding, the District will not impose debt service Special Assessments for capital projects on any lands then subject to the Series 2025 Special Assessments without the written consent of the Majority Owners; provided, however, such consent shall not be required if the Series 2025 Special Assessments have been Substantially Absorbed. Notwithstanding the foregoing, the District is not precluded from imposing capital assessments (or the issuance of Bonds secured by such capital assessments) on property then subject to the Series 2025 Special 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. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS – No Parity Bonds; Limitation on Parity Liens" herein.

Undeveloped or partially developed land is inherently less valuable than developed land and provides less security to the Owners of the Series 2025 Bonds should it be necessary to institute proceedings due to the nonpayment of the Series 2025 Special Assessments. Failure to complete or substantial delays in the completion of the Series 2025 Project due to litigation or other causes may reduce the value of the lands in the 2025 Assessment Area and increase the length of time during which Series 2025 Special Assessments will be payable from undeveloped property and may affect the willingness and ability of the landowners to pay the Series 2025 Special Assessments when due and likewise the ability of the District to make full or punctual payment of the Debt Service Requirements on the Series 2025 Bonds.

#### **District May Not be Able to Obtain Permits**

In connection with a foreclosure of lien of assessments prior to completion of a development, the Circuit Court in and for Lake County, Florida concluded that a community development district had no right, title or interest in any permits and approvals owned by the owner of the parcels so foreclosed. As discussed herein, the District and the Landowner will enter into the Collateral Assignment upon issuance of the Series 2025 Bonds in which the Landowner collaterally assigns to the District certain of its Development & Contract Rights relating to the Series 2025 Project. Notwithstanding the foregoing, in the event that the District forecloses on the property subject to the lien of the Series 2025 Special Assessments to enforce payment thereof, the District may not have the right, title or interest in the permits and approvals owned by the Landowner and failure to obtain any such permits or approvals in a timely manner could delay or adversely affect the completion of the 2025 Assessment Area. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2025 BONDS – Collateral Assignment" herein.

#### **Interest Rate Risk; No Rate Adjustment for Taxability**

The interest rates borne by the Series 2025 Bonds are, in general, higher than interest rates borne by other bonds of political subdivisions that do not involve the same degree of risk as investment in the Series 2025 Bonds. These higher interest rates are intended to compensate investors in the Series 2025 Bonds for the risk inherent in the purchase of the Series 2025 Bonds. However, such higher interest rates, in and of themselves, increase the amount of Series 2025 Special Assessments that the District must levy in order to provide for payment of the Debt Service Requirements on the Series 2025 Bonds and, in turn, may increase the burden of landowners within the 2025 Assessment Area, thereby possibly

increasing the likelihood of non-payment or delinquency in payment of such Series 2025 Special Assessments.

The Indenture does not contain an adjustment of the interest rates on the Series 2025 Bonds in the event of a determination of taxability of the interest thereon. Such a change could occur as a result of the District's failure to comply with tax covenants contained in the Indenture or the Arbitrage Certificate executed by the District upon issuance of the Series 2025 Bonds or due to a change in the United States income tax laws. Should interest on the Series 2025 Bonds become includable in gross income for federal income tax purposes, Owners of the Series 2025 Bonds will be required to pay income taxes on the interest received on such Series 2025 Bonds and related penalties. Because the interest rates on such Series 2025 Bonds will not be adequate to compensate Owners of the Series 2025 Bonds for the income taxes due on such interest, the value of the Series 2025 Bonds may decline. Prospective purchasers of the Series 2025 Bonds should evaluate whether they can own the Series 2025 Bonds in the event that the interest on the Series 2025 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.

### **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 paragraph, the "Audited Bonds") issued by Village Center Community Development District ("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 governmental 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 was 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 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 Village Center CDD with respect to this second set of Audited Bonds noted that the IRS found that 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 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 Village Center CDD.

On February 23, 2016, the IRS issued a notice of proposed rulemaking containing proposed regulations (the "Proposed Regulations") that provided guidance as to the definition of a political subdivision for purposes of the rules for tax-exempt bonds. However, on July 24, 2017, in response to Executive Order 13789 issued by President Trump, the Secretary of the Treasury (the "Secretary") identified the Proposed Regulations among a list of eight regulations that (a) impose an undue financial burden on U.S. taxpayers, (b) add undue complexity to the federal tax laws, or (c) exceed the statutory authority of the IRS. On October 2, 2017, in his Second Report to the President on Identifying and Reducing Tax Regulatory Burdens, the Secretary reported that the Treasury Department and the IRS believed that the Proposed Regulations should be withdrawn in their entirety, and the Treasury Department and the IRS withdrew the Proposed Regulations on October 20, 2017. The Secretary further provided that the Treasury Department and the IRS would continue to study the legal issues relating to political subdivisions and may propose more targeted guidance in the future. Because the Proposed Regulations have been withdrawn, it is not possible to determine the extent to which all or a portion of the discussion herein regarding the Village Center CDD and the TAMs may continue to be applicable in the absence of further guidance from the IRS.

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 five (5) years of the issuance of tax-exempt bonds 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 (6) years or when there are 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 members of the Board were elected by the landowners within the District and none were elected by qualified electors. Although it is impossible to predict whether the IRS will select the Series 2025 Bonds for audit, 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 2025 Bonds are advised that, if the IRS does audit the Series 2025 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 2025 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 2025 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 2025 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 2025 Bonds would adversely affect the availability of any secondary market for the Series 2025 Bonds. Should interest on the Series 2025 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2025 Bonds be

required to pay income taxes on the interest received on such Series 2025 Bonds and related penalties, but because the interest rates on such Series 2025 Bonds will not be adequate to compensate Owners of the Series 2025 Bonds for the income taxes due on such interest, the value of the Series 2025 Bonds may decline. See also "TAX MATTERS" herein.

### **Legislative Proposals and State Tax Reform**

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2025 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2025 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 2025 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2025 Bonds. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been made and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Series 2025 Bonds. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for or marketability of the Series 2025 Bonds.

It is impossible to predict what new proposals may be presented regarding ad valorem tax reform and/or community development districts during upcoming State 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. 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 2025 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 in any way impair the rights or remedies of such holders."

### **Loss of Exemption from Securities Registration**

Since the Series 2025 Bonds have not been, and will not be, registered under the Securities Act or any state securities laws, pursuant to the exemption for political subdivisions, and regardless of any potential IRS determination that the District is not a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could independently determine that the District is not a political subdivision for purposes of federal and state securities laws. Accordingly, the District and purchasers of the Series 2025 Bonds may not be able to rely on the exemption from registration relating to securities issued by political subdivisions. In that event, Owners of the Series 2025 Bonds would need to ensure that subsequent transfers of the Series 2025 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act.

## **Prepayment and Redemption Risk**

The Series 2025 Bonds are subject to extraordinary mandatory redemption as a result of prepayments of the Series 2025 Special Assessments by the Landowner or subsequent owners of property within the District. Any such redemptions of the Series 2025 Bonds would be at the principal amount of such Series 2025 Bonds being redeemed plus accrued interest to the date of redemption. In such event, Owners of the Series 2025 Bonds may not realize their anticipated rate of return on the Series 2025 Bonds and Owners of any Premium Bonds (hereinafter defined) may receive less than the price they paid for the Series 2025 Bonds. See "DESCRIPTION OF THE SERIES 2025 BONDS – Redemption Provisions" herein.

**Although not obligated to do so, the Developer currently anticipates prepaying a portion of the Series 2025 Special Assessments levied on the sixty-seven (67) 50' single-family lots in Phase 3 of the 2025 Assessment Area. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein for a breakdown of the estimated Series 2025 Special Assessments to be levied on the lands within the 2025 Assessment Area.**

## **Performance of District Professionals**

The District has represented to the Underwriter that it has selected its District Manager, District Counsel, Bond Counsel, Consulting Engineer, Assessment Consultant, Trustee and other professionals with the appropriate due diligence and care. While the foregoing professionals have each represented that they have the respective requisite experience to accurately and timely perform the duties assigned to them in such roles, the District does not guarantee the performance of such professionals.

## **No Credit Enhancement or Rating**

No application for credit enhancement or a rating on the Series 2025 Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the Series 2025 Bonds had application been made.

## **Mortgage Default and FDIC**

In the event a bank forecloses on property in the 2025 Assessment Area because of a default on a mortgage with respect thereto 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 2025 Special Assessments. In addition, the District would be required to obtain the consent of the FDIC prior to commencing a foreclosure action on such property for failure to pay Series 2025 Special Assessments.

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## ESTIMATED SOURCES AND USES OF BOND PROCEEDS

### **Sources of Funds**

Par Amount of Series 2025 Bonds

Less/Plus Original Issue Discount/Premium

**Total Sources**

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### **Uses of Funds**

Deposit to Series 2025 Acquisition and Construction Account

Deposit to Series 2025 Debt Service Reserve Account

Deposit to Series 2025 Interest Account<sup>(1)</sup>

Deposit to Series 2025 Costs of Issuance Subaccount<sup>(2)</sup>

Underwriter's Discount

**Total Uses**

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<sup>(1)</sup> Represents Capitalized Interest on the Series 2025 Bonds through November 1, 2025.

<sup>(2)</sup> Costs of issuance include, without limitation, legal fees and other costs associated with the issuance of the Series 2025 Bonds.

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## DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2025 Bonds:

[illegible]

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## **TAX MATTERS**

### **General**

The Code establishes certain requirements which must be met subsequent to the issuance of the Series 2025 Bonds in order that interest on the Series 2025 Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2025 Bonds to be included in federal gross income retroactive to the date of issuance of the Series 2025 Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2025 Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The District has covenanted in the Indenture with respect to the Series 2025 Bonds to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Series 2025 Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Code and is not an item of tax preference for purposes of the federal alternative minimum tax; however, interest on the Series 2025 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Series 2025 Bonds. Prospective purchasers of Series 2025 Bonds should be aware that the ownership of Series 2025 Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2025 Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on Series 2025 Bonds; (iii) the inclusion of interest on Series 2025 Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on Series 2025 Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on Series 2025 Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the District, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2025 Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

**PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2025 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDOWNERS, INCLUDING, BUT NOT LIMITED TO, THE**

CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDOWNERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

### **Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Series 2025 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2025 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2025 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2025 Bonds and proceeds from the sale of Series 2025 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2025 Bonds. This withholding generally applies if the owner of Series 2025 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2025 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

### **Other Tax Matters Relating to the Series 2025 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 2025 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2025 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 2025 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2025 Bonds.

Prospective purchasers of the Series 2025 Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2025 Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

On February 23, 2016, the Internal Revenue Service (the "IRS") issued a notice of proposed rulemaking containing proposed regulations (the "Proposed Regulations") that provide guidance as to the definition of a political subdivision for purposes of the rules for tax-exempt bonds. If adopted, the Proposed Regulations would have affected certain State and local governments that issue tax-exempt bonds, including community development districts such as the District. However, on July 24, 2017, in response to Executive Order 13789 issued by President Trump (the "Executive Order"), the Secretary of the Treasury (the "Secretary") identified the Proposed Regulations among a list of eight regulations that (i)

impose an undue financial burden on U.S. taxpayers, (ii) add undue complexity to the federal tax laws, or (iii) exceed the statutory authority of the IRS. On October 2, 2017, in his Second Report to the President on Identifying and Reducing Tax Regulatory Burdens, the Secretary reported that Treasury and the IRS believe that the Proposed Regulations should be withdrawn in their entirety, and the Treasury Department and the IRS withdrew the Proposed Regulations on October 20, 2017. The Secretary further provided that Treasury and the IRS will continue to study the legal issues relating to political subdivisions and may propose more targeted guidance in the future.

Because the Proposed Regulations have been withdrawn, it is not possible to determine the extent to which all or a portion of the discussion herein regarding the Villages and the Villages TAM (each as defined below) may continue to be applicable in the absence of further guidance from the IRS. Bond Counsel will render its opinion regarding the exclusion from gross income of interest on the Series 2025 Bonds as described below.

On May 30, 2013, the IRS delivered to Village Center CDD, a Florida special district established under Chapter 190, Florida Statutes, a private ruling, called a technical advice memorandum (the "Villages TAM"), in connection with the examination by the IRS of bonds issued by the Village Center CDD (the "Audited Bonds"). The Villages TAM concluded that, despite having certain eminent domain powers, the Village Center CDD is not a political subdivision permitted to issue tax-exempt bonds based on a number of facts including that its governing board is elected by a small group of landowners, and that it "was organized and operated to perpetuate private control and avoid indefinitely responsibility to a public electorate, either directly or through another elected state or local governmental body."

The Villages TAM, as a private, non-precedential, ruling, binds only the IRS and the Village Center CDD, and only in connection with the Audited Bonds. Moreover, the cited legal basis for the Villages TAM is extremely limited, and, therefore, the value of the Villages TAM as guidance is also limited. Nonetheless, the breadth and force of the language used in the Villages TAM may reflect the disfavor of the IRS toward governmental entities with governing boards elected by landowners, and this position may lead the enforcement branch of the IRS to select bonds of other issuers with landowner-controlled boards for examination.

In July 2016, the IRS closed the examination of the Audited Bonds with no change to their tax-exempt status. Although the audit was closed with no adverse impact on the Audited Bonds, the IRS's motivations and rationale for closing the examination are unknown. The Village Center CDD refunded the Audited Bonds with taxable bonds in 2014.

Like the board of the Village Center CDD, the Board of Supervisors of the District is necessarily elected by the landowners in the District since there are not yet enough qualified electors residing in the District to transition the Board of Supervisors to a resident-elected Board of Supervisors. The Act, which contains the uniform statutory charter for all community development districts and by which the District is governed, delegates to the District certain traditional sovereign powers including, but not limited to, eminent domain, ad valorem taxation and regulatory authority over rates, fees and charges for district facilities. On the basis of the Act and certain representations by the District forming a part of the District's tax certificate as to its reasonable expectations of transition to a resident-elected Board of Supervisors, it does not appear from the facts and circumstances that the District was organized to avoid indefinitely responsibility to a public electorate. On the basis

of the foregoing and other factors, Bond Counsel has concluded that under current law the District is a political subdivision for purposes of Section 103 of the Code, notwithstanding that its Board of Supervisors is temporarily elected by landowners. Bond counsel intends to deliver its unqualified approving opinion in the form attached hereto as "APPENDIX D – FORM OF OPINION OF BOND COUNSEL."

The release of the Villages TAM may cause an increased risk of examination of the Series 2025 Bonds. Owners of the Series 2025 Bonds are advised that if the IRS does audit the Series 2025 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 2025 Bonds may have limited rights to participate in such procedure. The Indenture does not provide for any adjustment to the interest rates borne by the Series 2025 Bonds in the event of a change in the tax-exempt status of the Series 2025 Bonds. The commencement of an audit or an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2025 Bonds could adversely impact both liquidity and pricing of the Series 2025 Bonds in the secondary market.

### **Tax Treatment of Original Issue Discount**

Under the Code, the difference between the maturity amount of the Series 2025 Bonds maturing on \_\_\_\_\_ 1, 20\_\_ through and including \_\_\_\_\_ 1, 20\_\_ (collectively, the "Discount Bonds"), and 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 and, if applicable, interest rate, was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bonds at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bonds in the initial offering at a price equal to 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 he or she holds the Discount Bonds, and will increase his or her adjusted basis in the Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the 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. Bondowners of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the state and local tax consequences of owning and disposing of the Discount Bond.

### **Tax Treatment of Bond Premium**

The difference between the principal amount of the Series 2025 Bonds maturing on \_\_\_\_\_ (collectively, the "Premium Bonds"), and 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 such Premium Bonds of the same maturity, and, if applicable, interest rate, was sold 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 each of the Premium Bonds, which ends on the earlier of the maturity or call date for each of the Premium Bonds which minimizes the yield on such 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 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. Bondholders of the Premium Bonds are advised that they should consult with their own tax advisors with respect to the state and local tax consequences of owning such Premium Bonds.

### **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. The District has not previously issued any bonds or other indebtedness and the District is not and has not ever been in default as to principal and interest on its bonds or other debt obligations.

### **VALIDATION**

The Series 2025 Bonds are a portion of the Bonds that were validated by a Final Judgment of the Circuit Court of the Eighteenth Judicial Circuit of Florida, in and for Brevard County, Florida, entered on August 8, 2022. The period during which an appeal can be taken has expired.

### **LITIGATION**

#### **District**

There is no pending or, to the knowledge of the District, any threatened litigation against the District of any nature whatsoever which in any way questions or affects the validity of the Series 2025 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the execution of the Indenture. Neither the creation, organization nor existence of the District, nor the title of the present members of the Board has been challenged.

From time to time, the District expects to experience routine litigation and claims incidental to the conduct of its affairs. In the opinion of District Counsel, there are no actions presently pending or threatened, the adverse outcome of which would have a material adverse effect on the availability of the Pledged Revenues or the ability of the District to pay the Series 2025 Bonds from the Pledged Revenues.

#### **Landowner**

In connection with the issuance of the Series 2025 Bonds, the Landowner will represent to the District that there is no litigation of any nature now pending or, to the

knowledge of the Landowner, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Landowner to complete the 2025 Assessment Area as described herein or materially and adversely affect the ability of the Landowner to perform its obligations described in this Limited Offering Memorandum.

## **CONTINUING DISCLOSURE**

### **General**

In order to comply with the continuing disclosure requirements of Rule 15c2-12(b)(5) of the SEC (the "Rule"), the District, the Landowner and Governmental Management Services – Central Florida, LLC, as dissemination agent (the "Dissemination Agent"), will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement"), the form of which is attached hereto as APPENDIX E. Pursuant to the Disclosure Agreement, the District and the Landowner have each covenanted for the benefit of the Owners of the Series 2025 Bonds to provide to the Dissemination Agent certain financial information and operating data relating to the District, the 2025 Assessment Area and the Series 2025 Bonds (the "Reports"), and to provide notices of the occurrence of certain enumerated material events. Such covenants by the District and the Landowner shall only apply so long as the Series 2025 Bonds remain Outstanding under the Indenture or so long as the District or the Landowner remains an "obligated person" pursuant to the Rule.

The Reports will be filed by the Dissemination Agent with the Municipal Securities Rulemaking Board's Electronic Municipal Markets Access ("EMMA") repository described in the form of the Disclosure Agreement attached hereto as APPENDIX E. The notices of material events will also be filed by the Dissemination Agent with EMMA. The specific nature of the information to be contained in the Reports and the notices of material events are described in APPENDIX E. The Disclosure Agreement will be executed at the time of issuance of the Series 2025 Bonds. With respect to the Series 2025 Bonds, no parties other than the District and the Landowner are obligated to provide, nor are expected to provide, any continuing disclosure information with respect to the Rule. The foregoing covenants have been made in order to assist the Underwriter in complying with the Rule.

### **District Continuing Compliance**

Since this is the first bond issuance of the District, the District has not previously entered into any continuing disclosure undertakings as an obligated person during the past five (5) years.

### **Landowner Continuing Compliance**

Neither entity constituting the Landowner has entered into any continuing disclosure undertakings as an obligated person during the past five (5) years. [CONFIRM]

## **UNDERWRITING**

The Underwriter has agreed, pursuant to a contract entered into with the District, subject to certain conditions, to purchase the Series 2025 Bonds from the District at a purchase price of \$\_\_\_\_\_ (representing the par amount of the Series 2025 Bonds of

\$\_\_\_\_\_, less an Underwriter's discount of \$\_\_\_\_\_ and plus/less an original issue premium/discount of \$\_\_\_\_\_). See "ESTIMATED SOURCES AND USES OF BOND PROCEEDS" herein. The Underwriter's obligations are subject to certain conditions precedent, and the Underwriter will be obligated to purchase all of the Series 2025 Bonds if any are purchased.

The Underwriter intends to offer the Series 2025 Bonds at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Underwriter may offer and sell the Series 2025 Bonds to certain dealers (including dealers depositing the Series 2025 Bonds into investment trusts) at prices lower than the initial offering prices and such initial offering prices may be changed from time to time by the Underwriter.

### **LEGALITY FOR INVESTMENT**

The Act provides that the Series 2025 Bonds are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries and for any board, body, agency, instrumentality, county, municipality, or other political subdivision of the State and shall be and constitute security 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.

### **LEGAL MATTERS**

The Series 2025 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to the receipt of the opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, as to the validity of the Series 2025 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Cobb & Cole, P.A., DeLand, Florida, for the Landowner by its counsel, William Livingston, Esq., Flager Beach, Florida, for the Trustee by its counsel, Aponte & Associates Law Firm, P.L.L.C., Orlando, Florida, and for the Underwriter by its counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida.

Bond Counsel's opinions included herein are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date hereof. 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 IRS or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinions.

### **AGREEMENT BY THE STATE**

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2025 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 the 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 or other obligations and that it will not in any way impair the rights or remedies of such holders.

## **FINANCIAL STATEMENTS**

The general-purpose financial statements of the District for the Fiscal Year ended September 30, 2024, included in this Limited Offering Memorandum have been audited by Grau & Associates, Inc., independent certified public accountants, as stated in their report appearing in APPENDIX F. The consent of the District's auditor to include in this Limited Offering Memorandum the aforementioned report was not requested, and the general-purpose financial statements of the District are provided as publicly available documents. The auditor was not requested to, nor did they, perform any procedures with respect to the preparation of this Limited Offering Memorandum or the information presented herein. The District has covenanted in the form of Disclosure Agreement set forth in APPENDIX E attached hereto to provide its annual audited financial statements to certain information repositories as described in APPENDIX E, commencing with the audit for the District Fiscal Year ending September 30, 2025. The Series 2025 Bonds are not general obligation bonds of the District and are payable solely from the Pledged Revenues. See "CONTINUING DISCLOSURE" herein.

## **EXPERTS AND CONSULTANTS**

The references herein to Honeycutt & Associates, Inc., as Consulting Engineer, have been approved by said firm. The Engineer's Report prepared by such firm has been included as composite APPENDIX A attached hereto in reliance upon such firm as an expert in engineering. References to and excerpts herein from such Engineer's Report do not purport to be adequate summaries of the Series 2025 Project or the CIP or complete in all respects. Such Engineer's Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

The references herein to Governmental Management Services – Central Florida, LLC, as Assessment Consultant, have been approved by said firm. The Assessment Report prepared by such firm has been included as composite APPENDIX B attached hereto in reliance upon such firm as an expert in developing assessment methodologies. References to and excerpts herein from such Assessment Report do not purport to be adequate summaries of such Assessment Report or complete in all respects. Such Assessment Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

## **CONTINGENT AND OTHER FEES**

The District has retained Bond Counsel, District Counsel, the Assessment Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (who has retained Trustee's Counsel), with respect to the authorization, sale, execution and delivery of the Series 2025 Bonds. Except for the payment of certain fees to District Counsel and the

Assessment Consultant, the payment of the fees of the other professionals retained by the District is each contingent upon the issuance of the Series 2025 Bonds.

### **NO CREDIT ENHANCEMENT OR RATING**

No application for credit enhancement or a rating on the Series 2025 Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the Series 2025 Bonds had application been made.

### **MISCELLANEOUS**

Any statements made in this Limited Offering Memorandum involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Limited Offering Memorandum nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Series 2025 Bonds.

The information contained in this Limited Offering Memorandum has been compiled from official and other sources deemed to be reliable and is believed to be correct as of the date of this Limited Offering Memorandum, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The Underwriter listed on the cover page hereof has reviewed the information in this Limited Offering Memorandum in accordance with and as part of its responsibility 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 expression of opinion herein are subject to change without notice and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the District, the Landowner or the 2025 Assessment Area from the date hereof. However, certain parties to the transaction will, on the closing date of the Series 2025 Bonds, deliver certificates to the effect that nothing has come to their attention that would lead them to believe that applicable portions of this Limited Offering Memorandum contain an untrue statement of a material fact or omit to state a material fact that should be included herein for the purpose for which this Limited Offering Memorandum is intended to be used, or that is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading and to the effect that from the date of this Limited Offering Memorandum to the date of closing of the Series 2025 Bonds that there has been no material adverse change in the information provided.

[Remainder of Page Intentionally Left Blank]

This Limited Offering Memorandum is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose. The appendices hereof are integral parts of this Limited Offering Memorandum and must be read in their entirety together with all foregoing statements.

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Name: William Allen, Jr.  
Its: Chair

**APPENDIX A**  
**ENGINEER'S REPORT**

**APPENDIX B**  
**ASSESSMENT REPORT**

## **APPENDIX C**

### **FORMS OF MASTER INDENTURE AND SUPPLEMENTAL INDENTURE**

## **APPENDIX D**

### **FORM OF OPINION OF BOND COUNSEL**

## **APPENDIX E**

### **FORM OF CONTINUING DISCLOSURE AGREEMENT**

**APPENDIX F**

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT FOR  
FISCAL YEAR ENDED SEPTEMBER 30, 2024**

**EXHIBIT D**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

## CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the "**Disclosure Agreement**") dated as of [Closing Date], is executed and delivered by **TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT** (the "**District**"), **CAROLINA HOLDINGS II, LLC**, a Nevada limited liability company, and **SUNBELT TITUSVILLE INVESTMENTS, LLC**, a Nevada limited liability company (together, the "**Landowner**"), and **GOVERNMENTAL MANAGEMENT SERVICES – CENTRAL FLORIDA, LLC** (the "**Dissemination Agent**") in connection with the issuance by the District of its \$[Bond Amount] Special Assessment Bonds, Series 2025 (2025 Assessment Area) (the "**Bonds**"). The Bonds are being issued pursuant to a Master Trust Indenture, dated as of September 1, 2025, as supplemented by a First Supplemental Trust Indenture, dated as of September 1, 2025 (together, the "**Indenture**"), each between the District and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"). The District, the Landowner and the Dissemination Agent covenant and agree as follows:

**1. Purpose of the Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the District, the Landowner and the Dissemination Agent for the benefit of the Beneficial Owners (hereinafter defined) of the Bonds, from time to time, and to assist the Participating Underwriter (hereinafter defined) in complying with the applicable provisions of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission ("**SEC**") pursuant to the Securities Exchange Act of 1934, as amended from time to time (the "**Rule**").

The District, the Landowner and the Dissemination Agent have 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 or a governmental regulatory agency that the Rule requires the District, the Landowner or the Dissemination Agent (as the case may be) to provide additional information, the District, the Landowner and the Dissemination Agent, as applicable, 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 District, 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 District, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

**2. Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"**2025 Assessment Area**" shall have the meaning ascribed to such term in the Limited Offering Memorandum.

"**Annual Filing Date**" shall mean the date set forth in Section 4(a) hereof by which the Annual Report is to be filed with the Repository.

**"Annual Financial Information"** shall mean annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 3(a) hereof.

**"Annual Report"** shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 hereof.

**"Assessments"** shall mean the non-ad valorem special assessments pledged to the payment of the Bonds pursuant to the Indenture.

**"Audited Financial Statements"** shall mean the financial statements (if any) of the District for the applicable 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)(B) of the Rule and specified in Section 3(a) hereof.

**"Audited Financial Statements Filing Date"** shall mean the date under State law by which a unit of local government must file its Audited Financial Statements with the State, which as of the date hereof is nine (9) months after the end of the Fiscal Year of such unit of local government, including the District.

**"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 Bond for federal income tax purposes.

**"Business Day"** shall mean a day other than (a) a Saturday, Sunday or day on which banks located in the city in which the designated corporate trust office of the Trustee and Paying Agent 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 (a) as to the District, the District Manager or its designee, or such other person as the District shall designate in writing to the Trustee and the Dissemination Agent from time to time as the person responsible for providing information to the Dissemination Agent, (b) as to the Landowner, the individual(s) executing this Disclosure Agreement on behalf of the Landowner or such person(s) as the Landowner shall designate in writing to the Trustee and the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent, and (c) as to any Obligated Person other than the Landowner, such person(s) as the Obligated Person shall designate in writing to the Trustee and the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent.

**"Dissemination Agent"** shall mean the District or an entity appointed by the District to act in the capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the District pursuant to Section 10 hereof. Governmental Management Services – Central Florida, LLC has been designated as the initial Dissemination Agent hereunder.

**"District Manager"** shall mean the person or entity serving as District Manager from time to time. As of the date hereof, Governmental Management Services – Central Florida, LLC is the District Manager.

**"EMMA"** shall mean the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule.

**"Event of Bankruptcy"** shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an 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 Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental 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 Obligated Person.

**"Financial Obligation"** shall mean (a) a debt obligation, (b) a 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) a guarantee of either (a) or (b). The term Financial Obligation does 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 fiscal year of the District, which is 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 the Limited Offering Memorandum dated [BPA Date], prepared in connection with the issuance of the Bonds.

**"Listed Event"** shall mean any of the events listed in Section 7(a) hereof.

**"MSRB"** shall mean the Municipal Securities Rulemaking Board.

**"MSRB Website"** shall mean [www.emma.msrb.org](http://www.emma.msrb.org).

**"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 twenty percent (20%) or more of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the District and the Landowner.

**"Owners"** shall have the meaning ascribed thereto in the Indenture with respect to the Bonds and shall include Beneficial Owners of the Bonds.

**"Participating Underwriter"** shall mean MBS Capital Markets, LLC, in its capacity as the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

**"Quarterly Filing Date"** shall mean the dates set forth in Section 6(a) hereof by which Quarterly Reports are required to be filed with the Repository.

**"Quarterly Report"** shall mean any Quarterly Report provided by the Landowner or any Obligated Person, its successors or assigns pursuant to, and as described in, Sections 5 and 6 hereof.

**"Repository"** shall mean each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the SEC may be found by visiting the SEC's website at [www.sec.gov/municipal/nrmsir](http://www.sec.gov/municipal/nrmsir). As of the date hereof, the Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure submissions through the MSRB Website.

**"State"** shall mean the State of Florida.

### **3. Content of Annual Reports.**

(a) The Annual Report shall contain or incorporate by reference Annual Financial Information with respect to the District, which includes an update of the financial and operating data of the District to the extent presented in the Limited Offering Memorandum, including:

(i) the amount of Assessments levied for the most recent prior Fiscal Year;

(ii) the amount of Assessments collected from property owners during the most recent prior Fiscal Year;

(iii) if available, the amount of delinquencies greater than 150 calendar days and, in the event that delinquencies amount to more than ten percent (10%) of the amount of Assessments due in any year, a list of delinquent property owners;

(iv) if available, the amount of tax certificates sold for lands within the District subject to the Assessments, if any, and the balance, if any, remaining for sale from the most recent prior Fiscal Year;

(v) the balances in all Funds and Accounts for the Bonds. Upon request, the District shall provide any Owners and the Dissemination Agent with this information more frequently than annually and, in such cases, within thirty (30) calendar days of the date of any written request from the Owners or the Dissemination Agent;

(vi) the total amount of Bonds Outstanding;

(vii) the amount of principal and interest due on the Bonds in the current Fiscal Year;

(viii) the most recent Audited Financial Statements of the District, unless such Audited Financial Statements have not yet been prepared, in which case unaudited financial statements shall be included in a format similar to the Audited Financial Statements; and

(ix) any amendment or waiver of the provisions hereof as described in Section 11 hereof.

(b) 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. Any or all of the items listed above may be incorporated by specific reference to documents available to the public on the MSRB Website or filed with the SEC, including offering documents of debt issues of the District or related public entities, which have been submitted to the Repository. The District shall clearly identify any document incorporated by reference.

(c) The District and the Disclosure Representative of the District represent and warrant that they will supply, in a timely fashion, any information available to the District or the Disclosure Representative of the District and 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 acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, the Disclosure Representative of the District 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, the Disclosure Representative of the District or others as thereafter disseminated by the Dissemination Agent.

(d) 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.

#### **4. Provision of Annual Reports.**

(a) Subject to the following sentence, the District shall provide the Annual Report to the Dissemination Agent no later than March 30<sup>th</sup> after the close of the Fiscal Year (the "**Annual Filing Date**"), commencing with the Fiscal Year ending September 30, 2025, in an electronic format as prescribed by the Repository. 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 3(a) hereof; provided that the Audited Financial Statements may be submitted separately from the balance of the Annual Report and later than the date required above, but in no event later than the Audited Financial Statements Filing Date, if they are not available by the Annual Filing Date. If the Audited Financial Statements are not available at the time of the filing of the Annual Report, unaudited financial statements are required to be delivered as part of the Annual Report in a format similar to the Audited Financial Statements. If the District's Fiscal Year changes, the District shall give notice of such change in the same manner as for a Listed Event under Section 7(a). The Dissemination Agent shall immediately file the Annual Report or Audited Financial Statements, as applicable, upon receipt from the District with each Repository.

(b) If on the fifteenth (15<sup>th</sup>) calendar day prior to each Annual Filing Date and/or Audited Financial Statements Filing Date, 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 of the District by telephone and in writing (which may be by e-mail) to remind the District of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 4(a) above. Upon such reminder, the Disclosure Representative of the District shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or Audited Financial Statements, as applicable, in accordance with Section 4(a) above, or (ii) instruct the Dissemination Agent in writing that the District will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the time required under this Disclosure Agreement, state the date by which the Annual Report or Audited Financial Statements, as applicable, for such year will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 7(a)(xv) has occurred and to immediately send a notice to any Repository in electronic format as required by such Repository in substantially the form attached as Exhibit A hereto.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report or Audited Financial Statements, as applicable, the name, address and filing requirements of any Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the District certifying that the Annual Report or Audited Financial Statements, as applicable, has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing any Repository to which it was provided.

## **5. Content of Quarterly Reports.**

(a) Each Quarterly Report shall contain the following information with respect to the lands owned by the Landowner in the 2025 Assessment Area if such information is not otherwise provided pursuant to subsection (b) of this Section 5:

(i) a description and status of the infrastructure improvements in the District that have been completed and that are currently under construction, including infrastructure financed by the Bonds;

(ii) the number of assessable residential units planned on property subject to the Assessments;

(iii) the number of lots closed with builders subject to the Assessments;

(iv) the number of residential units closed with end users subject to the Assessments;

(v) the number of residential units under contract with end users subject to the Assessments;

(vi) the estimated date of complete build-out of residential units subject to the Assessments;

(vii) whether the Landowner has made any bulk sale of the land subject to the Assessments other than as contemplated by the Limited Offering Memorandum;

(viii) the status of development approvals for the 2025 Assessment Area that would affect property subject to the Assessments;

(ix) materially adverse changes or determinations to permits or approvals for the 2025 Assessment Area which necessitate changes to the Landowner's land-use or other plans for the 2025 Assessment Area that would affect property subject to the Assessments;

(x) updated plan of finance for the 2025 Assessment Area (i.e., status of any credit enhancement, issuance of additional bonds to complete project, draw on credit line of Landowner or an affiliate, additional mortgage debt, etc.) that would affect property subject to the Assessments;

(xi) any event that has a material adverse impact on the implementation of the 2025 Assessment Area as described in the Limited Offering Memorandum or on the Landowner's ability to undertake the 2025 Assessment Area as described in the Limited Offering Memorandum that would affect property subject to the Assessments; and

(xii) any amendment or waiver of the provisions hereof as described in Section 11 hereof.

(b) Any of the items listed in subsection (a) above may be incorporated by reference from other documents which are available to the public on the MSRB Website or filed with the SEC. The Landowner shall clearly identify each such other document so incorporated by reference.

(c) The Landowner and the Disclosure Representative of the Landowner each represent and warrant 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 Landowner acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Landowner, the Disclosure Representative of the Landowner 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 Landowner, the Disclosure Representative of the Landowner or others as thereafter disseminated by the Dissemination Agent.

(d) If the Landowner sells, assigns or otherwise transfers ownership of real property in the 2025 Assessment Area subject to the Assessments to a third party, which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "**Transfer**"), the Landowner hereby agrees to require such third party to assume the disclosure obligations of the Landowner hereunder for so long as such third party is an Obligated Person hereunder, to the same extent as if such third party were a party to this Disclosure Agreement. The Landowner involved in such Transfer shall promptly notify the District and the Dissemination Agent in writing of the Transfer. For purposes of Sections 5,

6, 7 and 9 hereof, the term "**Landowner**" shall be deemed to include each of the Landowner and any third party that becomes an Obligated Person hereunder as a result of a Transfer. In the event that the Landowner remains an Obligated Person hereunder following any Transfer, nothing herein shall be construed to relieve the Landowner from its obligations hereunder.

**6. Provision of Quarterly Reports.**

(a) The Landowner, so long as it is an Obligated Person for purposes of this Disclosure Agreement, shall provide a Quarterly Report to the Dissemination Agent no later than January 31 (for each calendar quarter ending December 31), April 30 (for each calendar quarter ending March 31), July 31 (for each calendar quarter ending June 30), and October 31 (for each calendar quarter ending September 30) after the end of each calendar quarter, commencing January 31, 2026, for the calendar quarter ending December 31, 2025; provided, however, that so long as the Landowner is a reporting company, such dates shall be extended to the date of filing of its respective 10-K or 10-Q, if later, as the case may be (each, a "**Quarterly Filing Date**"). At such time as the Landowner is no longer an Obligated Person, the Landowner will no longer be obligated to prepare any Quarterly Report pursuant to this Disclosure Agreement. The Dissemination Agent shall immediately file the Quarterly Report upon receipt from the Landowner with each Repository.

(b) If on the seventh (7<sup>th</sup>) calendar day prior to each Quarterly Filing Date the Dissemination Agent has not received a copy of the Quarterly Report due on such Quarterly Filing Date, the Dissemination Agent shall contact the Disclosure Representative of the Landowner by telephone and in writing (which may be by e-mail) to remind the Landowner of its undertaking to provide the Quarterly Report pursuant to Section 6(a) above. Upon such reminder, the Disclosure Representative of the Landowner shall either (i) provide the Dissemination Agent with an electronic copy of the Quarterly Report in accordance with Section 6(a) above, or (ii) instruct the Dissemination Agent in writing that the Landowner will not be able to file the Quarterly Report within the time required under this Disclosure Agreement and state the date by which such Quarterly Report will be provided. If the Dissemination Agent has not received a Quarterly Report that contains the information in Section 5 of this Disclosure Agreement by the Quarterly Filing Date, a Listed Event described in Section 7(a)(xv) shall have occurred and the District and the Landowner hereby direct the Dissemination Agent to immediately send a notice to each Repository in electronic format as required by such Repository, no later than the following Business Day in substantially the form attached as Exhibit A hereto, with a copy to the District.

(c) The Dissemination Agent shall:

(i) determine prior to each Quarterly Filing Date the name, address and filing requirements of each Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Landowner and the District certifying that the Quarterly Report has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing any Repository to which it was provided.

## **7. Reporting of Significant Events.**

(a) Pursuant to the provisions of this Section 7, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds and the Landowner shall give, or cause to be given, notice of the occurrence of items (x), (xii), (xiii), (xv), (xvi), (xvii) and (xviii) of the following 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 the occurrence of the event, with the exception of the event described in item (xv) below, which notice shall be given in a timely manner:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves 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 the holders of the Bonds, 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) ratings changes<sup>†</sup>;
- (xii) an Event of Bankruptcy or similar event of an Obligated Person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of an Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

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\* There is no credit enhancement for the Bonds as of the date hereof.

<sup>†</sup> The Bonds are not rated as of the date hereof.

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) notice of any failure on the part of the District to meet the requirements of Sections 3 and 4 hereof or of the Landowner to meet the requirements of Sections 5 and 6 hereof;

(xvi) termination of the District's or the Landowner's obligations under this Disclosure Agreement prior to the final maturity of the Bonds, pursuant to Section 9 hereof;

(xvii) incurrence of a Financial Obligation of the District 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 District or Obligated Person, any of which affect security holders, if material;

(xviii) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District or Obligated Person, any of which reflect financial difficulties;

(xix) occurrence of an Event of Default under the Indenture (other than as described in clause (i) above);

(xx) any amendment to the Indenture or this Disclosure Agreement modifying the rights of the Owners of the Bonds; and

(xxi) any amendment to the accounting principles to be followed by the District in preparing its financial statements, as required by Section 11 hereof.

(b) The notice required to be given in Section 7(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

**8. Identifying Information.** In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Agreement to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to: (a) the category of information being provided; (b) the period covered by any Annual Financial Information, financial statement or other financial information or operating data; (c) the issues or specific securities to which such documents are related (including CUSIP numbers, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate); (d) the name of any Obligated Person other than the District; (e) the name and date of the document being submitted; and (f) contact information for the submitter.

**9. Termination of Disclosure Agreement.** The District's obligations hereunder shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, so long as there is no remaining liability of the District for payment of the Bonds, or if the Rule is repealed or no longer in effect. The Landowner's obligations hereunder shall terminate at the earlier of the legal defeasance, prior redemption or payment in full of all of the Bonds, or at such time as the Landowner is no longer an Obligated Person. If any such termination occurs prior to the final maturity of the Bonds,

the District and/or the Landowner shall give notice of such termination in the same manner as for a Listed Event under Section 7.

**10. Dissemination Agent.** The District will either serve as the Dissemination Agent or appoint one under this Disclosure Agreement. Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the District or the Dissemination Agent, the District agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of the Dissemination Agent under this Disclosure Agreement for the benefit of the Owners 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. Notwithstanding any replacement or appointment of a successor, the District shall remain liable until payment in full for any and all sums owed and payable to the Dissemination Agent hereunder. The initial Dissemination Agent shall be Governmental Management Services – Central Florida, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Governmental Management Services – Central Florida, LLC. Governmental Management Services – Central Florida, LLC may terminate its role as Dissemination Agent at any time upon delivery of written notice to the District and the Landowner. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District or the Landowner pursuant to this Disclosure Agreement.

**11. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the District, the Landowner and the Dissemination Agent (if the Dissemination Agent is not the District) may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a), 6 or 7, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the District and/or the Landowner, or the type of business conducted;

(b) the Disclosure Agreement, as amended or taking into account such waiver, would, in the opinion of counsel expert in federal securities laws, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the District, the Landowner and the Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the SEC from time to time without any other conditions.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the District and/or the Landowner shall describe such amendment in its next Annual Report or Quarterly Report, as applicable, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the District or the Landowner, as applicable. In addition, if the amendment relates to the accounting principles to be followed by the District in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 7(a), and (ii) the Annual Report or Audited Financial Statements, as applicable, 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.

**12. Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the District or the Landowner 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, Quarterly Report, or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Agreement. If the District or the Landowner chooses to include any information in any Annual Report, Quarterly Report, or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the District or the Landowner shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Quarterly Report, or notice of occurrence of a Listed Event.

**13. Default.** In the event of a failure of the District, an Obligated Person, a Disclosure Representative, or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of the Participating Underwriter or the Beneficial Owners of more than fifty percent (50%) 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 mandate or specific performance by court order, to cause the District, an Obligated Person, a Disclosure Representative, or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. 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 District, an Obligated Person, a Disclosure Representative, or the Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

**14. Duties of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Dissemination Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format. Anything herein to the contrary notwithstanding, in the event that a Disclosure Representative and the Dissemination Agent are the same party, such party's limited duties in their capacity as Dissemination Agent, as described hereinabove, shall not in any way relieve or limit such party's duties in their capacity as Disclosure Representative under this Disclosure Agreement.

**15. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the District, the Landowner, the Dissemination Agent, the Trustee, the Participating Underwriter and Beneficial Owners of the Bonds (the Trustee, the Participating Underwriter and Beneficial 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.

**16. Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**17. Governing Law.** This Disclosure Agreement shall be governed by the laws of the State and federal law.

**18. Trustee Cooperation.** The District represents that the Dissemination Agent is a bona fide agent of the District and directs the Trustee to deliver to the Dissemination Agent, at the expense of the District, any information or reports it requests that the District has a right to request from the Trustee (inclusive of balances, payments, etc.) that are in the possession of and readily available to the Trustee.

**19. Binding Effect.** This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the Landowner or any assignee or successor thereto that becomes an Obligated Person pursuant to the terms of this Disclosure Agreement, only successors or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

**20. Undertakings.** The Landowner represents that it has instituted internal processes to provide information to the Dissemination Agent on a timely basis and obtained assurances from the Dissemination Agent that they will in turn request the required reporting information timely and file such information timely with the appropriate Repository.

[Remainder of Page Intentionally Left Blank]

**SIGNATURE PAGE TO CONTINUING DISCLOSURE AGREEMENT  
(Tranquility Community Development District)**

IN WITNESS WHEREOF, the undersigned have executed this Disclosure Agreement as of the date and year set forth above.

Consented and Agreed to by:

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA, LLC**, and  
its successors and assigns, as Disclosure  
Representative

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

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

Joined by **U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION**, as Trustee for  
purposes of Sections 13, 15 and 18 only

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA, LLC**,  
as initial Dissemination Agent

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

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

**CAROLINA HOLDINGS II, LLC**,  
a Nevada limited liability company

**SUNBELT TITUSVILLE INVESTMENTS,  
LLC**, a Nevada limited liability company

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

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

**EXHIBIT A TO CONTINUING DISCLOSURE AGREEMENT  
(Tranquility Community Development District)**

**NOTICE TO REPOSITORIES  
OF FAILURE TO FILE ANNUAL REPORT/QUARTERLY REPORT/  
AUDITED FINANCIAL STATEMENTS**

Name of District: Tranquility Community Development District (the "District")

Obligated Person(s): Tranquility Community Development District  
Carolina Holdings II, LLC and Sunbelt Titusville Investments,  
LLC (together, the "Landowner")

Name of Bond Issue: \$[Bond Amount] Special Assessment Bonds, Series 2025 (2025  
Assessment Area) (the "Bonds")

Date of Issuance: [Closing Date]

CUSIPS: [\_\_\_\_\_]

**NOTICE IS HEREBY GIVEN** that the [District] [Landowner] has not provided [an Annual Report] [Audited Financial Statements] [a Quarterly Report] with respect to the above-named Bonds as required by [Section 4] [Section 6] of the Continuing Disclosure Agreement dated [Closing Date], among the District, the Landowner and the Dissemination Agent named therein. The [District] [Landowner] has advised the undersigned that it anticipates that the [Annual Report] [Audited Financial Statements] [Quarterly Report] will be filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_, Dissemination Agent

cc: [District]  
[Landowner]  
Participating Underwriter

# SECTION D

## **COMPLETION AGREEMENT**

This Completion Agreement (the "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025 (the "Effective Date"), by and between:

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, Florida Statutes ("Uniform Act"), being situated in the City of Titusville, County of Brevard, Florida, and whose mailing address is 219 E. Livingston Street, Orlando, Florida 32801 (the "District"); and

**CAROLINA HOLDINGS II, LLC**, a Nevada limited liability company, the developer of certain lands within the boundaries of the District, whose address is 1645 Village Center Circle, Suite 170, Las Vegas, Nevada 89134 (the "Developer").

**WHEREAS**, the District was established by Ordinance No. 4-2022 enacted by the City Council of the City of Titusville, Florida on February 22, 2022. The District was established, for the purpose of planning, financing, constructing, installing, operating, acquiring and/or maintaining certain infrastructure, including without limitation certain water distribution and sanitary sewer collection and transmission systems and facilities, a stormwater management system, roads, roadway and transportation improvements, and related improvements as more fully described in the Engineer's Report (as defined below); and

**WHEREAS**, the District has adopted an improvement plan for the planning, design, acquisition, construction, and installation of various public infrastructure improvements and facilities within and without the boundaries of the District as described in the Tranquility CDD – Master Engineer's Report, dated March 17, 2022 (the "Master Engineer's Report"), as updated by the Tranquility Community Development District Supplemental Engineer's Report (Series 2025 Project), dated June 17, 2025, prepared by Honeycutt & Associates, Inc. ("Supplemental Engineer's Report"), as may be amended and supplemented from time to time (collectively with the Master Engineer's Report, the "Engineer's Report"), incorporated herein by reference; and

**WHEREAS**, the District intends to ultimately undertake the acquisition or development of public improvements as contemplated in the Engineer's Report, in part, for Phases 1, 2 and 3 of the Development (the "Series 2025 Project") through the use of proceeds from the sale of a series of its Bonds designated as Tranquility Community Development District Special Assessment Bonds, Series 2025 (Series 2025 Assessment Area) (the "Series 2025 Bonds") being issued on the date hereof pursuant to a Master Trust Indenture dated as of September 1, 2025 (the "Master Indenture"), from the District to U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented by the First Supplemental Trust Indenture dated as of September 1, 2025 between the District and the Trustee (the "First Supplemental Indenture" and together with the Master Indenture, the "Indenture"); and

**WHEREAS**, in connection with the Series 2025 Bonds, the District has adopted the assessment proceedings (collectively, the “Assessment Proceedings”) necessary to levy non-ad valorem special assessments on land in the District designated as the “Series 2025 Assessment Area”; and

**WHEREAS**, the Series 2025 Bonds will only fund a portion of the costs of the Series 2025 Project; and

**WHEREAS**, in order to ensure that the public improvements needed to serve Series 2025 Assessment Area are completed and funding is available in a timely manner to provide for their completion, the District and the Developer desire to arrange herein for the Developer to provide the additional funds needed for the completion of the Series 2025 Project needed to serve Series 2025 Assessment Area over and above proceeds of the Series 2025 Bonds available for that purpose and to agree to complete the improvements needed to serve Series 2025 Assessment Area (the “2025 Developer Improvements”); and

**WHEREAS**, the portion of the Development within Series 2025 Assessment Area (i) depends on and will be significantly benefited by the completion of the Series 2025 Project needed to serve Series 2025 Assessment Area, a portion of which will be acquired by the District under the terms and conditions provided in the Acquisition Agreement between the Developer and District dated of even date herewith (the "Acquisition Agreement") and (ii) depends on the completion of certain 2025 Developer Improvements.

**NOW THEREFORE**, based upon good and valuable consideration and the mutual covenants of the parties, the receipt and sufficiency of which are hereby acknowledged, the District and the Developer hereby acknowledge and agree as follows:

1. **INCORPORATION OF RECITALS.** The recitals stated above are true and correct and by this reference are incorporated as a material part of this Agreement.

2. **BOND ISSUANCE AND COMPLETION OF PUBLIC IMPROVEMENTS.** The District shall dedicate funding available from the Series 2025 Bonds (the “Bond Proceeds”) to finance the costs of the Series 2025 Project, including, but not limited to, all administrative, legal, warranty, engineering, permitting and other related soft costs, whether pursuant to existing contracts, change orders, contracts assigned by the Developer to the District, or future contracts. The Bond Proceeds are expected to be insufficient to fully pay for the costs of the Series 2025 Project. The Developer hereby agrees to complete or cause to be completed, or to provide funds to the District in an amount sufficient to allow the District to complete or cause to be completed: (i) the Series 2025 Project required to serve Series 2025 Assessment Area, which, at a minimum, shall include the costs of the Series 2025 Project which are unfunded by the Bond Proceeds; and (ii) 2025 Developer Improvements needed to serve Series 2025 Assessment Area (collectively, the "Remaining Improvements"). Nothing herein shall cause or be construed to require the District to issue additional bonds or indebtedness to provide funds for any portion of the Remaining Improvements. The District's execution of and performance of its obligations under this

Agreement constitutes the manner and means by which the District has elected to provide any and all portions of the Remaining Improvements.

- (a) When all or any portion of the Remaining Improvements are the subject of an existing District contract, the Developer shall provide funds directly to the District as and when actually needed by the District, reasonably promptly upon notice by the District to the Developer, to pay costs, in an amount sufficient to complete the Remaining Improvements pursuant to such contract, including change orders thereto.
- (b) When any portion of the Remaining Improvements are not the subject of an existing District contract, the Developer may choose to complete or cause to be completed, or to provide funds to the District, as and when actually needed by the District to pay costs, in an amount sufficient to allow the District to complete or cause to be completed, those Remaining Improvements, subject to a formal determination by the District's Board of Supervisors that the option selected by the Developer will not materially and adversely impact the District, and is in the District's best interests.
- (c) Funds to be provided by Developer to the District pursuant to (a) and (b) above, shall be provided by Developer within a reasonable period of time after Developer's receipt of any and all information reasonably requested by Developer relating to any request by the District for such funding.

### **3. OTHER CONDITIONS AND ACKNOWLEDGMENTS.**

(a) The exact location, size, configuration and composition of the Series 2025 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. The exact location, size, configuration and composition of the Series 2025 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 Series 2025 Project or 2025 Developer Improvements shall be made by a written amendment to the Supplemental Engineer's Report, which shall include an estimate of the cost of the changes, provided such changes shall not materially reduce the scope of such improvements without the consent of the Trustee acting at the direction of and on behalf of the bondholders owning a majority of the aggregate principal amount of the Series 2025 Bonds then outstanding.

(b) For any and all portions of the Remaining Improvements which are constructed, or caused to be constructed, by the Developer for the benefit of the District 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.

All conveyances to the District shall be in accordance with an agreement or agreements governing conveyances between the Developer and District.

(c) Notwithstanding anything to the contrary contained in this Agreement, the payment or performance by the Developer of its completion obligations hereunder with respect to the Remaining Improvements are expressly subject to and dependent and conditioned upon (i) the District having expended all available Bond Proceeds to pay for costs of the Series 2025 Project as permitted by the Indenture, and (ii) the scope, configuration, size and/or composition of the Remaining Improvements not materially changing without the consent of the Developer; provided, however, that such consent is not necessary and the Developer must meet its Remaining Improvements completion obligations when the scope, configuration, size and/or composition of the public improvements and 2025 Developer Improvements is/are materially changed in response to a requirement imposed by a regulatory agency.

**4. DEFAULT AND PROTECTION AGAINST THIRD PARTY INTERFERENCE.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages and/or specific performance. Except as expressly set forth otherwise in Section 8 hereof, the District shall be solely responsible for enforcing its rights under this Agreement against any interfering person not a party to this Agreement, and nothing in this Agreement shall limit or impair the District's rights to protect its rights from interference by such persons. In the event the Developer is in default under this Agreement, the District shall be entitled to suspend its performance under the terms of the Acquisition Agreement, until the Developer's default is cured.

**5. AUTHORIZATION.** The District and the Developer each for itself represents and warrants as follows: The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Developer, has complied with all the requirements of law, and it has full power and authority to comply with the terms and provisions of this instrument.

**6. NOTICES.** All notices, requests, consents and other communications under this Agreement ("Notices") shall be in writing and shall be (a) personally delivered, (b) transmitted by United States postage prepaid mail, registered or certified mail, return receipt requested, (c) transmitted by electronic mail or facsimile, confirmed in writing by United States postage prepaid mail, or (d) transmitted by reputable overnight carrier service, to the parties, as follows:

If to the District:

Tranquility Community  
Development District  
219 E. Livingston Street  
Orlando, FL 32801  
Attn: District Manager  
Email: gflint@gmscfl.com

With a copy to: Cobb Cole  
231 North Woodland Boulevard  
Deland, Florida 32720  
Attn: Mark A. Watts, Esq.  
Email: [Mark.Watts@CobbCole.com](mailto:Mark.Watts@CobbCole.com)

If to the Developer: Carolina Holdings II, LLC  
1645 Village Center Circle, Suite 170,  
Las Vegas, Nevada 89134  
Attn: Gary Allen, Jr  
Email: [gary@sunbeltlandmgmt.com](mailto:gary@sunbeltlandmgmt.com)

With a copy to: William Livingston  
313 Cypress Street  
Flagler Beach, Florida 32136  
Email: [wilivingston@hotmail.com](mailto:wilivingston@hotmail.com)

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. 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.

7. **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, the 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.

8. **THIRD PARTY BENEFICIARIES.** Except as stated below, this Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto other than the holders of the Series 2025 Bonds ("Bondholder"), who shall be express third party beneficiaries hereof. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto, the Trustee and the Bondholders, any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

Notwithstanding anything in this Agreement to the contrary, the Trustee for the Series 2025 Bonds shall be a direct third-party beneficiary of the terms and conditions of this Agreement and, acting at the direction of and on behalf of the Bondholders owning a majority of the aggregate principal amount of the Series 2025 Bonds then outstanding, shall be entitled to directly enforce the Developer's obligations hereunder. The Trustee shall not be deemed to have assumed any obligations under this Agreement.

9. **SUCCESSORS.** The rights and obligations created by this Agreement shall be binding upon and inure to the benefit of Developer and District, their receivers, trustees, successors and assigns; provided, however, that it shall not be binding upon a homebuilder or an end user with a home that has received a certificate of occupancy.

10. **ASSIGNMENT.** Neither the District nor the Developer may assign this Agreement or any monies to become due hereunder without the prior written approval of the other and the Trustee and Bondholders owning a majority of the aggregate principal amount of the Series 2025 Bonds outstanding, which consent shall not be unreasonably withheld. Such consent shall not be required in the event of a sale of the majority of the lands within the District then owned by the Developer pursuant to which the unaffiliated purchaser agrees in writing to assume any remaining obligations of the Developer under this Agreement, provided however that no such assignment shall be valid where the assignment is being made for the purpose of avoiding the Developer's obligations hereunder.

11. **AMENDMENT.** 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. This Agreement may not be materially amended without the prior written consent of the Trustee, acting on behalf and at the direction of the Bondholders owning a majority of the aggregate principal amount of the Series 2025 Bonds then outstanding.

12. **CONSTRUCTION OF TERMS.** Whenever used the singular number shall include the plural, the plural the singular; the use of any gender shall include all genders, as the context requires; and the disjunctive shall be construed as the conjunctive, the conjunctive as the disjunctive, as the context requires. Any capitalized term not defined herein shall be defined as defined or described in the Indenture.

13. **CONTROLLING LAW.** This Agreement and the provisions contained in this Agreement shall be construed, interpreted, and controlled according to the laws of the State of Florida.

14. **PUBLIC RECORDS.** Unless legally specified by the Developer to the contrary, all documents of any kind provided to the District in connection with this Agreement are public records and are 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. **SOVEREIGN IMMUNITY.** Developer agrees that nothing in this Agreement shall constitute or be construed as a waiver of the District's limitations on liability to the extent contained in Section 768.28, Florida Statutes, as amended, or other statutes or 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.

[SIGNATURES ON THE FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the parties hereto execute this Agreement and further agree that it shall take effect as of the Effective Date first above written.

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Chairman/Vice-Chairman

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_ as Chairman/Vice-Chairman of the Board of Supervisors for TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT, who is personally known and/or produced \_\_\_\_\_ as identification.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_ as Secretary/Assistant Secretary of the Board of Supervisors for TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT, who is personally known and/or produced \_\_\_\_\_ as identification.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

**CAROLINA HOLDINGS II, LLC**, a  
Nevada limited liability company

By: \_\_\_\_\_  
Name: Gary Allen, Jr.  
Title: Manager

Witnesses:

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

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

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence  
or ☐ online notarization this \_\_\_\_ day of \_\_\_\_\_, 2025 by Gary Allen, Jr. as Manager of  
Carolina Holdings II, LLC, a Nevada limited liability company , who is personally known and/or  
produced \_\_\_\_\_ as identification and who being duly sworn, deposes and says  
that the aforementioned is true and correct to his or her best knowledge.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

The first part of the paper discusses the importance of understanding the local context in which a project is implemented. This involves a thorough analysis of the social, cultural, and economic factors that may influence the success or failure of the intervention. The second part of the paper describes the methodology used in the study, including the selection of participants, the data collection methods, and the analysis techniques. The third part of the paper presents the results of the study, which show that the intervention had a positive impact on the target population. The final part of the paper discusses the implications of the findings for future research and practice.

The study was conducted in a rural area of a developing country, where access to basic services is limited. The intervention aimed to improve the health and well-being of the community by providing access to clean water, sanitation, and health services. The results of the study show that the intervention was successful in achieving its goals, and that the community has been able to sustain the improvements over time.

The findings of the study have important implications for the design and implementation of similar interventions in other rural areas. It is essential to understand the local context and to involve the community in the planning and implementation of the intervention. This will ensure that the intervention is tailored to the needs of the community and that it is sustainable in the long term.

In conclusion, the study demonstrates that a community-based approach to development can be effective in improving the health and well-being of rural populations. The intervention was successful in providing access to basic services and in improving the quality of life of the community. The findings of the study provide valuable insights into the challenges of development in rural areas and offer a model for future interventions.

Prepared by and return to:  
Mark A. Watts, Esq.  
**Cobb Cole**  
231 North Woodland Blvd.  
DeLand, Florida 32720

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SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

**COLLATERAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AND  
CONTRACT RIGHTS RELATING TO THE  
TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT**

This COLLATERAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AND CONTRACT RIGHTS RELATING TO THE TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT (herein, the “**Assignment**”) is made this \_\_\_\_ day of \_\_\_\_, 2025, by **CAROLINA HOLDINGS II, LLC**, a Nevada limited liability company, the developer of certain lands within the boundaries of the District, whose address is 1645 Village Center Circle, Suite 170, Las Vegas, Nevada 89134, and its affiliates and assigns (the “**Developer**” or “**Assignor**”) in favor of the **TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, Florida Statutes ("Uniform Act"), and being situated in the City of Titusville, County of Brevard, Florida and whose mailing address is c/o Governmental Management Services, 219 E. Livingston Street, Orlando, Florida 32801 (the “**District**”), (together with its successors and assigns, the “**District**” or “**Assignee**”).

**RECITALS**

**WHEREAS**, on the date hereof the District is issuing its \$\_\_\_\_\_ in original principal amount of Special Assessment Bonds, Series 2025 (Series 2025 Assessment Area) (the “Series 2025 Bonds”) to finance a portion of the cost of certain public infrastructure which will provide special benefit to a portion of the developable lands to be developed by Developer and more particularly described on attached **Exhibit A** (the “Lands”), which is located within the geographical boundaries of the District; and

**WHEREAS**, the Lands are being developed as a residential project known as Tranquility which is planned to contain approximately 269 platted units within an assessment area referred to herein as 2025 Assessment Area; and

**WHEREAS**, Assignor has acquired, or hereafter may acquire, certain rights Development & Contract Rights (hereinafter defined) in, to, under, or by virtue of certain contracts, agreements, and other documents, which now or hereafter affect the Lands and the Project (collectively, “Contract Documents”); and

**WHEREAS**, the security for the repayment of the Series 2025 Bonds is the special assessments levied against a portion of the Lands within the District (the “Series 2025 Special Assessments”) designated as “2025 Assessment Area” by assessment proceedings undertaken by the District in connection with the Series 2025 Assessments (the “Assessment Proceedings”),

which Assessment Proceedings include the Master Assessment Methodology for Tranquility Community Development District dated May 11, 2022, as supplemented by the First Supplemental Assessment Methodology for the Series 2025 Project for Tranquility Community Development District, dated August 8, 2025 in connection with the Series 2025 Bonds; and

**WHEREAS**, the purchasers of the Series 2025 Bonds anticipate that the Lands in 2025 Assessment Area Two will be developed in accordance with Engineer's Report for Tranquility Community Development District dated March 17, 2022, as supplemented by the Tranquility Community Development District Supplemental Engineer's Report (Series 2025 Project) dated June 17, 2025, (collectively the "Engineer's Report") each as prepared by Rodney Honeycutt, P.E. (the "District Engineer"), incorporated herein by reference which sets forth an improvement plan for the planning, design, acquisition, construction, and installation of various public infrastructure improvements and facilities within the boundaries of or for the benefit of the 2025 Assessment Area within the District (the "Improvement Plan") and that the Improvement Plan will be funded, in part, by net proceeds of the Series 2025 Bonds that are payable from the Series 2025 Special Assessments levied in accordance with the Assessment Proceedings; and

**WHEREAS**, the failure by the Developer to cause development of the portion of the Lands in Assessment Area Two all as contemplated by the Engineer's Report and the Assessment Proceedings ("Development Completion") may increase the likelihood that the purchasers of the Series 2025 Bonds will not receive the full benefit of their investment in the Series 2025 Bonds; and

**WHEREAS**, during the period in which the portion of the Lands in the 2025 Assessment Area are being developed and have yet to reach 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 Series 2025 Special Assessments, the primary revenues from the collection of which secure the Series 2025 Bonds; and

**WHEREAS**, in the event of default in the payment of the Series 2025 Special Assessments, the District has certain remedies with respect to the lien of the Series 2025 Special Assessments as more particularly set forth herein; and

**WHEREAS**, if the Series 2025 Special Assessments are directly billed, the sole remedy available to the District would be an action in foreclosure; if the Series 2025 Special Assessments are collected pursuant to Florida's uniform method of collection, the sole remedy for non-payment of the Series 2025 Special Assessments is the sale of tax certificates (collectively, the "Remedial Rights"); and

**WHEREAS**, in the event the District exercises its Remedial Rights, the District will require the assignment of certain Development & Contract Rights (defined below), to complete the Improvement Plan in the 2025 Assessment Area to the extent that such Development & Contract Rights are not subject to a Prior Transfer (as hereinafter defined); and

**WHEREAS**, this Assignment is not intended to impair or interfere with the development of the 2025 Assessment Area and shall only be inchoate until becoming an absolute assignment and assumption of the Development & Contract Rights, as defined below, upon failure of the

Assignor to pay the Series 2025 Special Assessments levied against the portion of the Lands in the 2025 Assessment Area owned by the Assignor; provided, however, that such assignment shall only become absolute to the extent that this Assignment has not been terminated earlier pursuant to the terms of this Assignment subject to the Prior Transfer of all or a portion of the Development & Contract Rights; and

**WHEREAS**, in the event of a transfer, conveyance or sale of any portion of the Lands in the 2025 Assessment Area, any and all affiliated entities or successors-in-interest to such Lands shall be subject to this Assignment, which shall be recorded in the Official Records of Brevard County, Florida; 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 2025 Assessment Area; and

**WHEREAS**, absent this Assignment becoming absolute, it shall automatically terminate upon the earliest to occur of the following: (i) payment of the Series 2025 Bonds in full; (ii) Development Completion; or (ii) upon occurrence of a Prior Transfer, but only to the extent that such Development & Contract Rights are subject to the Prior Transfer (herein, the “Term”).

**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 sufficiency of which is acknowledged, Assignor and Assignee 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 Assignment.

2. **Collateral Assignment.** In the event of Assignor’s default in the payment of the Series 2025 Special Assessments levied in connection with the Series 2025 Bonds, the Assignee shall be entitled to exercise its Remedial Rights to secure control and/or title to the portion of the Lands in the 2025 Assessment Area owned by the Assignor. Such exercise of Remedial Rights by Assignee may include foreclosure proceedings, acceptance of a deed in lieu of foreclosure and the establishment of a special-purpose entity (“**SPE**”) to hold title to the portion of the Lands in the 2025 Assessment Area owned by the Assignor, as designee of the Assignee. The Assignor hereby unconditionally collaterally assigns to Assignee or its designee, to the extent assignable, and to the extent that they are owned or controlled by Assignor, all of its Development & Contract Rights as security for Assignor’s payment and performance and discharge of its obligation to pay the Series 2025 Special Assessments levied against the Lands subject thereto. Notwithstanding any contrary terms in this Assignment: the Development & Contract Rights exclude (x) any portion of the Development & Contract Rights which relates solely to lots which have been conveyed to unaffiliated homebuilders or end-users effective as of such conveyance, and (y) any portion of the Development & Contract Rights which relates solely to any portion of the Lands which has been transferred, dedicated and/or conveyed, or is in the future conveyed, to Polk County, Florida, Assignee, any utility provider, governmental or quasi-governmental entity, any applicable homeowner’s or property owner’s association, subject to clause (i) below, or other governing entity or association as may be required by the Development & Contract Rights, in each case effective as of such transfer, conveyance and/or dedication, as applicable (the foregoing being a “Prior

Transfer”). Subject to the foregoing, the Development & Contract Rights shall include, without limitation, the items listed in subsections (i) through (ix), but not be limited to, the following:

- i. Any declaration of covenants of a homeowner’s association governing the Lands, as recorded in the Official Records of Brevard County, Florida, and as the same may be amended and restated from time to time, including, without limitation, all of the right, title, interest, powers, privileges, benefits and options of the “Developer” or “Declarant” thereunder.
- ii. Engineering and construction plans and specifications for grading, traffic capacity analyses, roadways, site drainage, storm water drainage, signage, water distribution, wastewater collection, reclaimed water and other improvements to or affecting the Lands.
- iii. Preliminary and final plats and/or site plans for the Lands.
- iv. Architectural plans and specifications for public buildings and other improvements to the Lands.
- v. Permits, approvals, agreements, resolutions, variances, licenses, and franchises and applications therefor whether approved or in process pending before or granted by governmental authorities, or any of their respective agencies, for or affecting the development of the Lands and construction of improvements thereon.
- vi. Contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the development of the Lands or the construction of improvements thereon, together with all warranties, guaranties and indemnities of any kind or nature associated therewith.
- vii. Franchise or other agreements for the provision of water, wastewater and reclaimed water service to the Lands, and all hookup fees and utility deposits paid by Assignor in connection therewith.
- viii. Permit fees, impact fees, deposits and other assessments and impositions paid by Assignor to any governmental authority or utility and capacity reservations, impact fee credits and other credits due to Assignor from any governmental authority or utility provider, including credit for any dedication or contribution of any portion of the Lands by Assignor in connection with the development of the Lands or the construction of improvements thereon.
- ix. All future creations, changes, extensions, revisions, modifications, substitutions, and replacements of any of the foregoing and any guarantees of performance of obligations to Assignor arising thereunder by any means, including, but not limited to, pursuant to governmental requirements, administrative or formal action by third parties, or written agreement with

governmental authorities or third parties.

x. If and to the extent that any road rights of way to the Development which is owned by affiliates of Assignor has not been conveyed to Assignee or Brevard County, Assignor will induce such affiliates to provide necessary ingress and egress easements over such right of way in order to provide the necessary access to the Lands and the Project.

3. **Warranties by Assignor.** Assignor represents and warrants to Assignee that:

(a) Each Assignor is currently, and in the future will be, in possession of the Development & Contract Rights related to the Lands and, in the future, will be the only entity (other than other entities that may receive applicable transfers of the Development & Contract Rights as part of Prior Transfers) that will be in possession of the Development & Contract Rights related to the Lands, and Assignor has made no assignment of the Development & Contract Rights to any person other than Assignee;

(b) Any transfer, conveyance or sale of the Lands, shall be subject to any and all affiliated entities or successors-in-interest of the Developers to this Assignment;

(c) Each Assignor is not prohibited under agreement with any other person or under any judgment or decree from (i) the execution and delivery of this Assignment; (ii) the performance of each and every covenant of Assignor hereunder and under the Contract Documents; and (iii) the meeting of each and every condition herein contained; and

(d) No action has been brought or threatened which would in any way interfere with the right of Assignor to execute this Assignment and perform all of Assignor's obligations herein contained.

4. **Covenants.** Assignor covenants with Assignee that during the Term (as defined above): Assignor will use reasonable, good faith efforts to: (i) fulfill, perform, and observe each and every material condition and covenant of Assignors relating to the Development & Contract Rights and (ii) give notice to Assignee of any claim of default relating to the Development & Contract Rights given to or by Assignor, together with a complete copy of any such claim.

(b) The Development & Contract Rights include all of Assignor's right to modify the Development & Contract Rights, to terminate the Development & Contract Rights, and to waive or release the performance or observance of any obligation or condition of the Development & Contract Rights; provided that no such modification, termination, waiver or release affects any of the Development & Contract Rights which pertain to lands outside of the District not relating to development of the Lands.

(c) Assignor agrees to perform any and all actions necessary and use good faith efforts relating to any and all future creations, changes, extensions, revisions, modifications, substitutions, and replacements of the Development & Contract Rights.

(d) In the event of the institution of any involuntary bankruptcy, reorganization or insolvency proceedings against the Assignor or the appointment of a receiver or a similar official

with respect to all or a substantial part of the properties of the Assignor, Assignor shall endeavor in good faith to have such proceedings dismissed or such appointment vacated within a period of one hundred twenty (120) days.

5. **Event(s) of Default.** Any breach of the Assignor's warranties contained in Section 3 hereof or breach of covenants contained in Section 4 hereof will, after the giving of notice and an opportunity to cure (which cure period shall be at least sixty (60) days (and shall not be construed to extend any other cure periods provided hereunder) unless Assignee, in its sole discretion, agrees to a longer cure period) shall constitute an Event of Default under this Assignment. Additionally, the failure to timely pay the Series 2025 Special Assessments levied and imposed upon lands owned by Assignor shall constitute an immediate Event of Default.

6. **Remedies Upon Event of Default.** Upon an Event of Default, Assignee or its designee, may, as Assignee's sole and exclusive remedies, take any or all of the following actions, at Assignee's option:

(a) Subject to the limitations described in Section 15 herein, any and all obligations of Assignor relating to the Development & Contract Rights and exercise any and all rights of Assignor therein as fully as Assignor could. The performance by Assignee of any such obligations: (i) shall not release Assignor from liability for such obligations; (ii) may be made without notice to or demand upon Assignor; and (iii) may be made without regard to the adequacy of other security for the indebtedness hereby secured

(b) Initiate, appear in, or defend any action arising out of or affecting the Development & Contract Rights.

(c) Sue for, or otherwise collect and receive, monies due under the Contract Documents, including those past due and unpaid, and apply the same against all costs and expenses of collection and then against all costs and expenses of operation of the Lands or the performance of Assignor's obligations under the Contract Documents. Neither entry upon and taking possession of the Lands nor the collection of monies due under the Contract Documents shall in any way operate to cure or waive any default under any instrument given by Assignor to Assignee, or prohibit the taking of any other action by Assignee under any such instrument, or at law or in equity, to enforce payment of the obligations secured hereby or to realize on any other security; and/or

(d) Demand, effective upon the occurrence of an Event of Default, and after Assignor's receipt of a demand notice from Assignee following and Event of Default, that Assignor use commercially reasonable efforts: (i) at the sole cost and expense of Assignor, to enforce the performance and observance of each and every material covenant and condition of the Contract Documents to be performed or observed; and (ii) appear in and defend any action involving the Contract Documents or the obligations or liabilities of Assignor or any guarantor thereunder. Also to be effective upon the occurrence of an Event of Default, and after Assignor's receipt of a demand notice from following an Event of Default, Assignor will neither modify the terms of the Contract Documents in any material respect (unless required so to do by the terms thereof or to comply with documents executed in connection with the issuance of the Series 2025 Bonds) nor waive or release any third party from the performance of any obligation to be

performed or liability assumed under the terms of the Contract Documents or from liability on account of any warranty given by such third party, without the prior consent of Assignee, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Assignor will not at any time knowingly take any action (or omit to take any action) with respect to the Development and Contract Rights that materially and adversely affect the rights of the District or the District's bondholders.

7. **Authorization.** Upon the occurrence and during the continuation of an Event of Default, Assignor does hereby authorize and shall direct any party to any agreement relating to the Development & Contract Rights to tender performance thereunder to Assignee or its designee upon written notice and request from Assignee. Any such performance in favor of Assignee shall constitute a full release and discharge to the extent of such performance as fully as though made directly to Assignor.

8. **Security Agreement.** Subject to the terms of this Assignment, this Assignment shall be a security agreement between Assignor, as the debtor, and Assignee, as the secured party, covering the Development and Contract Rights and Contract Documents that constitute personal property governed by the Florida Uniform Commercial Code ("Code"), and Assignor grants to Assignee a security interest in such Development and Contract Rights and Contract Documents. Notwithstanding the foregoing, Assignee shall not be entitled to exercise any right as a secured party, including, without limitation, the filing of any and all financing statements, until the occurrence of an Event of Default hereunder, subject to any applicable notice and cure period.

9. **Third Party Beneficiaries.** The trustee for the Series 2025 Bonds (the "Trustee"), on behalf of the bondholders, shall be a direct third party beneficiary of the terms and conditions of this Assignment and entitled to enforce Assignor's obligations following an Event of Default; provided such cause of enforcement by the Trustee shall be made at the direction of the bondholders owning a majority of the aggregate principal amount of the Series 2025 Bonds then outstanding. The Trustee shall not be deemed to have assumed any obligations under this Agreement. This Assignment is solely for the benefit of the parties set forth in this Section, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any other third party.

10. **Amendment.** This Assignment may be modified in writing only by the mutual agreement of all parties hereto. This Assignment may not be materially amended without the prior written consent of the Trustee acting on behalf and at the direction of the bondholders owning a majority of the aggregate principal amount of the Series 2025 Bonds then-outstanding.

11. **Arm's Length Transaction.** This Assignment 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 Assignment and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Assignment, 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.                   **Counterparts.** This instrument may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

13.                   **Severability.** The invalidity or unenforceability of any one or more provisions of this Assignment shall not affect the validity or enforceability of the remaining portions of this Assignment, or any part of this Assignment not held to be invalid or unenforceable.

14.                   **Applicable Law and Venue.** This Assignment 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 Assignment shall be in Polk County, Florida.

15.                   **Assignee Obligations.** Notwithstanding any provisions in this Assignment to the contrary, the Assignee shall have no responsibility to complete any portion of Assessment Area Two other than the portion representing the Improvement Plan and only to the extent of available proceeds from the Bonds used by the Assignee for such purpose.

**IN WITNESS WHEREOF,** Assignor and Assignee have caused this Assignment to be executed and delivered on the day and year first written above.

[SIGNATURES ON THE FOLLOWING PAGE]

**CAROLINA HOLDINGS II, LLC, a**  
Nevada limited liability company

By: \_\_\_\_\_  
Name: Gary Allen, Jr.  
Title: Manager

Witnesses:

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

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

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence  
or ☐ online notarization this \_\_\_\_ day of \_\_\_\_\_, 2025 by Gary Allen, Jr. as Manager of  
Carolina Holdings II, LLC, a Nevada limited liability company , who is personally known and/or  
produced \_\_\_\_\_ as identification and who being duly sworn, deposes and says  
that the aforementioned is true and correct to his or her best knowledge.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

**ATTEST:**

**ASSIGNEE:**

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Chair/Vice Chair

\_\_\_\_\_ day of \_\_\_\_\_, 2025

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by [ ] physical presence or [ ] online notarization this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_ as Chair/Vice Chair of the Board of Supervisors for TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT, who is personally known and/or produced \_\_\_\_\_ as identification and who being duly sworn, deposes and says that the aforementioned is true and correct to his or her best knowledge.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by [ ] physical presence or [ ] online notarization this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_ as Secretary/Assistant Secretary of the Board of Supervisors for TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT, who is personally known and/or produced \_\_\_\_\_ as identification and who being duly sworn, deposes and says that the aforementioned is true and correct to his or her best knowledge.

[SEAL]

\_\_\_\_\_  
Notary Public Commission

**EXHIBIT A**  
Legal Description

The first part of the paper discusses the importance of understanding the cultural context of the research. It highlights the need for researchers to be sensitive to the values and beliefs of the communities they are studying. This is particularly important in the field of education, where cultural differences can significantly impact learning outcomes.

The second part of the paper focuses on the methodology used in the study. It describes the process of selecting participants, collecting data, and analyzing the results. The authors emphasize the importance of using a mixed-methods approach to gain a comprehensive understanding of the research topic.

The third part of the paper presents the findings of the study. It discusses the results of the quantitative data analysis and the insights gained from the qualitative interviews. The authors conclude that there are significant differences in learning outcomes between the two groups, and these differences can be attributed to cultural factors.

The final part of the paper discusses the implications of the findings for future research and practice. It suggests that educators should be aware of the cultural context of their students and tailor their teaching methods accordingly. The authors also recommend further research to explore the underlying reasons for the observed differences.

Prepared by and return to:  
Mark A. Watts, Esq.  
**Cobb Cole**  
231 North Woodland Blvd.  
DeLand, Florida 32720

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SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

**AGREEMENT BETWEEN TRANQUILITY COMMUNITY DEVELOPMENT  
DISTRICT AND CAROLINA HOLDINGS II, LLC, REGARDING  
THE TRUE-UP AND PAYMENT OF SERIES 2025 ASSESSMENTS**

This Agreement is made and entered into as of this \_\_\_\_ day of \_\_\_\_, 2025 by and between:

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, Florida Statutes ("Uniform Act"), being situated in the City of Titusville, County of Brevard, Florida, and whose mailing address is 219 E. Livingston Street, Orlando, Florida 32801 (the "District"); and

**CAROLINA HOLDINGS II, LLC**, a Nevada limited liability company, the developer of certain lands within the boundaries of the District, whose address is 1645 Village Center Circle, Suite 170, Las Vegas, Nevada 89134 (the "Developer").

**Recitals**

**WHEREAS**, the District was established by ordinance of the City Council of the City of Titusville, Florida for the purpose of planning, financing, constructing, acquiring, operating and/or maintaining certain infrastructure, including, but not limited to, roadways, water and sewer utilities, stormwater management, entranceway improvements and other infrastructure authorized by Chapter 190, Florida Statutes; and

**WHEREAS**, the Developer is currently the owner of certain lands within City of Titusville, Brevard County, Florida, located within the boundaries of the District, as depicted in **Exhibit A** (the "Lands"), which is attached hereto and incorporated herein by reference; and

**WHEREAS**, the District, pursuant to Chapter 190, Florida Statutes, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District's activities and services; and

**WHEREAS**, a Final Judgment was issued on August 8, 2022, validating the authority of the District to issue up to \$72,825,000.00 in aggregate principal amount of Tranquility Community

Development District Special Assessment Bonds (“Bonds”) to finance certain improvements and facilities within the District and the time for taking an appeal from such Final Judgment has expired without an appeal being taken; and

**WHEREAS**, the District is issuing on the date hereof \$\_\_\_\_\_ in original principal amount of its Special Assessment Bonds, Series 2025 (2025 Assessment Area) (“Series 2025 Bonds”) as a series of Bonds to finance a portion of the design, construction or acquisition of certain public infrastructure improvements for the benefit of the assessable lands within the herein defined assessment area referred to as Series 2025 Assessment Area; and

**WHEREAS**, the infrastructure improvements and facilities to be financed, in part, by the Series 2025 Bonds are more specifically described and identified in the Tranquility CDD – Master Engineer’s Report, dated March 17, 2022 (the “Master Engineer’s Report”), as updated by the Tranquility Community Development District Supplemental Engineer’s Report (Series 2025 Project), dated June 17, 2025, prepared by Honeycutt & Associates, Inc. (“Supplemental Engineer’s Report”), as may be amended and supplemented from time to time (collectively with the Master Engineer’s Report, the “Engineer’s Report”), incorporated herein by reference (the “Improvement Plan”); and

**WHEREAS**, the District has taken certain steps necessary to impose special assessments in connection with the Series 2025 Bonds upon the benefitted Lands within the portion of the District designated as the “Series 2025 Assessment Area” pursuant to Chapters 170, 190 and 197, Florida Statutes (the “Series 2025 Special Assessments”) as more specifically described in Resolution No(s). 2022-14 and 2022-15 adopted by the District on March 23, 2022, Resolution No. 2022-22 adopted by the Board on May 11, 2022, and Resolution No. 2025-[ ], adopted by the Board on [September] [ ], 2025, as may be amended and supplemented from time to time (collectively, the “Assessment Resolutions”); and

**WHEREAS**, Developer agrees that the portion of the Lands in the 2025 Assessment Area benefit from the design, construction or acquisition of the Improvement Plan related thereto and funded in part by the Series 2025 Bonds; and

**WHEREAS**, Developer agrees that the Series 2025 Special Assessments have been validly imposed and constitute valid, legal and binding liens upon the Lands subject thereto; and

**WHEREAS**, Developer waives any rights it may have under Section 170.09, Florida Statutes, to prepay the Series 2025 Special Assessments within 30 days after completion of the portion of the Improvement Plan funded by the Series 2025 Bonds; and

**WHEREAS**, Developer waives any defect in notice or publication or in the proceedings to levy, impose and collect the Series 2025 Special Assessments on the Lands subject thereto; and

**WHEREAS**, pursuant to the Assessment Resolutions, including the Assessment Report (hereinafter defined) approved pursuant to the Assessment Resolutions, a principal reduction payment, or true-up payment, may be required to be made under certain circumstances as set forth

in the Assessment Report (which payments shall collectively be referenced as the “True-Up Payment”); and

**WHEREAS**, Developer and the District desire to enter into this agreement to confirm Developer’s intentions and obligations to make any and all True-Up Payments related to the Series 2025 Special Assessments when due.

**NOW, THEREFORE**, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which is hereby acknowledged, the parties agree as follows:

**SECTION 1. RECITALS.** The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Agreement. Any capitalized term not defined herein shall be defined as defined or described in the Indenture.

**SECTION 2. VALIDITY OF ASSESSMENTS.** Developer agrees that each of the Assessment Resolutions has been duly adopted by the District. Developer further agrees that the Series 2025 Special Assessments imposed as a lien by the District are legal, valid and binding liens. Developer hereby waives and relinquishes any rights it may have to challenge, object to or otherwise fail to pay such Series 2025 Special Assessments.

**SECTION 3. COVENANT TO PAY.** Developer, for itself and for all successors in interest to the Lands owned by Developer, agrees and covenants to timely pay all such Series 2025 Special Assessments levied and imposed by the District on the benefitted Lands owned by Developer within the District subject thereto, whether the Series 2025 Special Assessments are collected by the Brevard County Tax Collector pursuant to Section 197.3632, Florida Statutes, by the District, or by any other method allowable by law. Developer further waives any rights it may have under Section 170.09, Florida Statutes, to prepay the Series 2025 Special Assessments without interest within thirty (30) days of completion of the portion of the Improvement Plan funded by the Series 2025 Bonds.

**SECTION 4. SPECIAL ASSESSMENT REALLOCATION.** The District and Developer agree that:

A. The Series 2025 Special Assessments will be allocated in accordance with the Assessment Resolutions, including the Master Assessment Methodology for Tranquility Community Development District dated May 11, 2022, (the “Master Assessment Report”), and as supplemented by the First Supplemental Assessment Methodology for the Series 2025 Project for Tranquility Community Development District, dated August 8, 2025, (the “Supplemental Assessment Report” and, together with the Master Special Assessment Methodology Report, the “Assessment Report”). Pursuant to the Assessment Resolutions and the Assessment Reports, including Section [ ] of the Master Assessment Report, as supplemented with respect to the Series 2025 Special Assessments by the Supplemental Assessment Report, there may be required, from time to time, certain “True-Up Payments.” The initial debt assessment ceiling level for the Series 2025 Special Assessments is shown in the Supplemental Assessment Report. If as a result of platting or re-platting and

apportionment of the Series 2025 Special Assessments to the final platted parcels, the Series 2025 Special Assessments per unit equal more than the figures in Table [\_\_\_\_], and it is determined that a True-Up Payment is due, the District may suspend the True-Up Payment if the Developer can show that there is sufficient development potential in the remaining undeveloped developable acreage within 2025 Assessment Area to build the densities required to fully amortize the Series 2025 Bonds. A determination of the suspension of a required True-Up Payment will be made at the sole discretion of the District; provided that any such determination will not adversely impact the ability of the District to pay debt service on the Series 2025 Bonds. The District will not release any liens on the Lands for which True-Up Payments are due until provision for such payment has been satisfactorily made.

B. True-Up Payments shall become due and payable at the earlier of the time of platting or land is transferred by the Developer of the Lands subject to the True-Up Payment, together with interest on the Series 2025 Bonds to the next applicable interest date unless such interest date is less than 45 days from such True-Up Payment, then the following interest date, in addition to any regular installment of the Series 2025 Special Assessments levied on such land and shall constitute part of the lien of the Series 2025 Special Assessments imposed on such land. The District will ensure collection of such amounts in a timely manner to meet its debt service obligations on the Series 2025 Bonds and shall record all True-Up Payments in its Improvement Lien Book.

C. The foregoing is based on the District's understanding with Developer that Developer will ultimately construct and convey or cause to be conveyed to the District the public improvements and right of way included in the Improvement Plan and necessary for Assessment Area One, and it is intended to provide a formula to ensure that the appropriate ratio of the Series 2025 Special Assessments to gross developable acres in the 2025 Assessment Area is maintained if less than the indicated residential units are developed. However, the District agrees that nothing herein prohibits more residential units from being developed on the Lands. In no event shall the District collect Series 2025 Special Assessments in excess of the total debt service related to the Series 2025 Bonds. If a True-Up Payment for the Lands pursuant to application of the District's Assessment Report would result in Series 2025 Special Assessments collected in excess of the District's total debt service obligation for the Series 2025 Bonds, the District agrees to take appropriate action by resolution to equitably reallocate the assessments in each Tract within the Lands or provide for an equitable refund.

**SECTION 5. ENFORCEMENT.** This Agreement is intended to abide by the application of True-Up Payments, if required, as set forth in the Assessment Resolutions, and to pay any True-Up Payment due on Lands within 2025 Assessment Area owned by the Developer. This Agreement does not alter or affect the liens created by the attached 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.

**SECTION 6. RECOVERY OF COSTS AND FEES.** In the event either party is required to enforce this Agreement by court proceedings or otherwise, then each prevailing party, as determined by the applicable court or other dispute resolution provider, shall be entitled to recover from the non-prevailing party all fees and costs incurred, including reasonable attorneys' fees and costs incurred prior to or during any litigation or other dispute resolution and including all fees and costs incurred in appellate proceedings.

**SECTION 7. NOTICE.** All notices, requests, consents and other communications hereunder ("Notices") shall be in writing and shall be delivered via overnight delivery service, telecopied or hand delivered to the parties, as follows:

If to the District:                      Tranquility Community  
Development District  
219 E. Livingston Street  
Orlando, Florida 32801  
Attn: District Manager  
Email: [gflint@gmscfl.com](mailto:gflint@gmscfl.com)

With a copy to:                      Cobb Cole  
231 North Woodland Boulevard  
Deland, Florida 32720  
Attn: Mark A. Watts, Esq.  
Email: [Mark.Watts@CobbCole.com](mailto:Mark.Watts@CobbCole.com)

If to the Developer:                      Carolina Holdings II, LLC  
1645 Village Center Circle, Suite 170,  
Las Vegas, Nevada 89134  
Attn: Gary Allen, Jr  
Email: [gary@sunbeltlandmgmt.com](mailto:gary@sunbeltlandmgmt.com)

With a copy to:                      William Livingston  
313 Cypress Street  
Flagler Beach, Florida 32136  
Email: [wilivingston@hotmail.com](mailto:wilivingston@hotmail.com)

Except as otherwise provided herein, any Notice shall be deemed received only upon actual delivery at the address or facsimile number set forth herein. 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 facsimile number to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

Notwithstanding the foregoing, to the extent Florida law requires notice to enforce the collection of assessments placed on property by the District, then the provision of such notice shall be in lieu of any additional notice required by this Agreement.

#### **SECTION 8. ASSIGNMENT.**

a. ***Agreement Runs with Land*** – Subject to Section 8.b. hereof, this Agreement shall constitute a covenant running with title to the Lands, binding upon Developer and its successors and assigns as to the Lands or portions thereof, except for any end-user, and any transferee of any portion of the Lands as set forth in this Section.

b. ***Transfer Conditions*** – Developer shall not transfer any portion of the Lands to any third party, without satisfying the following conditions (“**Transfer Conditions**”): (i) satisfying any True-Up Payment that results from any true-up determinations made by the District prior to such transfer, and (ii) obtaining an estoppel letter from the District addressing the same, provided however that with respect to the transfer of platted and fully developed lots to any homebuilders (“Builder”), the Transfer Conditions shall only include item (i), and item (ii) shall not be required. Any transfer that is consummated pursuant to this Section shall operate as a release of Developer from its obligations under this Agreement as to such portion of the Lands transferred and only arising from and after the date of such transfer, including satisfaction of all of the Transfer Conditions including payment of any True-Up Payments due and payable as of the date of such transfer. Further, the transferee, which by recording or causing to be recorded in the Public Records of Brevard County the deed transferring such Lands to the transferee, shall be deemed to assume Developer’s obligations in accordance herewith, and shall be deemed the “Developer” from and after such transfer for all purposes as to such portion of the Lands transferred. Regardless whether the conditions of this subsection are met, any transferee shall take title subject to the terms of this Agreement, except for end-users.

As a point of clarification to control over any contrary terms in this Agreement (if any), 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 and fully developed lot that: (i) is conveyed to a Builder, or (ii) is 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, as may be amended.

If any portion of the Lands are transferred by the Developer to a unit of local government which has not consented to the lien of the Series 2025 Special Assessments, such Series 2025 Special Assessments must be paid in full including accrued interest by way of a True – Up Payment.

**SECTION 9. AMENDMENT.** 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. Material amendments require consent of the Trustee acting at the direction of a majority of the Bondholders.

**SECTION 10. TERMINATION.** This Agreement shall continue in effect until it is rescinded in writing by the mutual assent of each party which shall require consent of the Trustee acting at the direction of a majority of the Bondholders. This Agreement shall automatically terminate upon payment in full of the Series 2025 Bonds, or upon final allocation of all Series 2025 Special Assessments to all property in the District and no further replating is permitted subject thereto, and all True-Up Payments, if required, have been paid.

**SECTION 11. NEGOTIATION AT ARM'S LENGTH.** This Agreement has been negotiated fully between the parties as an arm's length transaction. All parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, all parties are deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against either party.

**SECTION 12. THIRD PARTY BENEFICIARIES.** This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto other than the Trustee for the Series 2025 Bonds, which shall be a direct third party beneficiary of the terms and conditions of this Agreement and acting at the direction of and on behalf of the beneficial owners ("Bondholders") owning a majority of the aggregate principal amount of Series 2025 Bonds then outstanding, shall be entitled enforce the Developer's obligations hereunder. The Trustee shall not be deemed to have assumed any obligations under 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 parties hereto and the Trustee on behalf of the Bondholders owning a majority of the outstanding Series 2025 Bonds, any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

**SECTION 13. LIMITATIONS ON GOVERNMENTAL LIABILITY.** Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, Florida Statutes or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the doctrine of sovereign immunity or by operation of law.

**SECTION 14. APPLICABLE LAW.** This Agreement shall be governed by 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 Polk County, Florida.

**SECTION 15. EXECUTION IN COUNTERPARTS.** This instrument may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, and such counterparts together shall constitute one and the same instrument.

Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

**SECTION 16. EFFECTIVE DATE.** This Agreement shall become effective after execution by the parties hereto on the date reflected above.

**[This space left blank intentionally]**

**IN WITNESS WHEREOF**, the parties execute this agreement the day and year first written above.

Attest:

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Adam Morgan, Chairman

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by Adam Morgan as Chairman for TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT, ☐ who is personally known or ☐ produced \_\_\_\_\_ as identification and who being duly sworn, deposes and says that the aforementioned is true and correct to his or her best knowledge.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_ as Secretary/Assistant Secretary of the Board of Supervisors for TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT, ☐ who is personally known or ☐ produced \_\_\_\_\_ as identification and who being duly sworn, deposes and says that the aforementioned is true and correct to his or her best knowledge.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

**CAROLINA HOLDINGS II, LLC, a**  
Nevada limited liability company

By: \_\_\_\_\_  
Name: Gary Allen, Jr.  
Title: Manager

Witnesses:

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

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

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence  
or ☐ online notarization this \_\_\_\_ day of \_\_\_\_\_, 2025 by Gary Allen, Jr. as Manager of  
Carolina Holdings II, LLC, a Nevada limited liability company , who is personally known and/or  
produced \_\_\_\_\_ as identification and who being duly sworn, deposes and says  
that the aforementioned is true and correct to his or her best knowledge.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

**Exhibit A:**  
**Map of District Lands**

the 'information' and 'communication' fields. The 'information' field is defined as:

...the study of the nature, sources, uses, and management of information, and the study of the communication of information. (p. 1)

The 'communication' field is defined as:

...the study of the nature, sources, uses, and management of communication, and the study of the communication of information. (p. 1)

These definitions are not mutually exclusive, and the two fields overlap significantly.

The 'information' field is defined as:

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## ACQUISITION AGREEMENT

This Acquisition Agreement (the “Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025 (the “Effective Date”), by and between:

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, Florida Statutes (“Uniform Act”), being situated in the City of Titusville, County of Brevard, Florida, and whose mailing address is 219 E. Livingston Street, Orlando, Florida 32801(the "District"); and

**CAROLINA HOLDINGS II, LLC**, a Nevada limited liability company, the developer of certain lands within the boundaries of the District, whose address is 1645 Village Center Circle, Suite 170, Las Vegas, Nevada 89134 (the "Developer").

## RECITALS

**WHEREAS**, the District was established by Ordinance No. 4-2022 enacted by the City Council of the City of Titusville, Florida (the “City”), on February 22, 2022 for the purpose of planning, financing, constructing, installing, operating, acquiring and/or maintaining certain infrastructure within and without the boundaries of the premises to be governed by the District as more fully described in the Engineer’s Report (as defined below); and

**WHEREAS**, the District has adopted an improvement plan for the planning, design, acquisition, construction, and installation of various public infrastructure improvements and facilities within and without the boundaries of the District as described in the Tranquility CDD – Master Engineer’s Report, dated March 17, 2022 (the “Master Engineer’s Report”), as updated by the Tranquility Community Development District Supplemental Engineer’s Report (Series 2025 Project), dated June 17, 2025, prepared by Honeycutt & Associates, Inc. (“Supplemental Engineer’s Report”), as may be amended and supplemented from time to time (collectively with the Master Engineer’s Report, the “Engineer’s Report”), incorporated herein by reference; and

**WHEREAS**, the District has imposed and will impose special assessments on the lands within designated areas within the District referred to as “Assessment Area One” to secure financing for the acquisition and construction of the improvements set forth in the 2025 Improvement Plan and has validated up to \$72,825,000.00 in special assessment bonds to fund the planning, design, permitting, construction and/or acquisition of such improvements; and

**WHEREAS**, the District intends to ultimately undertake the acquisition or development of Series 2025 Project as contemplated in the Engineer’s Report, in part, for Phases 1, 2 and 3 of the Development (the “Series 2025 Project”) through the use of proceeds from the sale of a series of its Bonds designated as Tranquility Community Development District Special

Assessment Bonds, Series 2025 (Series 2025 Assessment Area) (the "Series 2025 Bonds") being issued on the date hereof pursuant to a Master Trust Indenture dated as of September 1, 2025 (the "Master Indenture"), from the District to U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented by the First Supplemental Trust Indenture dated as of September 1, 2025 between the District and the Trustee (the "First Supplemental Indenture" and together with the Master Indenture, the "Indenture"); and

**WHEREAS**, the District desires to acquire from the Developer and the Developer desires to convey, or cause to be conveyed, to the District, on the terms and conditions set forth herein, in one or more conveyances, (i) the portion of the Series 2025 Project constructed and/or installed by the Developer, (ii) fee simple or easement rights to the roadways, storm water management, sanitary sewer and water distribution systems and other elements of the Series 2025 Project, and to allow for the construction, installation, operation and maintenance of the Series 2025 Project thereon (collectively, the "District Lands"), and (iii) all designs, plans and specifications relating to the Series 2025 Project, prepared by, or on behalf of, the Developer (collectively, the "Plans").

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, and for Ten and no/100th Dollars (\$10.00) from the District to the Developer and other good and valuable consideration between the parties, the receipt and sufficiency of which are hereby acknowledged by the parties, and subject to the terms and conditions hereof, the parties agree as follows:

1. **INCORPORATION OF RECITALS.** The recitals stated above are true and correct and by this reference are incorporated by reference as a material part of this Agreement. Reference is also made to the Indenture, as supplemented from time to time, in connection with the issuance of the Bonds.

2. **BOND ISSUANCE AND COMPLETION OF SERIES 2025 PROJECT.** The District has heretofore approved the issuance of the Bonds in the original principal amount of \$ \_\_\_\_\_. The District may, but shall not be required to, issue and sell one or more series of additional Bonds in the future. The District shall dedicate certain of the proceeds of the Bonds (the "Bond Proceeds") to finance the acquisition of all or a portion of the Series 2025 Project, including, but not limited to, all administrative, legal, warranty, engineering, permitting and other related soft costs, whether pursuant to existing contracts, change orders, contracts assigned by the Developer to the District, or future contracts signed by or on behalf of the District (collectively, the "Public Improvement Costs"). This obligation shall survive each closing on the conveyance by the Developer to the District of the Series 2025 Project or the real property interest, including easements, within which the Series 2025 Project are constructed or installed (each a "Closing").

3. **CONVEYANCE OF SERIES 2025 PROJECT, PLANS AND DISTRICT LANDS.** In accordance with the terms and conditions of this Agreement, including specifically the terms of payment set forth in Section 5 of this Agreement, the Developer shall, at each Closing, in one or more conveyances, convey or cause to be conveyed to the District, and the District hereby agrees to purchase and accept, by dedication, special warranty deed, bill of sale or other appropriate form of conveyance satisfactory to the District and its counsel, any and all of Developer's right, title and interest in and to the (a) Series 2025 Project, and (b) Plans. The interest conveyed by each such necessary special warranty deeds or easements shall in each case be free and clear of all

liens and encumbrances which render title unmarketable or which, in the District's reasonable discretion, would materially interfere with the District's intended use of the applicable portion of the District Lands. Prior to the date of the initial Closing, the Developer shall provide the District with copies of the Plans and any existing survey(s) of all or any portion of the District Lands. When a portion of the Series 2025 Project is ready for conveyance by the Developer to the District, the Developer shall so notify the District in writing and set a date for the applicable Closing pertaining to such portion of the Series 2025 Project, which shall be no later than thirty (30) days from the date of such notice. Prior to each Closing that includes the transfer of a real estate interest to the District, including the initial Closing, the Developer shall provide to the District either a commitment for title insurance, an Ownership and Encumbrance Report, an attorney's opinion of title or other evidence, satisfactory to the District, of good, marketable and insurable title, in each case relating to the portion of the District Lands subject to such Closing (the "**Title Evidence**"). The parties acknowledge that, in connection with the conveyance of the District Lands to the District, the Developer will execute all required documents, as reasonably appropriate, under this Section 3 and also Sections 4 and 10 hereof.

By approval and execution of this Agreement, the District authorizes and ratifies the preparation and execution by the proper official(s) of the District of all documents necessary to effectuate the conveyances contemplated by this Agreement. In the event certain Series 2025 Project are certified by the District Engineer for dedication to the District as contemplated herein prior to the availability of Bond Proceeds, the Developer may proceed with dedication of the Series 2025 Project and the District shall remit payment to the Developer when Bond Proceeds are available. It is specifically contemplated that the Developer may construct certain Series 2025 Project in advance of the District's issuance of Bonds for certain areas of the development and, in such event, the District shall accept such Series 2025 Project with the understanding that the District will document the cost of the Series 2025 Project as a deferred obligation which will be repaid to Developer upon the availability of Bond Proceeds.

4. **CLOSING DOCUMENTS.** At each Closing, the Developer shall deliver, or cause to be delivered, to the District the following:

- (a) Special warranty deed ("Deed"), plat dedication or easements for the District Lands in recordable form;
- (b) Bill of Sale for all personal or intellectual property associated with the Series 2025 Project
- (c) Mechanics' lien affidavit;
- (d) A Certificate of Non-Foreign Status or statement complying with Section 1145(b)(2) or (3) of the Internal Revenue Code of 1986, as amended;
- (e) A Closing Statement;
- (f) Public Disclosure Act Affidavit pursuant to Section 286.23, Florida Statutes;

(g) Sworn Statement Under Section 287.133(3)(a), Florida Statutes certifying that no person who is active in the management of the Developer entity has been placed on the convicted vendor list following a conviction for a public entity crime; and

(h) Such other instruments as the title insurance company shall reasonably require in order to transfer title to the District as required under Section 3 of this Agreement.

5. **PAYMENT FOR SERIES 2025 PROJECT AND PLANS.** After receipt by the District of funds from the Bond Proceeds and in accordance with the terms of the Indenture and this Agreement, and provided there are sufficient Bond Proceeds available, the District agrees to pay the Developer on the Closing as total payment for all the Developer's rights or interest in the Series 2025 Project and Plans, including payment of any and all reimbursements(s) to the Developer by the District for preparation of the Plans prior to assignment as follows:

(a) Payment for Series 2025 Project. Upon certification by the Engineer and the Developer in accordance with Section 7 of this Agreement with respect to any portion of the Series 2025 Project to be conveyed, the District shall direct the Trustee to pay the Developer such certified amount from the funds available from Bond Proceeds. Nothing herein shall be construed to require the District to issue any other Bonds other than the Bonds and the use of the Bond Proceeds with respect to the Series 2025 Bonds shall be deemed to mean only the proceeds of the Bonds and investment earnings thereon available to make payments hereunder pursuant to the Indenture.

(b) Payment for Plans and Permitting. Upon certification by the Engineer and the Developer with respect to the actual costs associated with preparation of the Plans and permitting the Series 2025 Project, in accordance with Section 7(a)(i) of this Agreement, the District shall reimburse the Developer for all costs associated with preparation of the Plans and permitting of the Series 2025 Project from available Bond Proceeds.

(c) Closing Costs. The Developer shall pay the cost for recording fees, documentary stamps required, if any, for the conveyance of any real property interests and any costs associated with the Title Evidence.

No provision of this Agreement shall relieve the Developer of the completion obligations contained in that certain Completion Agreement dated of even date herewith between the Developer and the District (the "Completion Agreement"). Notwithstanding anything else in the Agreement to the contrary, the District and the Developer acknowledge that the District's obligation to pay for the Series 2025 Project and the Plans (and any interests in real estate) are subject to the terms of the Indenture.

6. **CONDITION OF SERIES 2025 PROJECT; WARRANTY.** At the time of conveyance by the Developer of the Developer's rights or interest in all or any portion of the Series 2025 Project as provided in Section 3 above, the applicable portion of such Series 2025 Project

being conveyed shall be in good condition, free from defects, as determined by the District's Engineer; and the Developer shall assign to the District any and all warranties the Developer receives from its contractors with respect to such portion of the Series 2025 Project, if any.

7. **CERTIFICATIONS.** Before any payment by the District to the Developer for the Series 2025 Project, the District shall be provided with a certificate (or certificates), signed by the District's Engineer and a certificate (or certificates) signed by the Developer certifying that (each, a "Certificate"),: (a) the amount to be paid to the Developer for any portion of the Series 2025 Project does not exceed the lower of (i) the actual cost paid or to be paid by the Developer for said Series 2025 Project (based upon representations of the Developer), including costs associated with preparation of the Plans and permitting the Series 2025 Project or (ii) the fair market value of such Series 2025 Project; (b) that said Series 2025 Project for which payment is to be made are part of the Improvement Plan; (c) that said Series 2025 Project conveyed or to be conveyed to the District have been installed or constructed in substantial conformity with the plans and specifications and in conformance with applicable rules, regulations, ordinances, laws and all permits and approvals governing the installation or construction of the same; (d) that all currently required approvals and permits for acquisition, construction, reconstruction, installation and equipping of the Series 2025 Project or any portion thereof have been obtained or can reasonably be expected to be obtained from all applicable regulatory bodies; and (e) that the Developer has paid all contractors, subcontractors and materialmen that have provided services or materials in connection with such Series 2025 Project. With respect to the Certificate to be provided by the Developer, the certifications in the foregoing clauses (a) and (c) can be qualified to the best of the Developer's knowledge.

8. **REPRESENTATIONS AND WARRANTIES OF THE DEVELOPER.** The Developer represents and warrants to the District as follows, which representations and warranties shall be deemed made by the Developer to the District as of the Effective Date, and as of the date of Closing, and the Developer acknowledge that, but for such representations and warranties, the District would not execute this Agreement:

(a) This Agreement, and the consummation of the transactions described herein, and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by the Developer have been or shall be, duly authorized, executed and delivered by, and, upon delivery thereof, shall be binding upon and enforceable against the Developer in accordance with their respective terms.

(b) The Developer has the legal right, power and authority to enter into this Agreement and to perform all of its obligations hereunder, and the execution and delivery of this Agreement and the performance by the Developer of its obligations hereunder shall not conflict with or result in a breach of any law or regulation, or order, judgment, writ, injunction or decree of any court or governmental instrumentality or any agreement or instrument to which the Developer is a party or by which the Developer is bound or to which the Developer or any portion of the District Lands are subject.

(c) The Developer is not a foreign person and is not in any manner controlled by a foreign person within the meaning of Section 1445 of the Internal Revenue Code of 1986, as amended.

(d) To the best knowledge of the Developer, the Developer has not received any notice of violation of any applicable law pertaining to the land within the District or any portion thereof, nor does the Developer have knowledge of any such violation.

(e) To the best knowledge of the Developer, there are no pending actions, suits, claims, or legal proceedings affecting the land within the District or any portion thereof, at law or in equity, before any court or governmental agency.

(f) The Developer will take no action prior to recording of a Deed for any portion of the District Lands which would adversely affect the title to such portion of the District Lands.

(g) There are no actions or proceedings now pending in any state or Federal court or other governmental body of which the Developer is a party, including, but not limited to, proceedings in bankruptcy, receivership or insolvency, which would adversely affect the title to the District Lands or the ability of the Developer to close on the conveyance of the applicable portion of the District Lands to the District.

(h) There are no parties in possession of or with any rights to possession of the applicable portion of the District Lands other than the Developer or the District. Lien releases will be provided from any mortgage holder for any lands transferred to the District.

## **9. INDEMNIFICATION.**

(a) The Developer agrees to indemnify and hold harmless the District from and against any and all costs, liabilities, claims, obligations, expenses, losses, damages, judgments or other injuries (including, but not limited to, reasonable attorneys' fees, costs and expenses of litigation and appeals) (collectively, "Damages") arising out of and to the extent attributable to the negligent acts, errors, or omissions, or willful misconduct of the Developer, its agents, or employees in the performance of its obligations under this Agreement. The covenants and representations relating to this indemnification provision shall survive the term of this Agreement and continue in full force and effect.

(b) (i) The District shall give the Developer prompt written notice of any claims for Damages made by third parties ("Third Party Claims"), setting forth therein in reasonable detail the basis for such Third Party Claim, and the Developer shall have the right (unless (1) the Developer is also a party to such proceeding and the District determines in good faith that joint representation would be inappropriate, or (2) the Developer fails to provide reasonable assurance to the District of its financial capacity to defend such proceeding and provide indemnification with respect to such proceeding) to undertake the defense thereof by representatives chosen by it, provided that failure to provide such prompt notice shall not affect

the Developer's obligations hereunder, except to the extent that the Developer is actually prejudiced by such failure; and provided further, that the District will reasonably cooperate with the Developer in defending such Third Party Claim.

(ii) If the Developer, within a reasonable time after written notice of any such Third Party Claim is received by Developer, fails to defend the District against such Third Party Claim, the District shall (upon further written notice to the Developer) have the right to undertake the defense, compromise or settlement of such Third Party Claim on behalf of and for the account and risk of the Developer subject to the right of the Developer to assume the defense of such Third Party Claim at any time prior to settlement, compromise or final determination thereof.

(iii) Any provision in this Section 9(b) to the contrary notwithstanding, (1) if there is a reasonable probability that a Third Party Claim may materially and adversely affect the District other than as a result of money damages or other money payments, the District shall have the right to defend, compromise or settle such Third Party Claim; provided however, that if such Third Party Claim is settled without the Developer's consent, the District shall be deemed to have waived all rights hereunder against the Developer for money damages arising out of such Third Party Claim; and (2) the Developer shall not, without the written consent of the District, settle or compromise any Third Party Claim or consent to the entry of any judgment which does not include as an unconditional term thereof the giving by the claimant or the plaintiff to the District a release from all liability in respect to such Third Party Claim.

10. **SUCCESSORS.** The rights and obligations created by this Agreement shall be binding upon and inure to the benefit of the Developer and the District, and their heirs, executors, receivers, trustees, and permitted successors and assigns.

11. **CONSTRUCTION OF TERMS.** Whenever used the singular number shall include the plural, the plural the singular; the use of any gender shall include all genders, as the context requires; and the disjunctive shall be construed as the conjunctive, the conjunctive as the disjunctive, as the context requires. Any capitalized term not defined herein shall be defined as defined or described in the Indenture.

12. **ENTIRE AGREEMENT.** This Agreement contains the entire understanding between the District and the Developer and each agrees that no representation was made by or on behalf of the other that is not contained in this Agreement, and that in entering into this Agreement neither party relied upon any representation not herein contained.

13. **CAPTIONS.** The captions for each section of this Agreement are for convenience and reference only and in no way define, describe, extend, or limit the scope of intent of this Agreement, or the intent of any provision hereof.

14. **SEVERABILITY.** If any provision of this Agreement, the deletion of which would not adversely affect the receipt of any material benefit by any party hereunder or substantially increase the burden of any party hereto, shall be held to be invalid or unenforceable

to any extent, the same shall not affect in any respect whatsoever the validity or enforceability of the remainder of this Agreement.

15. **EXECUTION OF DOCUMENTS.** Each party covenants and agrees that it will at any time and from time to time do such acts and execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such documents reasonably requested by the parties necessary to carry out fully and effectuate the transaction herein contemplated and to convey good and marketable title for all conveyances subject to this Agreement.

16. **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 executed by facsimile, which shall be good as an original, and may be detached from the counterparts and attached to a single copy of this document to physically form one document.

17. **AUTHORITY.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this Agreement.

18. **AMENDMENTS AND WAIVERS.** This Agreement may not be amended, modified, altered, or changed in any respect whatsoever except by a further agreement in writing duly executed by the parties hereto. No failure by the District or the Developer to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy upon a breach thereof shall constitute a waiver of any such breach or of such or any other covenant, agreement, term, or condition. Either party hereto, by notice, may but shall be under no obligation to, waive any of its rights or any conditions to its obligations hereunder. No waiver shall affect or alter this Agreement but each and every covenant, agreement, term, and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof. Material amendments require consent of the Trustee acting at the direction of a majority of the Bondholders.

19. **APPLICABLE LAW AND VENUE.** This Agreement is made and shall be construed under the laws of the State of Florida. Venue for any litigation arising out of or related to this Agreement shall be in Polk County, Florida.

20. **SPECIFIC PERFORMANCE.** In the event of the Developer's default under this Agreement, the parties agree as to the absence of adequate remedies at law; therefore, the District shall have, in addition to such rights and remedies as provided by general application of law, the right to obtain specific performance of the Developer's obligations hereunder.

21. **REMEDIES.** A default by either party under the Agreement shall entitle the other to all remedies available at law or in equity, which shall include but not be limited to the right of damages, injunctive relief and specific performance and specifically include the ability of the

District to enforce any and all payment obligations under this Agreement through the imposition and enforcement of a contractual or other lien on property owned by the Developer.

22. **COSTS AND FEES.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all costs incurred, including reasonable attorney's fees and costs for trial, alternate dispute resolution, or appellate proceedings.

23. **THIRD-PARTY BENEFICIARIES.**

(a) Subject to Paragraph 23(b) below, this Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns.

(b) Notwithstanding Paragraph 23(a) above, the formal parties to this Agreement expressly affirm that the Trustee shall be a third-party beneficiary of this Agreement, and entitled to directly enforce the obligations of the parties hereunder acting at the direction of the beneficial owners ("Series 2025 Bondholders") owning a majority of the aggregate principal amount of the Series 2025 Bonds outstanding. The Trustee shall have no obligation to perform any of the obligations described herein.

24. **ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the parties in an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against any party.

25. **ASSIGNMENT.** Neither the District nor the Developer may assign this Agreement or any monies to become due hereunder without the prior written approval of the other and the Trustee and Bondholders owning a majority of the aggregate principal amount of the Bonds outstanding, which consent shall not be unreasonably withheld. Such consent shall not be required in the event of a sale of the majority of the lands within the District then owned by the Developer pursuant to which the unaffiliated purchaser agrees in writing to assume any remaining obligations of the Developer under this Agreement, provided however that no such assignment shall be valid where the assignment is being made for the purpose of avoiding the Developer's obligations hereunder.

26. **FURTHER ASSURANCES.** At any and all times, the Developer and the District shall, so far as either may be authorized by law, make, do, execute, acknowledge and deliver, all

and every other further acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable, as reasonably determined by either of the parties; for the better assuring, conveying, granting, assigning and confirming, as applicable, of any and all rights or interests in the Series 2025 Project and Plans which are intended or required to be acquired by or conveyed to or by the District as contemplated by the Indenture and/or this Agreement, including the conveyance, assignment or transfer to other government agencies of such portions of, or interests in, the Series 2025 Project and Plans as authorized, directed or required by applicable laws or regulations, conditions of development orders, development approvals, or agreements entered into by the District.

27. **NOTICES.** All notices, requests, consents and other communications under this Agreement (“Notices”) shall be in writing and shall be (a) personally delivered, (b) transmitted by United States postage prepaid mail, registered or certified mail, return receipt requested, (c) transmitted by electronic mail, with a copy sent by United States postage prepaid mail, or (d) transmitted by reputable overnight carrier service, to the parties, as follows:

If to the District:	Tranquility Community Development District 219 E. Livingston Street Orlando, Florida 32801 Attn: District Manager Email: <a href="mailto:gflint@gmscfl.com">gflint@gmscfl.com</a>
With a copy to:	Cobb Cole 231 North Woodland Boulevard Deland, Florida 32720 Attn: Mark A. Watts, Esq. Email: <a href="mailto:Mark.Watts@CobbCole.com">Mark.Watts@CobbCole.com</a>
If to the Developer:	Carolina Holdings II, LLC 1645 Village Center Circle, Suite 170, Las Vegas, Nevada 89134 Attn: Gary Allen, Jr Email: <a href="mailto:gary@sunbeltlandmgmt.com">gary@sunbeltlandmgmt.com</a>
With a copy to:	William Livingston 313 Cypress Street Flagler Beach, Florida 32136 Email: <a href="mailto:wilivingston@hotmail.com">wilivingston@hotmail.com</a>

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 may deliver Notice on behalf of the District and counsel for the Developer may deliver Notice on behalf of the Developer. 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.

28. **SURVIVAL.** Notwithstanding any provision in this Agreement to the contrary, the rights and obligations of the parties hereto shall survive each Closing.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto execute this Agreement and further agree that it shall take effect as of the Effective Date first above written.

**TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Chairman/Vice-Chairman

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_, as Chairman/Vice-Chairman of the Board of Supervisors for TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT, who is personally known and/or produced \_\_\_\_\_ as identification.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_ as Secretary/Assistant Secretary of the Board of Supervisors for TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT, who is personally known and/or produced \_\_\_\_\_ as identification.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

**CAROLINA HOLDINGS II, LLC**, a  
Nevada limited liability company

By: \_\_\_\_\_  
Name: Gary Allen, Jr.  
Title: Manager

Witnesses:

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

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

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence  
or ☐ online notarization this \_\_\_\_ day of \_\_\_\_\_, 2025 by Gary Allen, Jr. as Manager of  
Carolina Holdings II, LLC, a Nevada limited liability company , who is personally known and/or  
produced \_\_\_\_\_ as identification and who being duly sworn, deposes and says  
that the aforementioned is true and correct to his or her best knowledge.

[SEAL]

The first part of the paper discusses the importance of understanding the cultural context of the research. It highlights the need for researchers to be sensitive to the values and beliefs of the communities they are studying. This is particularly important in the field of education, where cultural differences can significantly impact learning outcomes.

The second part of the paper focuses on the methodology used in the study. It describes the process of selecting participants, collecting data, and analyzing the results. The authors emphasize the importance of using a mixed-methods approach to capture both quantitative and qualitative data.

The third part of the paper presents the findings of the study. It shows that there are significant differences in learning outcomes between students from different cultural backgrounds. These differences are attributed to a variety of factors, including language barriers, social norms, and access to resources.

The final part of the paper discusses the implications of the findings for education. It suggests that educators should take steps to create a more inclusive learning environment for all students. This can be done by providing additional support for students who are struggling and by incorporating culturally relevant materials into the curriculum.

This instrument prepared by and  
return to:

Mark A. Watts, Esq.  
**Cobb Cole**  
231 North Woodland Blvd.  
DeLand, Florida 32720

**DECLARATION OF CONSENT TO JURISDICTION OF THE**  
**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT**  
**AND TO IMPOSITION OF SERIES 2025 SPECIAL ASSESSMENTS (SERIES 2025**  
**PROJECT)**

The undersigned entity(ies) (“Landowner”), as the owner of land located in the Tranquility Community Development District (the “District”) and made a part hereof, intending that it and its respective successors in interest to the land in the District which it owns (the “Lands”) shall be legally bound by this Declaration of Consent to Jurisdiction of Tranquility Community Development District and to Impose Special Assessments (this “Declaration”), hereby declares, acknowledges and agrees as follows:

1. The District is and has been at all times on and after February 22, 2022, a legally created, duly organized and validly existing community development district under the provision of Florida Statutes, Chapter 190, as amended (the “Act”) and other applicable law. Without limiting the generality of the foregoing, the Landowner agrees and acknowledges that: Ordinance No. 4-2022 of the City Council of Titusville, Florida establishing the District and has become effective in compliance with all applicable requirements of the Act and other applicable law and the members of the Board of Supervisors of the District were duly and properly designated pursuant to the Act and other applicable law to serve in their respective capacities and had the authority and right to authorize, approve and undertake all actions of the District approved and undertaken from February 22, 2022 to and including the date of this Declaration.

2. The Landowner on its behalf and any successors and assigns to the Lands hereby confirms and agrees that non-ad valorem special assessments (collectively, the “Series 2025 Special Assessments”) were imposed pursuant to resolutions of the District against the lands described on **Exhibit A**, which Series 2025 Special Assessments were duly imposed by the Board of Supervisors of the District, and, to the best of the knowledge of the Landowner, all proceedings undertaken by the District with respect thereto (collectively, the “Assessment Proceedings”) have been in accordance with applicable Florida law, that the District has taken all action necessary to levy and impose the Series 2025 Special Assessments and same are legal, valid and binding first liens upon the Land, coequal with the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid.

3. The Landowner on its behalf and any successors and assigns to the Lands hereby waives the right granted in Chapter 170.09, *Florida Statutes*, to prepay the Series 2025 Special Assessments within thirty (30) days after the improvements financed with proceeds of the District’s Series 2025 Bonds issued in one or more series (the “Bonds”), are completed, without interest, in consideration of rights granted by the District to permit prepayment of the Series

2025 Special Assessments in full or in part at any time, but with interest, as set forth in the resolutions of the District levying the Series 2025 Special Assessments.

4. The Landowner hereby expressly acknowledges, represents and agrees that (i) it has no claims or offsets whatsoever against, or defenses or counterclaims whatsoever relating to payments of the Series 2025 Special Assessments authorized or claims of invalidity, deficiency or unenforceability of the Series 2025 Special Assessments; (ii) to the extent Landowner fails to timely pay any Series 2025 Special Assessments collected by mailed notice of the District, such unpaid special assessments and future Series 2025 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; (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 Proceedings or the Series 2025 Special Assessments, the financing documents relating to the Bonds and all proceedings undertaken by the District in connection therewith; and (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 (1) the Series 2025 Assessments are not a tax, and (2) immediate use of remedies in Chapter 170, *Florida Statutes*, is an appropriate and available remedy, notwithstanding the provisions of Section 190.026, *Florida Statutes*.

5. This Declaration shall represent a lien of record on the Lands with respect to the Series 2025 Assessments, for purposes of Chapter 197 of the *Florida Statutes*, including, without limitation, Section 197.573. Other information regarding the Series 2025 Special Assessments is available from the District, whose address is 219 E. Livingston St, Orlando, Florida 32801.

**THIS DECLARATION AND THE ACKNOWLEDGEMENTS AND AGREEMENTS CONTAINED HEREIN SHALL RUN WITH THE LANDS DESCRIBED IN EXHIBIT A HERETO AND SHALL BE BINDING ON THE LANDOWNER AS SET FORTH ABOVE AND ON ALL PERSONS (INCLUDING CORPORATIONS, ASSOCIATIONS, TRUSTS, AND OTHER LEGAL ENTITIES) TAKING TITLE TO ALL OR ANY PART OF SUCH LANDS, AND THEIR SUCCESSORS IN INTEREST, WHETHER OR NOT SUCH LANDS ARE PLATTED AT SUCH TIME. BY TAKING SUCH TITLE, SUCH PERSON 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, TO THE VALIDITY, LEGALITY AND ENFORCEABILITY OF THIS DECLARATION.**

*[SIGNATURES ON FOLLOWING PAGE]*

Dated as of \_\_\_\_\_, 2025

**CAROLINA HOLDINGS II, LLC**, a  
Nevada limited liability company

By: \_\_\_\_\_  
Name: Gary Allen, Jr.  
Title: Manager

Witnesses:

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

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

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence  
or ☐ online notarization this \_\_\_\_ day of \_\_\_\_\_, 2025 by Gary Allen, Jr. as Manager of  
Carolina Holdings II, LLC, a Nevada limited liability company , who is personally known and/or  
produced \_\_\_\_\_ as identification and who being duly sworn, deposes and says  
that the aforementioned is true and correct to his or her best knowledge.

[SEAL]

\_\_\_\_\_  
Notary Public Commission:

**EXHIBIT A**  
**Legal Description**  
**2025 Assessment Area**

## SECTION VIII

**TRANQUILITY  
COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2024**

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA**

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# Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors  
Tranquility Community Development District  
City of Titusville, Florida

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the major fund of Tranquility Community Development District, City of Titusville, Florida ("District") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and the major fund of the District as of September 30, 2024, and the respective changes in financial position, thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information Included in the Financial Report***

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c) but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2025, 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 5, 2025

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Tranquility Community Development District, City of Titusville, Florida ("District") would like to offer the readers of the District's financial statements this discussion and analysis of the District's financial activities for the fiscal year ended September 30, 2024. 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 deficit balance of (\$14,659).
- The change in the District's total net position in comparison with the prior fiscal year was (\$2,634), 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, 2024, the District's governmental funds reported combined ending fund balances of \$8,223 a decrease of (\$2,634) in comparison with the prior fiscal year. The total fund balance is unassigned fund balance which is available for spending at the District's discretion.

### 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. 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, the 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 one governmental fund for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered a major fund.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic 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 fiscal year ended September 30, 2024.

Key components of the District's net position are reflected in the following table:

NET POSITION SEPTEMBER 30,			
	2024	2023	
Current and other assets	\$ 15,574	\$ 11,272	
Total assets	15,574	11,272	
Current liabilities	7,351	415	
Long-term liabilities	22,882	22,882	
Total liabilities	30,233	23,297	
Net position			
Unrestricted	(14,659)	(12,025)	
Total net position	\$ (14,659)	\$ (12,025)	

The District's net position decreased during the most recent fiscal year.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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,		
	2024	2023
Revenues:		
Program revenues		
Operating grants and contributions	\$ 55,499	\$ 61,236
Total revenues	55,499	61,236
Expenses:		
General government	58,133	59,682
Bond issue costs	-	300
Total expenses	58,133	59,982
Change in net position	(2,634)	1,254
Net position - beginning	(12,025)	(13,279)
Net position - ending	\$ (14,659)	\$ (12,025)

As noted above and in the statement of activities, the cost of all governmental activities during the during the fiscal year ended September 30, 2024 was \$58,133. The costs of the District's activities were primarily funded by program revenues. Program revenues of the District are comprised of Developer contributions.

## 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, 2024.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The Board has initiated discussions to issue Bonds to fund the construction of the District infrastructure; however, the Bonds have not been issued as of the date of the report.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have questions about this report or need additional financial information, contact the Tranquility Community Development District's Finance Department at 219, East Livingston Street, Orlando FL 32801.

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2024**

	Governmental Activities
ASSETS	
Cash	\$ 2,376
Due from Developer	7,790
Prepaid items	5,408
Total assets	<u>15,574</u>
LIABILITIES	
Accounts payable	7,351
Noncurrent liabilities:	
Developer advances	22,882
Total liabilities	<u>30,233</u>
NET POSITION	
Unrestricted	(14,659)
Total net position	<u>\$ (14,659)</u>

See notes to the financial statements

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Functions/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
			Governmental Activities
Primary government:			
Governmental activities:			
General government	\$ 58,133	\$ 55,499	\$ (2,634)
Total governmental activities	58,133	55,499	(2,634)
			Change in net position (2,634)
			Net position - beginning (12,025)
			Net position - ending \$ (14,659)

See notes to the financial statements

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2024**

	<u>Major Fund</u>	Total
	General	Governmental Funds
<b>ASSETS</b>		
Cash	\$ 2,376	\$ 2,376
Due from Developer	7,790	7,790
Prepaid items	5,408	5,408
Total assets	<u>\$ 15,574</u>	<u>\$ 15,574</u>
 <b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable	\$ 7,351	\$ 7,351
Total liabilities	<u>7,351</u>	<u>7,351</u>
 Fund balances:		
Nonspendable:		
Prepaid items	5,408	5,408
Unassigned:	2,815	2,815
Total fund balances	<u>8,223</u>	<u>8,223</u>
 Total liabilities and fund balances	<u>\$ 15,574</u>	<u>\$ 15,574</u>

See notes to the financial statements

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2024**

Total fund balances - governmental funds		\$ 8,223
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.		
Developer advance	(22,882)	(22,882)
Net position of governmental activities		<u>\$ (14,659)</u>

See notes to the financial statements

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

	<u>Major Fund</u>	<u>Total</u>
	General	Governmental Funds
REVENUES		
Developer contributions	\$ 55,499	\$ 55,499
Total revenues	<u>55,499</u>	<u>55,499</u>
EXPENDITURES		
Current:		
General government	58,133	58,133
Total expenditures	<u>58,133</u>	<u>58,133</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,634)</u>	<u>(2,634)</u>
Net change in fund balances	(2,634)	(2,634)
Fund balances - beginning	<u>10,857</u>	<u>10,857</u>
Fund balances - ending	<u><u>\$ 8,223</u></u>	<u><u>\$ 8,223</u></u>

See notes to the financial statements

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY**

Tranquility Community Development District ("the District") was created on February 22, 2022, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, by City of Titusville Ordinance 2022-04. 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 ("the District") which is composed of five members. The Supervisors are elected by landowners of the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. One of the Board members is affiliated with Carolina Holdings II, LLC (the "Developer") as of September 30, 2024.

The District has the final responsibility for:

1. Assessing and levying maintenance taxes and special 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 District ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the Board of Supervisors is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Government-Wide and Fund Financial Statements**

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

### **Assessments**

Assessments are non-ad valorem assessments on benefitted property within the District. Operating and Maintenance Assessments are based upon adopted budget and levied annually. Debt Service Assessments are levied when Bonds are issued and assessed and collected on an annual basis. The District may collect assessments directly or utilize the uniform method of collection (Chapter 197.3632, Florida Statutes). Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by County Tax Collector on November 1 and due on or before May 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 fund:

### **General Fund**

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

### **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 government's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity (Continued)**

#### **Deposits and Investments (Continued)**

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.

#### **Capital Assets**

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

#### **Unearned Revenue**

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

#### **Long-Term Obligations**

In the basic financial statements, long-term debt and other long-term obligations are reported as liabilities statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of the applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity (Continued)**

#### **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.

### **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 public comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

### NOTE 4 – DEPOSITS

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

### NOTE 5 – LONG TERM LIABILITIES

In the prior years the Developer advanced money to the District to provide funding for expenses that will be reimbursed from a future Bond issuance. A total of \$22,882 has been advanced as of the fiscal year ended September 30, 2024. If Bonds are not issued within 5 years then the advance will be considered a Developer contribution. The Bonds have not been issued as of the date of the report.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Developer advances	\$ 22,882	\$ -	\$ -	\$ 22,882	\$ -
Total	\$ 22,882	\$ -	\$ -	\$ 22,882	\$ -

### NOTE 6 – 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 \$55,499 as well as a receivable of \$7,790 as of September 30, 2024.

### NOTE 7 – CONCENTRATION

The District's activity is dependent upon the continued involvement of the Developer the loss of which could have a material adverse effect on the District's operations.

**NOTE 8 – MANAGEMENT AGREEMENTS**

The District has contracted with a management company to perform management advisory services, which include financial and accounting advisory services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

**NOTE 9 – 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 the creation of the district.

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Adopted Budget	Actual Amounts	
REVENUES			
Developer contributions	\$ 140,021	\$ 55,499	\$ (84,522)
Total revenues	<u>140,021</u>	<u>55,499</u>	<u>(84,522)</u>
EXPENDITURES			
Current:			
General government	140,021	58,133	81,888
Total expenditures	<u>140,021</u>	<u>58,133</u>	<u>81,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>(2,634)</u>	<u>\$ (2,634)</u>
Fund balance - beginning		<u>10,857</u>	
Fund balance - ending		<u><u>\$ 8,223</u></u>	

See notes to required supplementary information

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, 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, 2024.

**TRANQUILITY COMMUNITY DEVELOPMENT DISTRICT  
CITY OF TITUSVILLE, FLORIDA  
OTHER INFORMATION – DATA ELEMENTS  
REQUIRED BY FL STATUTE 218.39(3)(C)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024  
UNAUDITED**

<b>Element</b>	<b>Comments</b>
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.	3
Employee compensation	\$2,200
Independent contractor compensation	\$55,291
Construction projects to begin on or after October 1; (\$65K)	Not applicable
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 - \$ 0 Debt service - \$ 0
Special assessments collected	\$0
Outstanding Bonds:	Not applicable



**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  
Tranquility Community Development District  
City of Titusville, 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 Tranquility Community Development District, City of Titusville, Florida ("District") as of and for the fiscal year ended September 30, 2024, 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 5, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

June 5, 2025



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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  
Tranquility Community Development District  
City of Titusville, Florida

We have examined Tranquility Community Development District, City of Titusville, 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, 2024. 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.

In our opinion, the District complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Tranquility Community Development District, City of Titusville, Florida and is not intended to be and should not be used by anyone other than these specified parties.

June 5, 2025



**MANAGEMENT LETTER PURSUANT TO THE RULES OF  
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors  
Tranquility Community Development District  
City of Titusville, Florida

**Report on the Financial Statements**

We have audited the accompanying basic financial statements of Tranquility Community Development District, City of Titusville ("District") as of and for the for the fiscal year ended September 30, 2024 and have issued our report thereon dated June 5, 2025.

**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 5, 2025 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 Tranquility Community Development District, City of Titusville, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Tranquility Community Development District, City of Titusville, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements and the courtesies extended to us.

June 5, 2025

## **REPORT TO MANAGEMENT**

### **I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS**

None

### **II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS**

None

### **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.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2023.

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, 2024.

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, 2024.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2024. 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 19.

## SECTION IX

# SECTION C

# SECTION 1

***Tranquility***  
***Community Development District***

***Unaudited Financial Reporting***  
***June 30, 2025***



# Table of Contents

1	<hr/>	Balance Sheet
2	<hr/>	General Fund
3	<hr/>	Month to Month

**Tranquility**  
**Community Development District**  
**Combined Balance Sheet**  
**June 30, 2025**

	<i>General Fund</i>	<i>Totals Governmental Funds</i>
<b>Assets:</b>		
<u>Cash:</u>		
Operating Account	\$ 1,136	\$ 1,136
Due From Developer	\$ 4,470	\$ 4,470
<b>Total Assets</b>	<b>\$ 5,607</b>	<b>\$ 5,607</b>
<b>Liabilities:</b>		
Accounts Payable	\$ 3,868	\$ 3,868
<b>Total Liabilites</b>	<b>\$ 3,868</b>	<b>\$ 3,868</b>
<b>Fund Balance:</b>		
Unassigned	\$ 1,739	\$ 1,739
<b>Total Fund Balances</b>	<b>\$ 1,739</b>	<b>\$ 1,739</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ 5,607</b>	<b>\$ 5,607</b>

**Tranquility**  
**Community Development District**  
**General Fund**

**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For The Period Ending June 30, 2025**

	Adopted	Prorated Budget	Actual	
	Budget	Thru 06/30/25	Thru 06/30/25	Variance
<b><u>Revenues:</u></b>				
Developer Contributions	\$ 142,891	\$ 39,692	\$ 39,692	\$ -
<b>Total Revenues</b>	<b>\$ 142,891</b>	<b>\$ 39,692</b>	<b>\$ 39,692</b>	<b>\$ -</b>
<b><u>Expenditures:</u></b>				
<b><u>General &amp; Administrative:</u></b>				
Supervisor Fees	\$ 12,000	\$ 9,000	\$ 400	\$ 8,600
FICA Expense	\$ 900	\$ 675	\$ 31	\$ 644
Engineering	\$ 15,000	\$ 11,250	\$ -	\$ 11,250
Attorney	\$ 25,000	\$ 18,750	\$ 1,304	\$ 17,446
Annual Audit	\$ 6,000	\$ 3,300	\$ 3,300	\$ -
Assessment Administration	\$ 5,000	\$ -	\$ -	\$ -
Arbitrage	\$ 450	\$ -	\$ -	\$ -
Dissemination	\$ 5,000	\$ -	\$ -	\$ -
Trustee Fees	\$ 4,071	\$ -	\$ -	\$ -
Management Fees	\$ 42,500	\$ 31,875	\$ 31,875	\$ -
Information Technology	\$ 1,890	\$ 1,418	\$ 1,418	\$ -
Website Maintenance	\$ 1,260	\$ 945	\$ 945	\$ -
Telephone	\$ 300	\$ 225	\$ -	\$ 225
Postage & Delivery	\$ 1,000	\$ 750	\$ 22	\$ 728
Insurance	\$ 5,720	\$ 5,720	\$ 5,408	\$ 312
Printing & Binding	\$ 1,000	\$ 750	\$ 54	\$ 696
Legal Advertising	\$ 10,000	\$ 7,500	\$ 869	\$ 6,631
Other Current Charges	\$ 5,000	\$ 3,750	\$ 376	\$ 3,374
Office Supplies	\$ 625	\$ 469	\$ 0	\$ 469
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
<b>Total Expenditures</b>	<b>\$ 142,891</b>	<b>\$ 96,551</b>	<b>\$ 46,177</b>	<b>\$ 50,375</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$ -</b>		<b>\$ (6,485)</b>	
<b>Fund Balance - Beginning</b>	<b>\$ -</b>		<b>\$ 8,223</b>	
<b>Fund Balance - Ending</b>	<b>\$ -</b>		<b>\$ 1,739</b>	

**Tranquility**  
Community Development District  
Month to Month

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
<b>Revenues:</b>													
Developer Contributions	\$ 3,813	\$ -	\$ 3,804	\$ 3,806	\$ 8,100	\$ 7,637	\$ 4,086	\$ 3,976	\$ 4,470	\$ -	\$ -	\$ -	\$ 39,692
<b>Total Revenues</b>	<b>\$ 3,813</b>	<b>\$ -</b>	<b>\$ 3,804</b>	<b>\$ 3,806</b>	<b>\$ 8,100</b>	<b>\$ 7,637</b>	<b>\$ 4,086</b>	<b>\$ 3,976</b>	<b>\$ 4,470</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,692</b>
<b>Expenditures:</b>													
<b>General &amp; Administrative:</b>													
Supervisor Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400	\$ -	\$ -	\$ -	\$ 400
FICA Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31	\$ -	\$ -	\$ -	\$ 31
Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Attorney	\$ -	\$ -	\$ -	\$ 996	\$ 270	\$ -	\$ -	\$ 38	\$ -	\$ -	\$ -	\$ -	\$ 1,304
Annual Audit	\$ -	\$ -	\$ -	\$ -	\$ 3,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,300
Assessment Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Arbitrage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dissemination	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trustee Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Management Fees	\$ 3,542	\$ 3,542	\$ 3,542	\$ 3,542	\$ 3,542	\$ 3,542	\$ 3,542	\$ 3,542	\$ 3,542	\$ -	\$ -	\$ -	\$ 31,875
Information Technology	\$ 158	\$ 158	\$ 158	\$ 158	\$ 158	\$ 158	\$ 158	\$ 158	\$ 158	\$ -	\$ -	\$ -	\$ 1,418
Website Maintenance	\$ 105	\$ 105	\$ 105	\$ 105	\$ 105	\$ 105	\$ 105	\$ 105	\$ 105	\$ -	\$ -	\$ -	\$ 945
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage & Delivery	\$ 8	\$ 0	\$ -	\$ -	\$ 2	\$ -	\$ 12	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ 22
Insurance	\$ 5,408	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,408
Printing & Binding	\$ 0	\$ 2	\$ -	\$ -	\$ -	\$ 27	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ -	\$ 54
Legal Advertising	\$ 526	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 172	\$ 172	\$ -	\$ -	\$ -	\$ -	\$ 869
Other Current Charges	\$ 40	\$ 40	\$ 40	\$ 40	\$ 43	\$ 43	\$ 43	\$ 43	\$ 43	\$ -	\$ -	\$ -	\$ 376
Office Supplies	\$ 0	\$ 0	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ 0
Dues, Licenses & Subscriptions	\$ 175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175
<b>Total Expenditures</b>	<b>\$ 9,961</b>	<b>\$ 3,846</b>	<b>\$ 3,844</b>	<b>\$ 4,840</b>	<b>\$ 7,419</b>	<b>\$ 3,874</b>	<b>\$ 4,031</b>	<b>\$ 4,057</b>	<b>\$ 4,304</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 46,177</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$ (6,149)</b>	<b>\$ (3,846)</b>	<b>\$ (40)</b>	<b>\$ (1,034)</b>	<b>\$ 681</b>	<b>\$ 3,763</b>	<b>\$ 55</b>	<b>\$ (81)</b>	<b>\$ 167</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (6,485)</b>

## SECTION 2

# Tranquility

## Community Development District

**Funding Request #38**  
**May 12, 2025**

Bill to: Carolina Holdings, LLC

**General Fund  
FY2025**

**Payee**

## 1 Governmental Management Services

Invoice # 41 - Management Fees May 2025

\$ 3,804.17

**\$ 3,804.17**

**Total**

**\$ 3,804.17**

Please make check payable to:

**Tranquility Community Development District**  
6200 Lee Vista Blvd, Suite 300  
Orlando, FL 32822

1001 Bradford Way  
Kingston, TN 37763

# Invoice

**Invoice #:** 41  
**Invoice Date:** 5/1/25  
**Due Date:** 5/1/25  
**Case:**  
**P.O. Number:**

**Bill To:**

Tranquility CDD  
219 E Livingston St.  
Orlando, FL 32801

Description	Hours/Qty	Rate	Amount
Management Fees - May 2025		3,541.67	3,541.67
Website Administration - May 2025		105.00	105.00
Information Technology - May 2025		157.50	157.50

<b>Total</b>	\$3,804.17
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$3,804.17

**Tranquility**  
Community Development District

Funding Request #39  
May 22, 2025

Bill to: Carolina Holdings, LLC

Payee		General Fund FY2025	
1	<b>Gannett Florida LocaliQ</b> Invoice # 0007094085 - Legal Ad 4/21/25	\$	171.83
		\$	171.83
<b>Total</b>		<b>\$</b>	<b>171.83</b>


Please make check payable to:

**Tranquility Community Development District**  
6200 Lee Vista Blvd, Suite 300  
Orlando, FL 32822



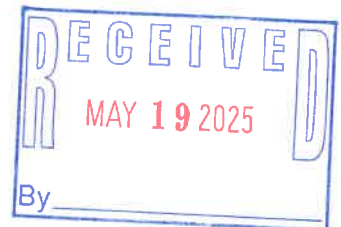
Florida  
GANNETT

ACCOUNT NAME		ACCOUNT #	INV DATE
Tranquility CDD		1126116	04/30/25
INVOICE #	INVOICE PERIOD	CURRENT INVOICE TOTAL	
0007094085	Apr 1- Apr 30, 2025	\$171.83	
PREPAY (Memo Info)	UNAPPLIED (Included in amt due)	TOTAL CASH AMT DUE*	
\$0.00	\$0.00	\$171.83	

<b>BILLING ACCOUNT NAME AND ADDRESS</b>  Tranquility Cdd Stacie Vanderbilt 219 E. Livingston St. Orlando, FL 32801-1508 	<b>PAYMENT DUE DATE: MAY 31, 2025</b>  <b>Legal Entity: Gannett Media Corp.</b> <b>Terms and Conditions:</b> Past due accounts are subject to interest at the rate of 18% per annum or the maximum legal rate (whichever is less). Advertiser claims for a credit related to rates incorrectly invoiced or paid must be submitted in writing to Publisher within 30 days of the invoice date or the claim will be waived. Any credit towards future advertising must be used within 30 days of issuance or the credit will be forfeited. <b>All funds payable in US dollars.</b>
<b>BILLING INQUIRIES/ADDRESS CHANGES</b> 1-877-736-7612 or <a href="mailto:smb@ccc.gannett.com">smb@ccc.gannett.com</a>	
<b>Check out our brand-new invoice layout! Specifically tailored to better meet your needs and enhance your experience.</b>	
<b>FEDERAL ID 47-2390983</b>	

Date	Description	Amount
4/1/25	Balance Forward	
<b>Package Advertising:</b>		\$0.00

Start-End Date	Order Number	Product	Description	PO Number	Package Cost
✓ 4/21/25	11228889	BRE Brevard Florida Today	Notice of Meeting BOS May 8, 2025		\$171.83



As an incentive for customers, we provide a discount off the total invoice cost equal to the 3.99% service fee if you pay with Cash/Check/ACH. Pay by Cash/Check/ACH and Save!

Total Cash Amount Due	\$171.83
Service Fee 3.99%	\$6.86
*Cash/Check/ACH Discount	-\$6.86
*Payment Amount by Cash/Check/ACH	\$171.83
Payment Amount by Credit Card	\$178.69

PLEASE DETACH AND RETURN THIS PORTION WITH YOUR PAYMENT

ACCOUNT NAME		ACCOUNT NUMBER		INVOICE NUMBER		AMOUNT PAID
Tranquility CDD		1126116		0007094085		
CURRENT DUE	30 DAYS PAST DUE	60 DAYS PAST DUE	90 DAYS PAST DUE	120+ DAYS PAST DUE	UNAPPLIED PAYMENTS	TOTAL CASH AMT DUE*
\$171.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$171.83
<b>REMITTANCE ADDRESS</b> (Include Account# & Invoice# on check)  Gannett Florida LocaliQ PO Box 631244 Cincinnati, OH 45263-1244				<b>TO PAY BY PHONE PLEASE CALL:</b>  1-877-736-7612		<b>TOTAL CREDIT CARD AMT DUE</b>  \$178.69
				To sign up for E-mailed invoices and online payments please contact <a href="mailto:abgspecial@gannett.com">abgspecial@gannett.com</a>		

0001126116000000000000070940850001718367171

**AFFIDAVIT OF PUBLICATION**

Brittany Brookes  
Stacie Vanderbilt  
Tranquility CDD  
219 E Livingston ST  
Orlando FL 32801-1508

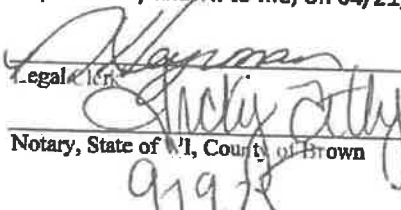
STATE OF WISCONSIN, COUNTY OF BROWN

Before the undersigned authority personally appeared, who on oath says that he or she is the Legal Advertising Representative of the Florida Today, a daily newspaper published in Brevard County, Florida; that the attached copy of advertisement, being a Legal Ad in the matter of Public Notices, was published on the publicly accessible website of Brevard County, Florida, or in a newspaper by print in the issues of, on:

04/21/2025

Affiant further says that the website or newspaper complies with all legal requirements for publication in chapter 50, Florida Statutes.

Subscribed and sworn to before me, by the legal clerk, who is personally known to me, on 04/21/2025

  
\_\_\_\_\_  
Legal Clerk  
\_\_\_\_\_  
Notary, State of WI, County of Brown  
9198

My commission expires

Publication Cost: \$171.83  
Tax Amount: \$0.00  
Payment Cost: \$171.83  
Order No: 11228889  
Customer No: 1126116  
PO #:

# of Copies:  
1

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*Please do not use this form for payment remittance.*

**VICKY FELTY**  
Notary Public  
State of Wisconsin

Ad#11228889

4/21/2025

**NOTICE OF MEETING BOARD  
OF SUPERVISORS MEETING OF  
THE TRANQUILITY COMMU-**

**NITY DEVELOPMENT DISTRICT**  
The regular meeting of the Board of Supervisors of the Tranquility Community Development District will be held on *Thursday, May 8, 2025, at 2:00 P.M. at 5445 South Washington Ave., Titusville, FL 32780.* The meeting is open to the public and will be conducted in accordance with the provisions of Florida Law for Community Development Districts. A copy of the agenda for this meeting may be obtained from the District Manager, at 219 East Livingston Street, Orlando, FL 32801. This meeting may be continued to a date, time, and place to be specified on the record at the meeting.

There may be occasions when one or more Supervisors, Staff or other individuals will participate by telephone.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the District Office at least forty-eight (48) hours prior to the meeting by contacting the District Manager at (407) 841-5524. If you are hearing or speech impaired, please contact the Florida Relay Service 1-800-955-8770, for aid in contacting the District Office.

Each person who decides to appeal any action taken at these meetings is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.  
Governmental Management  
Services - Central Florida  
District Manager

**Tranquility**  
Community Development District

**Funding Request #40**  
**June 24, 2025**

Bill to: Carolina Holdings, LLC

Payee		General Fund FY2025	
1	<b>Gannett Florida LocaliQ</b> Invoice # 0007145398 - Legal Ad 5/9/25	\$	171.83
2	<b>Governmental Management Services</b> Invoice # 42 - Management Fees June 2025	\$	3,829.94
3	<b>Cobb Cole PA</b> Invoice # 66695 - General Counsel May 2025	\$	38.00
4	<b>Supervisor Fees</b> William Livingston Clinton Smith	\$ \$	215.30 215.30
		\$	4,470.37
<b>Total</b>		\$	<b>4,470.37</b>


Please make check payable to:

**Tranquility Community Development District**  
6200 Lee Vista Blvd, Suite 300  
Orlando, FL 32822



Florida  
GANNETT

ACCOUNT NAME		ACCOUNT #	INV DATE
Tranquility CDD		1126116	05/31/25
INVOICE #	INVOICE PERIOD	CURRENT INVOICE TOTAL	
0007145398	May 1- May 31, 2025	\$171.83	
PREPAY (Memo Info)	UNAPPLIED (included in amt due)	TOTAL CASH AMT DUE*	
\$0.00	\$0.00	\$343.66	

BILLING ACCOUNT NAME AND ADDRESS	PAYMENT DUE DATE: JUNE 30, 2025
Tranquility Cdd Stacie Vanderbilt 219 E. Livingston St. Orlando, FL 32801-1508 	<b>Legal Entity:</b> Gannett Media Corp. <b>Terms and Conditions:</b> Past due accounts are subject to interest at the rate of 18% per annum or the maximum legal rate (whichever is less). Advertiser claims for a credit related to rates incorrectly invoiced or paid must be submitted in writing to Publisher within 30 days of the invoice date or the claim will be waived. Any credit towards future advertising must be used within 30 days of issuance or the credit will be forfeited. <b>All funds payable in US dollars.</b>

BILLING INQUIRIES/ADDRESS CHANGES 1-877-736-7612 or [smb@ccc.gannett.com](mailto:smb@ccc.gannett.com)

FEDERAL ID 47-2390983

Save A Tree! Gannett is going paperless. Enjoy the convenience of accessing your billing information anytime and pay online. To avoid missing an invoice, sign up today by reaching out to [abgspecial@gannett.com](mailto:abgspecial@gannett.com).

Date	Description	Amount
5/1/25	Balance Forward	\$171.83

**Package Advertising:**

Start-End Date	Order Number	Product	Description	PO Number	Package Cost
5/9/25	11269363 ✓	BRE Brevard Florida Today	Notice of Meeting BOS May 20, 2025		\$171.83

As an incentive for customers, we provide a discount off the total invoice cost equal to the 3.99% service fee if you pay with Cash/Check/ACH. Pay by Cash/Check/ACH and Save!

Total Cash Amount Due	\$343.66
Service Fee 3.99%	\$13.71
*Cash/Check/ACH Discount	-\$13.71
*Payment Amount by Cash/Check/ACH	\$343.66
Payment Amount by Credit Card	\$357.37

**PLEASE DETACH AND RETURN THIS PORTION WITH YOUR PAYMENT**

ACCOUNT NAME		ACCOUNT NUMBER		INVOICE NUMBER		AMOUNT PAID
Tranquility CDD		1126116		0007145398		
CURRENT DUE	30 DAYS PAST DUE	60 DAYS PAST DUE	90 DAYS PAST DUE	120+ DAYS PAST DUE	UNAPPLIED PAYMENTS	TOTAL CASH AMT DUE*
\$171.83	\$171.83	\$0.00	\$0.00	\$0.00	\$0.00	\$343.66
REMITTANCE ADDRESS (Include Account# & Invoice# on check)				TO PAY BY PHONE PLEASE CALL:		TOTAL CREDIT CARD AMT DUE
Gannett Florida LocaliQ PO Box 631244 Cincinnati, OH 45263-1244				1-877-736-7612		\$357.37
				To sign up for E-mailed invoices and online payments please contact <a href="mailto:abgspecial@gannett.com">abgspecial@gannett.com</a>		

00011261160000000000000071453980003436667177



Florida

PO Box 631244 Cincinnati, OH 45263-1244

GANNETT

**AFFIDAVIT OF PUBLICATION**

Brittany Brookes  
Stacie Vanderbilt  
Tranquility CDD  
219 E Livingston ST  
Orlando FL 32801-1508

STATE OF WISCONSIN, COUNTY OF BROWN

Before the undersigned authority personally appeared, who on oath says that he or she is the Legal Advertising Representative of the Florida Today, a daily newspaper published in Brevard County, Florida; that the attached copy of advertisement, being a Legal Ad in the matter of Public Notices, was published on the publicly accessible website of Brevard County, Florida, or in a newspaper by print in the issues of, on:

05/09/2025

Affiant further says that the website or newspaper complies with all legal requirements for publication in chapter 50, Florida Statutes.

Subscribed and sworn to before me, by the legal clerk, who is personally known to me, on 05/09/2025

Legal Clerk

Notary, State of WI, County of Brown

My commission expires

Publication Cost: \$171.83

Tax Amount: \$0.00

Payment Cost: \$171.83

Order No: 11289363

Customer No: 1126116

PO #:

# of Copies:

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KAITLYN FELTY  
Notary Public  
State of Wisconsin

Ad#11289363

5/09/2025

**NOTICE OF MEETING BOARD  
OF SUPERVISORS MEETING OF  
THE TRANQUILITY COMMU-**

**NITY DEVELOPMENT DISTRICT**  
The regular meeting of the Board of Supervisors of the Tranquility Community Development District will be held on Tuesday, May 20, 2025, at 2:00 P.M. at 5445 South Washington Ave., Titusville, FL 32780. The meeting is open to the public and will be conducted in accordance with the provisions of Florida Law for Community Development Districts. A copy of the agenda for this meeting may be obtained from the District Manager, at 219 East Livingston Street, Orlando, FL 32801. This meeting may be continued to a date, time, and place to be specified on the record at the meeting.

There may be occasions when one or more Supervisors, Staff or other individuals will participate by telephone.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the District Office at least forty-eight (48) hours prior to the meeting by contacting the District Manager at (407) 841-5524. If you are hearing or speech impaired, please contact the Florida Relay Service 1-800-955-8770, for aid in contacting the District Office.

Each person who decides to appeal any action taken at these meetings is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

Governmental Management  
Services - Central Florida  
District Manager

1001 Bradford Way  
Kingston, TN 37763

**Invoice #:** 42  
**Invoice Date:** 6/1/25  
**Due Date:** 6/1/25  
**Case:**  
**P.O. Number:**

**Tranquility CDD**  
219 E Livingston St.  
Orlando, FL 32801

Description	Hours/Qty	Rate	Amount
Management Fees		3,541.67	3,541.67
Website Administration		105.00	105.00
Information Technology		157.50	157.50
Office Supplies		0.03	0.03
Postage		0.69	0.69
Copies		25.05	25.05
		<div style="border: 1px solid black; padding: 10px; text-align: center;"> <p>RECEIVED</p> <p>JUN 23 2025</p> <p>By _____</p> </div>	
<b>Total</b>		<b>\$3,829.94</b>	
<b>Payments/Credits</b>		<b>\$0.00</b>	
<b>Balance Due</b>		<b>\$3,829.94</b>	

1-8

## Cobb Cole, P.A.

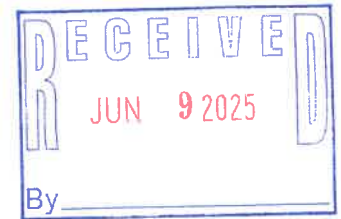
## INVOICE

One Daytona Boulevard  
Suite 600  
Daytona Beach, FL 32114  
US  
Invoices@cobbcole.com  
www.cobbcole.com  
O: (386) 255-8171

Number	66695
Issue Date	6/3/2025
Due Date	7/3/2025
Matter	49308 - General Work in Progress
Email	invoices@gmscfl.com

## Bill To:

49308 - Tranquility CDD  
c/o GMS-FL, LLC  
219 East Livingston Street  
Orlando, FL 32801



## Time Entries

Time Entries	Billed By	Hours	Sub
<b>Billable</b> 5/29/2025 Reviewed file for status of CDD.	Lynne G Figenscher	0.10	\$19.00
<b>Billable</b> 5/30/2025 Conferred with MAW regarding status of CDD.	Lynne G Figenscher	0.10	\$19.00
		<b>0.20</b>	<b>\$38.00</b>

<b>Total (USD)</b>	<b>\$38.00</b>
Paid	\$0.00
<b>Balance</b>	<b>\$38.00</b>
<b>Total Outstanding</b>	<b>\$38.00</b>

Terms & Conditions

Timekeeper Totals

Name	Rate	Hours	Total
Lynne G Figenscher	\$190.00	0.20	\$38.00

Trust Account Balance

Date	Item	Amount	Balance
6/9/2025	Current Balance		\$0.00

**Attendance Confirmation**  
for  
**BOARD OF SUPERVISORS**

**District Name:**

Tranquility CDD

**Board Meeting Date:**

May 20, 2025

	<i>Name</i>	<i>In Attendance Please ✓</i>	<i>Fee Involved Yes / No</i>
1	William G. Allen, Jr.	✓	No (\$0 )
2	Kenneth W. Belshe	✓	No (\$0 )
3	William I. Livingston	✓	Yes (\$200)
4	Clinton F. Smith	✓	Yes (\$200)
5			Yes/No (\$200)

**The supervisors present at the above referenced meeting should be compensated accordingly.**

**Approved for Payment:**

  
**District Manager Signature**

5/20/25  
**Date**

**\*\*RETURN SIGNED DOCUMENT TO District Accountant\*\***

**Tranquility**  
Community Development District

Funding Request #41  
July 17, 2025

Bill to: Carolina Holdings, LLC

Payee		General Fund FY2025	
1	<b>Action Mail Services</b> Invoice # 9077753 - Data Conversion	\$	451.70
2	<b>Governmental Management Services</b> Invoice # 43 - Management Fees July 2025	\$	3,833.69
		\$	4,285.39
Total		\$	4,285.39

Please make check payable to:

**Tranquility Community Development District**  
6200 Lee Vista Blvd, Suite 300  
Orlando, FL 32822

Action Mail Services

2441 Orlando Central Parkway  
Orlando, FL 32809  
+14078559277  
accounting@actionmailservices.com  
http://www.actionmailservices.com



INVOICE

BILL TO  
Tranquility CDD

INVOICE 9077753  
DATE 07/02/2025  
TERMS Net 10  
DUE DATE 07/12/2025

DESCRIPTION	QTY	AMOUNT
Tranquility CDD		
Data Conversion From Client's Files, Address Updating, Duplicate Analysis, Zip+4 Correcting, CASS Certification	1	225.00
Inkjet addresses, prepare, sort, tray, tag and deliver to post office	0	0.00
Automated Folding and inserting	0	0.00
Black and White Printing - 1/1 - mail merge Letter	199	41.79
#10 Envelopes, Return Addressing	199	43.78
U.S. Postage, Handling and Postal Delivery -	199	141.13

Payment Terms: Net 15 days

- 1) 5% finance fee may be added for invoices open past 30 days.  
2) If any unpaid balance must be collected by an attorney, the customer agrees to pay all costs associated in such collection efforts.  
3) If paying with a credit card, a 3% convenience fee will be applied.  
4) If paying through QuickBooks, a 1% merchant transaction fee will be added to the invoice.

SUBTOTAL	451.70
TAX (6.5%)	0.00
TOTAL	451.70
BALANCE DUE	\$451.70

1001 Bradford Way  
Kingston, TN 37763

**Invoice #:** 43  
**Invoice Date:** 7/1/25  
**Due Date:** 7/1/25  
**Case:**  
**P.O. Number:**

Tranquility CDD  
219 E Livingston St.  
Orlando, FL 32801

[illegible]

## SECTION 3

**NOTICE OF MEETINGS TRANQUILITY COMMUNITY  
DEVELOPMENT DISTRICT  
Fiscal Year 2026**

As required by Chapter 190 Florida Statutes, notice is being given that the Board of Supervisors of the **Tranquility Community Development District** does not meet on a regular basis but will separately publish notice of meetings at least seven days prior to each Board meeting to include the date, time and location of said meetings. Meetings may be continued to a date, time, and place to be specified on the record at the meeting. A copy of the agenda for these meetings may be obtained from the District Manager, Governmental Management Services - Central Florida, LLC or by calling (407) 841-5524.

There may be occasions when one or more Supervisors or staff will participate by speaker telephone. Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (407) 841-5524 at least 48 hours prior to the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service by dialing 7-1-1, or 1-800-955-8771 (TTY) / 1-800-955-8770 (Voice), for aid in contacting the District Office.

A person who decides to appeal any decision made at that meeting with respect to any matter considered at the meeting is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

Governmental Management Services-  
Central Florida, LLC  
District Manager

## SECTION 4

# Tranquility Community Development District Performance Measures/Standards & Annual Reporting Form

October 1, 2025 – September 30, 2026

## **1. Community Communication and Engagement**

### **Goal 1.1: Public Meetings Compliance**

**Objective:** Hold at least three regular Board of Supervisor meetings per year to conduct CDD related business and discuss community needs.

**Measurement:** Number of public board meetings held annually as evidenced by meeting minutes and legal advertisements.

**Standard:** A minimum of three board meetings were held during the Fiscal Year.

**Achieved:** Yes ☐ No ☐

### **Goal 1.2: Notice of Meetings Compliance**

**Objective:** Provide public notice of each meeting at least seven days in advance, as specified in Section 190.007(1), using at least two communication methods.

**Measurement:** Timeliness and method of meeting notices as evidenced by posting to CDD website, publishing in local newspaper and via electronic communication.

**Standard:** 100% of meetings were advertised with 7 days notice per statute on at least two mediums (i.e., newspaper, CDD website, electronic communications).

**Achieved:** Yes ☐ No ☐

### **Goal 1.3: Access to Records Compliance**

**Objective:** Ensure that meeting minutes and other public records are readily available and easily accessible to the public by completing monthly CDD website checks.

**Measurement:** Monthly website reviews will be completed to ensure meeting minutes and other public records are up to date as evidenced by District Management's records.

**Standard:** 100% of monthly website checks were completed by District Management.

**Achieved:** Yes ☐ No ☐

## **2. Infrastructure and Facilities Maintenance**

### **Goal 2.1: Field Management and/or District Management Site Inspections**

**Objective:** Field manager and/or district manager will conduct inspections per District Management services agreement to ensure safety and proper functioning of the District's infrastructure.

**Measurement:** Field manager and/or district manager visits were successfully completed per management agreement as evidenced by field manager and/or district manager's reports, notes or other record keeping method.

**Standard:** 100% of site visits were successfully completed as described within district management services agreement

**Achieved:** Yes ☐ No ☐

### **Goal 2.2: District Infrastructure and Facilities Inspections**

**Objective:** District Engineer will conduct an annual inspection of the District's infrastructure and related systems.

**Measurement:** A minimum of one inspection completed per year as evidenced by district engineer's report related to district's infrastructure and related systems.

**Standard:** Minimum of one inspection was completed in the Fiscal Year by the district's engineer.

**Achieved:** Yes ☐ No ☐

## **3. Financial Transparency and Accountability**

### **Goal 3.1: Annual Budget Preparation**

**Objective:** Prepare and approve the annual proposed budget by June 15 and final budget was adopted by September 30 each year.

**Measurement:** Proposed budget was approved by the Board before June 15 and final budget was adopted by September 30 as evidenced by meeting minutes and budget documents listed on CDD website and/or within district records.

**Standard:** 100% of budget approval & adoption were completed by the statutory deadlines and posted to the CDD website.

**Achieved:** Yes ☐ No ☐

### **Goal 3.2: Financial Reports**

**Objective:** Publish to the CDD website the most recent versions of the following documents: Annual audit, current fiscal year budget with any amendments, and most recent financials within the latest agenda package.

**Measurement:** Annual audit, previous years' budgets, and financials are accessible to the public as evidenced by corresponding documents on the CDD's website.

**Standard:** CDD website contains 100% of the following information: Most recent annual audit, most recent adopted/amended fiscal year budget, and most recent agenda package with updated financials.

**Achieved:** Yes ☐ No ☐

**Goal 3.3: Annual Financial Audit**

**Objective:** Conduct an annual independent financial audit per statutory requirements and publish the results to the CDD website for public inspection, and transmit to the State of Florida.

**Measurement:** Timeliness of audit completion and publication as evidenced by meeting minutes showing board approval and annual audit is available on the CDD's website and transmitted to the State of Florida.

**Standard:** Audit was completed by an independent auditing firm per statutory requirements and results were posted to the CDD website and transmitted to the State of Florida.

**Achieved:** Yes ☐ No ☐

Chair/ Vice Chair \_\_\_\_\_

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

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

Tranquility Community Development District

District Manager: \_\_\_\_\_

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

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

Tranquility Community Development District

The first part of the paper discusses the importance of understanding the local context in which a project is implemented. This involves conducting a thorough assessment of the social, cultural, and economic conditions of the community. Only by understanding these factors can a project be designed to be effective and sustainable.

The second part of the paper focuses on the role of community participation in the development process. It argues that communities should not be passive recipients of aid but active participants in their own development. This requires building trust and capacity within the community, as well as providing them with the resources and information they need to make informed decisions.

The third part of the paper examines the challenges of implementing community-based development projects. These challenges include limited resources, lack of technical expertise, and resistance to change. However, these challenges can be overcome through careful planning, strong leadership, and a commitment to transparency and accountability.

The fourth part of the paper discusses the importance of monitoring and evaluation in community-based development. This involves setting clear goals and indicators, collecting data, and analyzing the results to assess the impact of the project. This information is then used to make adjustments and improve the project over time.

The fifth part of the paper concludes by emphasizing the need for a holistic approach to community development. This means addressing the interconnected nature of social, economic, and environmental issues, and working towards the overall well-being of the community.



## **Memorandum**

**To:** Board of Supervisors

**From:** District Management

**Date:** August 14, 2024

**RE:** HB7013 – Special Districts Performance Measures and Standards

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To enhance accountability and transparency, new regulations were established for all special districts, by the Florida Legislature, during their 2024 legislative session. Starting on October 1, 2024, or by the end of the first full fiscal year after its creation (whichever comes later), each special district must establish goals and objectives for each program and activity, as well as develop performance measures and standards to assess the achievement of these goals and objectives. Additionally, by December 1 each year (initial report due on December 1, 2025), each special district is required to publish an annual report on its website, detailing the goals and objectives achieved, the performance measures and standards used, and any goals or objectives that were not achieved.

District Management has identified the following key categories to focus on for Fiscal Year 2025 and develop statutorily compliant goals for each:

- Community Communication and Engagement
- Infrastructure and Facilities Maintenance
- Financial Transparency and Accountability

Additionally, special districts must provide an annual reporting form to share with the public that reflects whether the goals & objectives were met for the year. District Management has streamlined these requirements into a single document that meets both the statutory requirements for goal/objective setting and annual reporting.

The proposed goals/objectives and the annual reporting form are attached as exhibit A to this memo. District Management recommends that the Board of Supervisors adopt these goals and objectives to maintain compliance with HB7013 and further enhance their commitment to the accountability and transparency of the District.

**Exhibit A:**  
Goals, Objectives and Annual Reporting Form

# Tranquility Community Development District Performance Measures/Standards & Annual Reporting Form

October 1, 2024 – September 30, 2025

## **1. Community Communication and Engagement**

### **Goal 1.1: Public Meetings Compliance**

**Objective:** Hold at least three regular Board of Supervisor meetings per year to conduct CDD related business and discuss community needs.

**Measurement:** Number of public board meetings held annually as evidenced by meeting minutes and legal advertisements.

**Standard:** A minimum of three board meetings were held during the Fiscal Year.

**Achieved:** Yes ☐ No ☐

### **Goal 1.2: Notice of Meetings Compliance**

**Objective:** Provide public notice of meetings in accordance with Florida Statutes, using at least two communication methods.

**Measurement:** Timeliness and method of meeting notices as evidenced by posting to CDD website, publishing in local newspaper and via electronic communication.

**Standard:** 100% of meetings were advertised per Florida statute on at least two mediums (i.e., newspaper, CDD website, electronic communications).

**Achieved:** Yes ☐ No ☐

### **Goal 1.3: Access to Records Compliance**

**Objective:** Ensure that meeting minutes and other public records are readily available and easily accessible to the public by completing monthly CDD website checks.

**Measurement:** Monthly website reviews will be completed to ensure meeting minutes and other public records are up to date as evidenced by District Management's records.

**Standard:** 100% of monthly website checks were completed by District Management.

**Achieved:** Yes ☐ No ☐

## **2. Infrastructure and Facilities Maintenance**

### **Goal 2.1: District Infrastructure and Facilities Inspections**

**Objective:** District Engineer will conduct an annual inspection of the District's infrastructure and related systems.

**Measurement:** A minimum of one inspection completed per year as evidenced by district engineer's report related to district's infrastructure and related systems.

**Standard:** Minimum of one inspection was completed in the Fiscal Year by the district's engineer.

**Achieved:** Yes ☐ No ☐

## **3. Financial Transparency and Accountability**

### **Goal 3.1: Annual Budget Preparation**

**Objective:** Prepare and approve the annual proposed budget by June 15 and final budget was adopted by September 30 each year.

**Measurement:** Proposed budget was approved by the Board before June 15 and final budget was adopted by September 30 as evidenced by meeting minutes and budget documents listed on CDD website and/or within district records.

**Standard:** 100% of budget approval & adoption were completed by the statutory deadlines and posted to the CDD website.

**Achieved:** Yes ☐ No ☐

### **Goal 3.2: Financial Reports**

**Objective:** Publish to the CDD website the most recent versions of the following documents: Annual audit, current fiscal year budget with any amendments, and most recent financials within the latest agenda package.

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**Standard:** CDD website contains 100% of the following information: Most recent annual audit, most recent adopted/amended fiscal year budget, and most recent agenda package with updated financials.

**Achieved:** Yes ☐ No ☐

### **Goal 3.3: Annual Financial Audit**

**Objective:** Conduct an annual independent financial audit per statutory requirements and publish the results to the CDD website for public inspection, and transmit to the State of Florida.

**Measurement:** Timeliness of audit completion and publication as evidenced by meeting minutes showing board approval and annual audit is available on the CDD's website and transmitted to the State of Florida.

**Standard:** Audit was completed by an independent auditing firm per statutory requirements and results were posted to the CDD website and transmitted to the State of Florida.

**Achieved:** Yes ☐ No ☐

Chair/Vice Chair:\_\_\_\_\_

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

Tranquility Community Development District

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

District Manager:\_\_\_\_\_

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

Tranquility Community Development District

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