

PACIFIC ACE

COMMUNITY DEVELOPMENT DISTRICT

November 12, 2021

BOARD OF SUPERVISORS

SPECIAL MEETING

AGENDA

Pacific Ace Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 571-0010•Toll-free: (877) 276-0889•Fax: (561) 571-0013

November 5, 2021

Board of Supervisors
Pacific Ace Community Development District

Dear Board Members:

The Board of Supervisors of the Pacific Ace Community Development District will hold a Special Meeting on November 12, 2021, at 2:00 p.m., at the Citrus Coffee Co., 141 N Highway 27, Clermont, Florida 34711-2401. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Consideration of Resolution 2022-01, Authorizing the Issuance of not Exceeding \$5,500,000 Pacific Ace Community Development District Special Assessment Bonds, Series 2022 (2022 Project) (The "2022 Bonds") to Finance Certain Public Infrastructure Within the District; Determining the Need for a Negotiated Limited Offering of the 2022 Bonds and Providing for a Delegated Award of Such Bonds; Appointing the Underwriter for the Limited Offering of the 2022 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a Bond Purchase Contract with Respect to the 2022 Bonds; Approving the Use of that Certain Master Trust Indenture Previously Approved by the Board with Respect to the 2022 Bonds; Approving the Form of and Authorizing the Execution and Delivery of a First Supplemental Trust Indenture Governing the 2022 Bonds; Approving the Form of and Authorizing the Distribution of a Preliminary Limited Offering Memorandum; Approving the Execution and Delivery of a Final Limited Offering Memorandum; Approving the Form of and Authorizing the Execution of a Continuing Disclosure Agreement, and Appointing a Dissemination Agent; Approving the Application of Bond Proceeds; Authorizing Certain Modifications to the Assessment Methodology Report and Engineer's Report; Providing for the Registration of the 2022 Bonds Pursuant to the DTC Book-Entry Only System; Authorizing the Proper Officials to Do All Things Deemed Necessary in Connection with the Issuance, Sale and Delivery of the 2022 Bonds; and Providing for Severability, Conflicts and an Effective Date
4. Acceptance of Resignation of Wayne Horowitz, Seat 2; *Term Expires November 2024*

ATTENDEES:

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

NOTE: Meeting Location

5. Consider Appointment of Dan Liparini to Fill Unexpired Term of Seat 2
 - Administration of Oath of Office (*the following to be provided in a separate package*)
 - A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
 - B. Membership, Obligations and Responsibilities
 - C. Chapter 190, Florida Statutes
 - D. Financial Disclosure Forms
 - I. Form 1: Statement of Financial Interests
 - II. Form 1X: Amendment to Form 1, Statement of Financial Interests
 - III. Form 1F: Final Statement of Financial Interests
 - E. Form 8B: Memorandum of Voting Conflict
6. Consideration of Resolution 2022-02, Designating Certain Officers of the District, and Providing for an Effective Date
7. Consideration of Resolution 2022-03, Designating the Primary Administrative Office and Principal Headquarters of the District; Designating the Location of the Local District Records Office; and Providing an Effective Date
8. Consideration of Access Management and Field Operations Agreement
9. Acceptance of Unaudited Financial Statements as of September 30, 2021
10. Approval of August 25, 2021 Public Hearing and Regular Meeting Minutes
11. Staff Reports
 - A. District Counsel: *Cobb Cole*
 - B. District Engineer: *Heidt Design*
 - C. District Manager: *Wrathell, Hunt and Associates, LLC*
 - UPCOMING MEETINGS
 - November 24, 2021 at 2:00 P.M.
 - December 22, 2021 at 2:00 P.M.
 - January 26, 2022 at 2:00 P.M.

○ QUORUM CHECK

STEPHEN McCONN	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No
DAN LIPARINI	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No
STEPHEN FECCIA	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No
CASEY DARE	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No
FRED WYBORSKI	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> No

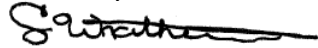
12. Board Members' Comments/Requests

13. Public Comments

14. Adjournment

If you should have any questions or concerns, please do not hesitate to contact me directly at (561) 719-8675 or Kristen Suit at (410) 207-1802.

Sincerely,



Craig Wrathell
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE
CALL-IN NUMBER: 1-888-354-0094
PARTICIPANT PASSCODE: 943 865 3730

PACIFIC ACE

COMMUNITY DEVELOPMENT DISTRICT

3

RESOLUTION NO. 2022-01

A RESOLUTION OF THE BOARD OF SUPERVISORS (THE “BOARD”) OF THE PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT (THE “DISTRICT”) AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$5,500,000 PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2022 (2022 PROJECT) (THE “2022 BONDS”) TO FINANCE CERTAIN PUBLIC INFRASTRUCTURE WITHIN THE DISTRICT; DETERMINING THE NEED FOR A NEGOTIATED LIMITED OFFERING OF THE 2022 BONDS AND PROVIDING FOR A DELEGATED AWARD OF SUCH BONDS; APPOINTING THE UNDERWRITER FOR THE LIMITED OFFERING OF THE 2022 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT WITH RESPECT TO THE 2022 BONDS; APPROVING THE USE OF THAT CERTAIN MASTER TRUST INDENTURE PREVIOUSLY APPROVED BY THE BOARD WITH RESPECT TO THE 2022 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST INDENTURE GOVERNING THE 2022 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM; APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT, AND APPOINTING A DISSEMINATION AGENT; APPROVING THE APPLICATION OF BOND PROCEEDS; AUTHORIZING CERTAIN MODIFICATIONS TO THE ASSESSMENT METHODOLOGY REPORT AND ENGINEER’S REPORT; PROVIDING FOR THE REGISTRATION OF THE 2022 BONDS PURSUANT TO THE DTC BOOK-ENTRY ONLY SYSTEM; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE 2022 BONDS; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

WHEREAS, the Pacific Ace 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. 2020-27, duly enacted by the Lake County, Florida Board of County Commissioners on June 16, 2020 and effective on June 22, 2020; and

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

WHEREAS, the Board of Supervisors of the District (herein, the “Board”) has previously adopted Resolution No. 2020-28 on August 13, 2020 (the “Initial Bond Resolution”),

pursuant to which the District authorized the issuance of not to exceed \$20,000,000 of its Special Assessment Bonds to be issued in one or more Series to finance all or a portion of the District's capital improvement program to be built in one or more phases; and

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

WHEREAS, pursuant to the Initial Bond Resolution, the Board approved the form of Master Trust Indenture (the "Master Indenture") to be entered into by the District and U.S. Bank National Association, as trustee (the "Trustee"); and

WHEREAS, the Board hereby determines to issue its Pacific Ace Community Development District Special Assessment Bonds, Series 2022 (2022 Project) (the "2022 Bonds") in the principal amount of not exceeding \$5,500,000 for the purpose of providing funds to finance a portion of the public infrastructure within the District – specifically, the "2022 Project," as described in the District's *Report of District Engineer* dated August 13, 2020, as supplemented and amended from time to time ("Engineer's Report"); and

WHEREAS, the 2022 Project is hereby determined to be necessary to coincide with the developer's plan of development; and

WHEREAS, there has been submitted to this meeting, with respect to the issuance and sale of the 2022 Bonds, and submitted to the Board forms of:

(i) a Bond Purchase Contract with respect to the 2022 Bonds by and between FMSbonds, Inc., as the underwriter (the "Underwriter") and the District, together with the form of a disclosure statement attached to the Bond Purchase Contract pursuant to Section 218.385, Florida Statutes, substantially in the form attached hereto as Exhibit A (the "Bond Purchase Contract");

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

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

(iv) a First Supplemental Trust Indenture (the "First Supplemental") between the District and the Trustee, substantially in the form attached hereto as Exhibit D and, together with the Master Indenture previously approved pursuant to the Initial Bond Resolution, the "2022 Indenture."

WHEREAS, in connection with the sale of the 2022 Bonds, it may be necessary that certain modifications be made to the *Master Special Assessment Methodology Report* dated August 13, 2020, as supplemented and amended from time to time ("Assessment Methodology Report") and the Engineer's Report to conform such reports to the final terms of the 2022 Bonds; and

WHEREAS, the proceeds of the 2022 Bonds shall also fund a debt service reserve account, pay capitalized interest, if any, and pay the costs of the issuance of the 2022 Bonds.

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

Section 1. Negotiated Limited Offering of 2022 Bonds. The District hereby finds that because of the complex nature of assessment bond financings in order to better time the sale of the 2022 Bonds and secure better interest rates, it is necessary and in the best interest of the District that the 2022 Bonds, in the aggregate principal amount of not exceeding \$5,500,000, be sold on a negotiated limited offering basis. The District hereby further finds that it will not be adversely affected if the 2022 Bonds are not sold pursuant to competitive sales.

Section 2. Purpose. The District has authorized its capital improvement plan for the development of the District, as set forth in the Engineer’s Report, and hereby authorizes the financing of all or a portion of the acquisition and construction of certain public infrastructure benefiting certain assessable lands within the District by issuing the 2022 Bonds to finance a portion of such public infrastructure described in the Engineer’s Report and constituting the 2022 Project. The 2022 Project includes, but is not limited to, public roadway improvements, stormwater drainage facilities including related earthwork, water and sewer facilities, landscaping, hardscaping and irrigation in public rights of way, all as more particularly described in the Engineer’s Report.

Section 3. Sale of the 2022 Bonds. Except as otherwise provided in the last sentence of this Section 3, the proposal submitted by the Underwriter offering to purchase the 2022 Bonds at the purchase price established pursuant to the parameters set forth below and on the terms and conditions set forth in the Bond Purchase Contract (attached hereto as Exhibit A), are hereby approved and adopted by the District in substantially the form presented. Subject to the last sentence of this Section 3, the Chairperson (or, in the absence of the Chairperson, any other member of the Board) is hereby authorized to execute and deliver on behalf of the District, and the Secretary of the District is hereby authorized (if so required) to affix the seal of the District and attest to the execution of the Bond Purchase Contract in substantially the form presented at this meeting. The disclosure statements of the Underwriter, as required by Section 218.385, Florida Statutes, to be delivered to the District prior to the execution of the Bond Purchase Contract, a copy of which is attached as an exhibit to the Bond Purchase Contract, will be entered into the official records of the District. The Bond Purchase Contract, in final form as determined by counsel to the District and the Chairperson, may be executed by the District without further action provided that (i) the 2022 Bonds mature not later than the statutory permitted period; (ii) the principal amount of the 2022 Bonds issued does not exceed \$5,500,000; (iii) the arbitrage yield on the 2022 Bonds shall not exceed 4.50% permitted by law; (iv) if the 2022 Bonds are subject to optional redemption which determination will be made on or before the sale date of the 2022 Bonds, the first optional call date and the redemption price shall be determined on or before the execution of the Bond Purchase Contract; and (v) the purchase price to be paid by the Underwriter for the 2022 Bonds is not less than 98% of the par amount of the 2022 Bonds issued (exclusive of any original issuance discount).

Section 4. The Limited Offering Memorandum. The Limited Offering Memorandum, in substantially the form of the Preliminary Limited Offering Memorandum (subject to the other conditions set forth herein) attached hereto as Exhibit B, with such changes as are necessary to conform to the details of the 2022 Bonds and the requirements of the Bond Purchase Contract, is hereby approved. The District hereby authorizes the execution of the Limited Offering Memorandum and the District hereby authorizes the Limited Offering Memorandum, when in final form, to be used in connection with the limited offering and sale of the 2022 Bonds. The District hereby authorizes and consents to the use by the Underwriter of a Preliminary Limited Offering Memorandum substantially in the form attached hereto as Exhibit B, in connection with the limited offering of the 2022 Bonds. The final form of a Preliminary Limited Offering Memorandum shall be determined by the Underwriter and the professional staff of the District. The Limited Offering Memorandum may be modified in a manner not inconsistent with the substance thereof and the terms of the 2022 Bonds as shall be deemed advisable by Bond Counsel and counsel to the District, with final approval by the Chairperson. The Chairperson (or, in the absence of the Chairperson, any other member of the Board) is hereby further authorized to execute and deliver on behalf of the District, the Limited Offering Memorandum and any amendment or supplement thereto, with such changes, modifications and deletions as the member of the Board executing the same may deem necessary and appropriate with the advice of Bond Counsel and counsel to the District, with final approval by the Chairperson, such execution and delivery to be conclusive evidence of the approval and authorization thereof by the District. The District hereby authorizes the Chairperson (or, in the absence of the Chairperson, any other member of the Board) to deem “final” the Preliminary Limited Offering Memorandum except for permitted omissions all within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 and to execute a certificate in that regard.

Section 5. Details of the 2022 Bonds. The proceeds of the 2022 Bonds shall be applied in accordance with the provisions of the 2022 Indenture. The 2022 Bonds shall mature in the years and in the amounts, bear interest at such rates and be subject to redemption, all as provided in the First Supplemental. The execution of the First Supplemental shall constitute approval of such terms as set forth in the 2022 Indenture and this Resolution. The maximum aggregate principal amount of the 2022 Bonds authorized to be issued pursuant to this Resolution and the 2022 Indenture shall not exceed \$5,500,000.

Section 6. Continuing Disclosure; Dissemination Agent. The Board does hereby authorize and approve the execution and delivery of a Continuing Disclosure Agreement by the Chairperson (or, in the absence of the Chairperson, any other member of the Board) substantially in the form presented to this meeting and attached hereto as Exhibit C. The Continuing Disclosure Agreement is being executed by the District and the other parties thereto in order to assist the Underwriter in the marketing of the 2022 Bonds and compliance with Rule 15c2-12 of the Securities and Exchange Commission. Wrathell, Hunt & Associates, LLC is hereby appointed the initial dissemination agent.

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

Supplemental, both between the District and the Trustee. The 2022 Indenture shall provide for the security of the 2022 Bonds and express the terms of the 2022 Bonds. The First Supplemental shall be substantially in the form attached hereto as Exhibit D and is hereby approved, with such changes therein as are necessary or desirable to reflect the terms of the sale of the 2022 Bonds as shall be approved by the Chairperson (or, in the absence of the Chairperson, the Vice Chairperson, or any other member of the Board) executing the same upon the advice of Bond Counsel and counsel to the District, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of the First Supplemental attached hereto as Exhibit D.

Section 8. Authorization and Ratification of Prior Acts. All actions previously taken by or on behalf of District in connection with the issuance of the 2022 Bonds are hereby authorized, ratified and confirmed.

Section 9. Appointment of Underwriter. The Board hereby formally appoints FMSbonds, Inc., as the Underwriter for the 2022 Bonds.

Section 10. Book-Entry Only Registration System. The registration of the 2022 Bonds shall initially be by the book-entry only system established with The Depository Trust Company.

Section 11. Assessment Methodology Report. The Board hereby authorizes any modifications to the Assessment Methodology Report prepared by Wrathell, Hunt & Associates, LLC in connection with the 2022 Bonds if such modifications are determined to be appropriate in connection with the issuance of the 2022 Bonds.

Section 12. Engineer's Report. The Board hereby authorizes any modifications to the Engineer's Report prepared by Heidt Design, Inc. in connection with the 2022 Bonds if such modifications are determined to be appropriate in connection with the issuance of the 2022 Bonds or modifications to the 2022 Project.

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

Section 14. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared

that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

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

PASSED in public session of the Board of Supervisors of the Pacific Ace Community Development District, this 12th day of November, 2021.

**PACIFIC ACE COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

By: _____
Name: _____
Title: Secretary/Assistant Secretary

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

EXHIBIT A

FORM OF BOND PURCHASE CONTRACT

**PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT
(LAKE COUNTY, FLORIDA)**

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

BOND PURCHASE CONTRACT

_____, 2021

Board of Supervisors
Pacific Ace Community Development District
Lake County, Florida

Dear Board Members:

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

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District, and the District hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the District's \$ _____ Pacific Ace Community Development District Special Assessment Bonds, Series 2021 (2021 Project) (the "Series 2021 Bonds"). The Series 2021 Bonds shall be dated their date of delivery and shall mature on the dates, shall bear interest at the rates, and shall be subject to redemption prior to maturity, all as provided in Exhibit B attached hereto.

The purchase price for the Series 2021 Bonds shall be \$ _____ (representing the \$ _____ aggregate principal amount of the Series 2021 Bonds, [plus/less net original issue premium/discount of \$ _____ and] less an underwriter's discount of \$ _____). Payment of the purchase price and delivery of the Series 2021 Bonds and the other actions contemplated hereby to take place at the time of such payment and delivery are hereinafter referred to as the "Closing."

2. The Series 2021 Bonds. The Series 2021 Bonds are to be issued by the District, a local unit of special-purpose government of the State of Florida (the "State") created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor statute thereto, the Florida Constitution, and other applicable provisions of law (collectively, the "Act"), and by Ordinance No. 2020-27, enacted by the Board of County Commissioner of the County on June 16, 2020 and becoming effective on June 22, 2020 (the "Ordinance"). The Series 2021 Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of

_____ 1, 2021 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indentures"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"), and by Resolution No. 2020-28 and Resolution No. 2022-01 adopted by the Board on August 13, 2020 and November [12], 2021, respectively (collectively, the "Bond Resolution"). The Series 2021 Special Assessments, comprising a portion of the Series 2021 Pledged Revenues for the Series 2021 Bonds, have been levied by the District on those lands within the District specially benefited by the 2021 Project pursuant to the Assessment Resolutions (as such term is defined in the Indentures).

3. Limited Offering; Establishment of Issue Price. It shall be a condition to the District's obligation to sell and to deliver the Series 2021 Bonds to the Underwriter, and to the Underwriter's obligation to purchase, accept delivery of and pay for the Series 2021 Bonds, that the entire principal amount of the Series 2021 Bonds be issued, sold and delivered by the District and purchased, accepted and paid for by the Underwriter at the Closing and that the District and the Underwriter receive the opinions, documents and certificates described in Section 8(c) hereof.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Series 2021 Bonds and shall execute and deliver to the District at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, in a form reasonably satisfactory to Bond Counsel, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2021 Bonds.

(b) Except as otherwise indicated in Exhibit B, the District will treat the first price at which 10% of each maturity of the Series 2021 Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the District the price or prices at which the Underwriter has sold to the public each maturity of Series 2021 Bonds. If at that time the 10% test has not been satisfied as to any maturity, the Underwriter agrees to promptly report to the District the prices at which the Series 2021 Bonds of that maturity have been sold by the Underwriter to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Series 2021 Bonds of that maturity or until all Series 2021 Bonds of that maturity have been sold to the public provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. For purposes of this Section, if Series 2021 Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2021 Bonds.

(c) The Underwriter confirms that it has offered the Series 2021 Bonds to accredited investors constituting the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit B attached hereto, except as otherwise set forth therein. Exhibit B also sets forth, as of the date of this Purchase Contract, the maturities of the Series 2021 Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2021 Bonds, the Underwriter will neither offer nor sell unsold Series 2021 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2021 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the District promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2021 Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Series 2021 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (i) to report the prices at which it sells to the public the unsold Series 2021 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2021 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2021 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Series 2021 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2021 Bonds to the public (each such term being used as defined below), and

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

(ii) any selling group agreement relating to the initial sale of the Series 2021 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2021 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2021 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2021 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Series 2021 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The District acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2021 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Series 2021 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds.

(f) The Underwriter acknowledges that sales of any Series 2021 Bond to any person that is a related party to an Underwriter participating in the initial sale of the Series 2021 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

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

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2021 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2021 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2021 Bonds to the public),

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

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

4. Use of Documents. Prior to the date hereof, the District has caused to be prepared and has provided to the Underwriter a Preliminary Limited Offering Memorandum dated _____, 2021 (such Preliminary Limited Offering Memorandum, including the cover pages and all appendices thereto, and any amendments and supplements thereto that may be authorized by the District for use with respect to the

Series 2021 Bonds, being herein collectively called the "Preliminary Limited Offering Memorandum") of the District related to the Series 2021 Bonds that the District has deemed final as of its date, except for certain permitted omissions (the "Permitted Omissions"), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12" or the "Rule") in connection with the limited offering of the Series 2021 Bonds. The Underwriter has reviewed the Preliminary Limited Offering Memorandum prior to the execution of this Purchase Contract. The District has, prior to the date hereof, authorized the Preliminary Limited Offering Memorandum to be circulated and used by the Underwriter in connection with the limited offering of the Series 2021 Bonds. The District shall deliver or cause to be delivered, at its expense, to the Underwriter within seven (7) business days after the date hereof but not later than three (3) days prior to the Closing Date (as defined below) and in sufficient time to allow the Underwriter to comply with all requirements of the Rule and all applicable securities laws and the rules of the Municipal Securities Rulemaking Board (the "MSRB"), a final Limited Offering Memorandum dated _____, 2021 (such Limited Offering Memorandum, including the cover pages and all appendices thereto, and any amendments and supplements thereto that may be authorized by the District for use with respect to the Series 2021 Bonds being herein collectively called the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda"). The District hereby ratifies the circulation and use of the Preliminary Limited Offering Memorandum and approves the circulation and use of the Limited Offering Memorandum by the Underwriter.

5. Definitions. For purposes hereof, (a) this Purchase Contract, the Indentures, the Series 2021 Bonds, the Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District, [American Land Development of Central Florida, LLC], a [Florida] limited liability company (the "Landowner"), and Wrathell, Hunt and Associates, LLC, as dissemination agent (the "Dissemination Agent"), in substantially the form attached to the Preliminary Limited Offering Memorandum as Appendix F thereto (the "Disclosure Agreement") and the DTC Blanket Issuer Letter of Representations entered into by the District, are referred to herein collectively as the "Financing Documents," and (b) [the Completion Agreement by and between the District and the Landowner dated as of the Closing Date (the "Completion Agreement"), the Acquisition Agreement by and between the District and the Landowner dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development and Contract Rights Relating to the District by and between the District and the Landowner dated as of the Closing Date in recordable form (the "Collateral Assignment"), and the Agreement Between the District and the Landowner Regarding the True-Up and Payment of Series 2021 Project Assessments dated as of the Closing Date and in recordable form (the "True-Up Agreement")] are collectively referred to herein as the "Ancillary Agreements."

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

(a) The Board is the governing body of the District and the District is and will be on the Closing Date and continuing thereafter (for the terms of the Series 2021 Bonds) duly organized and validly existing as a unit of special-purpose government created pursuant to the Constitution and laws of the State, including, without limitation, the Act;

(b) The District has full legal right, power and authority to: (i) adopt the Bond Resolution and the Assessment Resolutions; (ii) enter into the Financing Documents and Ancillary Agreements to which it is a party; (iii) sell, issue and deliver the Series 2021 Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Series 2021 Bonds for the purposes described in the Preliminary Limited Offering Memorandum; (v) ratify the use of the Preliminary Limited Offering Memorandum and authorize the use and execution of the Limited Offering Memorandum; and (vi) carry out and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary

Agreements to which it is a party and the Preliminary Limited Offering Memorandum, including but not limited to entering into the Collection Agreement to provide for the collection of the Series 2021 Special Assessments using the Uniform Method of collection in accordance with the Indentures. On the Closing Date, the District will be in compliance in all material respects, with the terms of the Act and with the obligations on its part contained in the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary Agreements to which it is a party and the Series 2021 Bonds;

(c) At meetings of the Board that were or will be duly called and noticed and at which a quorum was or will be present and acting throughout, the Board has duly adopted the Bond Resolution and will, prior to the delivery of the Series 2021 Bonds, have adopted all of the Assessment Resolutions, and the same are and will be in full force and effect and have not been and will not be supplemented, amended, modified or repealed, except as set forth therein. By all necessary official Board action, the District has duly authorized and approved the use and delivery of the Preliminary Limited Offering Memorandum and the execution and delivery of the Financing Documents, the Ancillary Agreements to which it is a party, the Series 2021 Bonds and the Limited Offering Memorandum, has duly authorized and approved the performance by the District of the obligations on its part contained in the Financing Documents, the Ancillary Agreements to which it is a party and the Series 2021 Bonds and the consummation by it of all other transactions contemplated by this Purchase Contract and the Preliminary Limited Offering Memorandum in connection with the issuance of the Series 2021 Bonds. Upon execution and delivery by the District and the Trustee (and assuming the due authorization, execution and delivery of the Indentures by the Trustee), the Indentures will constitute legal, valid and binding obligations of the District, enforceable in accordance with their terms, subject only to applicable bankruptcy, insolvency, and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law). Upon execution by the District and the other parties thereto (and assuming the due authorization, execution and delivery of such agreements by the other parties thereto), the Financing Documents and the Ancillary Agreements to which it is a party will constitute the legal, valid and binding obligations of the District, enforceable in accordance with their respective terms, subject only to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);

(d) The District is not in material breach of or material default under any applicable provision of the Act or any applicable constitutional provision or statute or, to the best of its knowledge, administrative regulation of the State or the United States of America or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement, or other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of its knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or material event of default under any such instrument; and the execution and delivery of the Series 2021 Bonds, the Financing Documents, the Ancillary Agreements to which it is a party and the Limited Offering Memorandum, the delivery of the Preliminary Limited Offering Memorandum and the adoption of the Bond Resolution and the Assessment Resolutions (once all of the Assessment Resolutions are adopted), and compliance with the provisions on the District's part contained therein, will not conflict with or constitute a material breach of or material default under any applicable constitutional provision, or law, or, to the best of its knowledge, any administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption, or compliance result in the

creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as provided by the Assessment Resolutions, the Series 2021 Bonds and the Indentures. To the best of its knowledge, no event has occurred which, with the lapse of time or the giving of notice, or both, would constitute an event of default (as therein defined) under the Series 2021 Bonds, the Ancillary Agreements to which it is a party or the Financing Documents;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization by, or which would constitute a condition precedent to, or the absence of which would materially adversely affect, the due performance by the District of its obligations, to issue the Series 2021 Bonds, or under the Series 2021 Bonds, the Bond Resolution, the Assessment Resolutions, the Financing Documents or the Ancillary Agreements to which it is a party have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Series 2021 Bonds;

(f) The descriptions of the Series 2021 Bonds, the Financing Documents, the Ancillary Agreements to which it is a party and the 2021 Project, to the extent referred to in the Preliminary Limited Offering Memorandum, conform in all material respects to the Series 2021 Bonds, the Financing Documents, the Ancillary Agreements and the 2021 Project, respectively;

(g) The Series 2021 Bonds, when issued, executed and delivered in accordance with the Indentures and when delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Purchase Contract, will be validly issued and outstanding obligations of the District, entitled to the benefits of the Indentures and upon such issuance, execution and delivery of the Series 2021 Bonds, the Indentures will provide, for the benefit of the holders from time to time of the Series 2021 Bonds, a legally valid and binding pledge of and first lien on the Series 2021 Pledged Revenues. On the Closing Date, all conditions precedent to the issuance of the Series 2021 Bonds set forth in the Indentures will have been complied with or fulfilled;

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

(i) To the extent applicable, the District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order to: (i) qualify the Series 2021 Bonds for offer and sale under the Blue

Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) determine the eligibility of the Series 2021 Bonds for investment under the laws of such states and other jurisdictions, and the District will use its best efforts to continue such qualifications in effect so long as required for the initial limited offering and distribution of the Series 2021 Bonds; provided, however, that the District shall not be required to execute a general or special consent to service of process or to qualify to do business in connection with any such qualification or determination in any jurisdiction or register as a broker/dealer;

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

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

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

(m) Since its inception, there has been no material adverse change in the properties, businesses, results of operations, prospects, management or financial or other condition of the

District, except as disclosed in the Preliminary Limited Offering Memorandum, and the District has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution, the Assessment Resolutions, the Series 2021 Bonds, the Financing Documents or the Ancillary Agreements to which it is a party, direct or contingent, other than as set forth in or contemplated by the Limited Offering Memoranda;

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

(o) Except as disclosed in the Preliminary Limited Offering Memorandum, the District has never failed to comply in any material respect with any continuing disclosure obligations previously undertaken by the District in accordance with the continuing disclosure requirements of the Rule;

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

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

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

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

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

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

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

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

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

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

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

(5) The supplemental opinion, dated as of the Closing Date and addressed to the District and the Underwriter, of Greenberg Traurig, P.A., Bond Counsel, in the form annexed as Exhibit C hereto;

(6) The opinion, dated as of the Closing Date and addressed to the District, the Underwriter, Bond Counsel and the Trustee of Cobb Cole, P.A., counsel to the District, in the form annexed as Exhibit D hereto or in form and substance otherwise acceptable to the Underwriter and its counsel;

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

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

(9) The opinions, dated as of the Closing Date and addressed to the District, the Underwriter and the Trustee of [_____], counsel to the Landowner, in the forms annexed as Exhibit E, or in form and substance otherwise acceptable to the Underwriter and its counsel.

(10) Certificate of Landowner dated as of the Closing Date, in the form annexed as Exhibit F hereto, or otherwise in form and substance satisfactory to Bond Counsel, the Underwriter, Underwriter's counsel and counsel to the District.

(11) A copy of the Ordinance;

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

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

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

(15) Executed copies of the District's certification as to arbitrage and other matters relative to the tax status of the Series 2021 Bonds under Section 148 of the Internal Revenue Code of 1986, as amended, and a copy of the District's Post Issuance Policies and Procedures;

(16) Executed copy of Internal Revenue Service Form 8038-G relating to the Series 2021 Bonds;

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

(18) A certificate of the District Manager and Methodology Consultant in the form annexed as Exhibit H hereto or otherwise in form and substance acceptable to the District, the Underwriter and Underwriter's Counsel;

(19) Such additional documents as may be required by the Indentures to be delivered as a condition precedent to the issuance of the Series 2021 Bonds;

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

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

(22) A copy of the Pacific Ace Community Development District Report of District Engineer, dated [August 10, 2020] as supplemented by the [Pacific Ace Community Development District Supplemental Report of District Engineer] dated [_____, 2021], both prepared by Heidt Design, LLC (collectively the "Engineer's Report");

(23) A certificate of the District whereby the District has deemed the Preliminary Limited Offering Memorandum final as of its date, except for Permitted Omissions, as contemplated by Rule 15c2-12 in connection with the limited offering of the Series 2021 Bonds;

(24) A copy of the Master Special Assessment Methodology Report dated August 13, 2020 (the "Master Special Assessment Allocation Report"), as supplemented by the final First Supplemental Special Assessment Methodology Report dated as of the date hereof (the "Final Supplemental Special Assessment Allocation Report" and together with the Master Special Assessment Allocation Report, the "Assessment Methodology");

(25) A Declaration of Consent (2021 Bonds) executed and delivered by the Landowner and any other entity owning any land in the District as of the Closing Date with respect to all real property owned by such entity(ies) within the District which is subject to the Series 2021 Special Assessments in recordable form and otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel and counsel to the District;

(26) A certificate of the Dissemination Agent (i) acknowledging its agreement to serve as the initial Dissemination Agent for the District with respect to the Series 2021 Bonds and undertake the obligations of the Dissemination Agent as set forth in the Continuing Disclosure Agreement and (ii) representing that the Dissemination Agent is aware of the continuing disclosure requirements set forth in the Continuing Disclosure Agreement and Rule 15c2-12, (iii) that it has policies and procedures in place to ensure its compliance with its obligations under the Continuing Disclosure Agreement, and (iv) covenanting to comply with the District's continuing disclosure undertakings entered into pursuant to Rule 15c2-12 at all times in the future; and

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

Closing of all the agreements then to be performed and conditions then to be satisfied by each.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2021 Bonds contained in this Purchase Contract (unless waived by the Underwriter in its sole discretion), or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2021 Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the District shall be under any further obligation hereunder, except that the respective obligations of the District and the Underwriter set forth in Section 10 hereof shall continue in full force and effect.

9. Termination. The Underwriter shall have the right to terminate its obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Series 2021 Bonds by notifying the District of its election to do so if, after the execution hereof and prior to the Closing: (i) legislation shall have been introduced in or enacted by the Congress of the United States or enacted by the State, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairperson or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such committee, by any member thereof, or legislation shall have been favorably reported for passage to either House of Congress of the United States by a committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or the State, including the Tax Court of the United States, or a ruling shall have been made or a regulation shall have been proposed or made or a press release or other form of notice shall have been issued by the Treasury Department of the United States, or the Internal Revenue Service or other federal or State authority, with respect to federal or State taxation upon revenues or other income of the general character to be derived by the District or by any similar body, or upon interest on obligations of the general character of the Series 2021 Bonds, which may have the purpose or effect, directly or indirectly, of materially and adversely affecting the tax status of the District, its property or income, its securities (including the Series 2021 Bonds) or the interest thereon, or any tax exemption granted or authorized by the State or, which in the reasonable opinion of the Underwriter, affects materially and adversely the market for the Series 2021 Bonds, or the market price generally of obligations of the general character of the Series 2021 Bonds; (ii) the District or the Landowner has, without the prior written consent of the Underwriter, offered or issued any bonds, notes or other obligations for borrowed money, or incurred any material liabilities, direct or contingent, or there has been an adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District, the Landowner or the Builder, other than in the ordinary course of its business; (iii) any event shall have occurred or shall exist which, in the reasonable opinion of the Underwriter, would or might cause the information contained in the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (iv) the District fails to adopt the Assessment Resolutions or fails to perform any action to be performed by it in connection with the levy of the Series 2021 Special Assessments.

10. Expenses.

(a) The District agrees to pay, and the Underwriter shall not be obligated to pay, any expenses incident to the performance of the District's obligations hereunder, including, but not limited to: (i) the cost of the preparation and distribution of the Indentures; (ii) the cost of the

preparation and printing, if applicable, of the Limited Offering Memoranda and any supplements thereto, together with a reasonable number of copies which the Underwriter may request; (iii) the cost of registering the Series 2021 Bonds in the name of Cede & Co., as nominee of DTC, which will act as securities depository for such Bonds; (iv) the fees and disbursements of counsel to the District, the District Manager, the Dissemination Agent, Bond Counsel, the District's methodology consultant, the District Engineer, the Trustee, Trustee's Counsel and any other experts or consultants retained by the District and the fees of Underwriter's Counsel; and (v) the cost of recording in the Official Records of the County any Financing Documents, Ancillary Agreements or other documents or certificates that are required to be recorded pursuant to the terms of this Purchase Contract. It is anticipated that such expenses shall be paid from the proceeds of the Series 2021 Bonds. The District shall submit for recording all documents required to be provided in recordable form hereunder within three business days after the Closing Date, which obligation shall survive the Closing.

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

11. No Advisory or Fiduciary Role. The District acknowledges and agrees that (i) the purchase and sale of the Series 2021 Bonds pursuant to this Agreement is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection with such transaction and with the discussions, undertakings and processes leading up to such transaction, the Underwriter is and has been acting solely as a principal and not as an advisor (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), agent or a fiduciary of the District, (iii) the Underwriter has not assumed an advisory or a fiduciary responsibility in favor of the District with respect to the limited offering of the Series 2021 Bonds or the discussions, undertakings and processes leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has provided or is currently advising or providing services to the District on other matters) or any other obligation to the District except the obligations expressly set forth in this Agreement, (iv) the Underwriter has financial and other interests that differ from those of the District, (v) the District has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Series 2021 Bonds, and (vi) the Underwriter has provided to the District prior disclosures under Rule G-17 of the MSRB, which have been received by the District.

12. Notices. Any notice or other communication to be given to the District under this Purchase Contract may be given by delivering the same in writing to Wrathell, Hunt and Associates, LLC, 2300 Glades Rd., Ste. #410W, Boca Raton, Florida 33431, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to FMSbonds, Inc., 20660 W. Dixie Highway, North Miami Beach, Florida 33180, Attention: Jon Kessler.

13. Parties in Interest; Survival of Representations. This Purchase Contract is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the District's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect and survive the closing on the Series 2021 Bonds, regardless of: (i) any investigations made by or on behalf of the Underwriter and (ii) delivery of and payment for the Series 2021 Bonds pursuant to this Purchase Contract.

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

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

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

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

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

[Remainder of page intentionally left blank.]

Very truly yours,

FMSBONDS, INC.

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

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

**PACIFIC ACE COMMUNITY DEVELOPMENT
DISTRICT**

By: _____
_____,
Chairman, Board of Supervisors

EXHIBIT A

DISCLOSURE AND TRUTH-IN-BONDING STATEMENT

_____, 2021

Board of Supervisors
Pacific Ace Community Development District
Lake County, Florida

Re: \$ _____ Pacific Ace Community Development District Special Assessment Bonds, Series 2021 (2021 Project) (the "Series 2021 Bonds")

Dear Board Members:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the Series 2021 Bonds, FMSbonds, Inc. (the "Underwriter"), pursuant to a Bond Purchase Contract dated _____, 2021 (the "Bond Purchase Contract"), between the Underwriter and Pacific Ace Community Development District (the "District"), furnishes the following disclosures to the District (all capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Bond Purchase Contract):

1. The total underwriting discount paid to the Underwriter pursuant to the Bond Purchase Contract for the Series 2021 Bonds is approximately \$ ____ per \$1,000.00 or \$ _____.
2. The names, addresses and estimated amounts of compensation of any person who is not regularly employed by, or not a partner or officer of, the Underwriter, bank, banker, or financial consultant or advisor and who enters into an understanding with either the District or the Underwriter, or both, for any paid or promised compensation or valuable consideration directly, expressly or impliedly, to act solely as an intermediary between the District and the Underwriter for the purposes of influencing any transaction in the purchase of the Series 2021 Bonds are: None.
3. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2021 Bonds are set forth in Schedule I attached hereto.
4. The management fee charged by the Underwriter is: \$0/\$1,000 or \$0.
5. Any other fee, bonus or other compensation estimated to be paid by the Underwriter in connection with the Series 2021 Bonds to any person not regularly employed or retained by the Underwriter in connection with the Series 2021 Bonds is as follows: None. GrayRobinson, P.A. has been retained as counsel to the Underwriter and will be compensated by the District.
6. The name and address of the Underwriter is:

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

The District is proposing to issue \$_____ aggregate amount of the Series 2021 Bonds for the purpose of providing funds for (i) the Costs of acquiring and/or constructing a portion of the 2021 Project, (ii) funding Capitalized Interest through at least May 1, 2022, (iii) the funding of the Series 2021 Reserve Account, and (iv) the payment of the costs of issuance of the Series 2021 Bonds.

The debt evidenced by the Series 2021 Bonds is expected to be repaid over a period of approximately _____ () years and _____ () days. At a net interest cost of approximately _____%, total interest paid over the life of the Series 2021 Bonds will be \$_____.

The source of repayment for the Series 2021 Bonds are primarily the 2021 Special Assessments imposed and collected by the District. Based solely upon the assumptions set forth in the paragraphs above, the issuance of the Series 2021 Bonds will result in \$_____ (representing the average annual debt service payments due on the Series 2021 Bonds) of the Series 2021 Special Assessment revenues not being available to the District on an annual basis to finance other services of the District; provided however, that in the event that the Series 2021 Bonds were not issued, the District would not be entitled to impose and collect the 2021 Special Assessments in the amount of the principal of and interest to be paid on the Series 2021 Bonds.

[Remainder of page intentionally left blank.]

[Signature page to Disclosure and Truth in Bonding Statement]

Sincerely,

FMSBONDS, INC.

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

SCHEDULE I

Expenses for the Series 2021 Bonds:

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

EXHIBIT B

TERMS OF BONDS

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

Series 2021 Bonds				
<u>Amount</u>	<u>Maturity Date</u>	<u>Rate</u>	Yield	<u>Price</u>

*Yield calculated to the first optional call date of May 1, 2031.

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

3. **Redemption Provisions:**

Optional Redemption

The Series 2021 Bonds may, at the option of the District, provided written notice thereof has been sent to the Trustee at least forty-five (45) days prior to the redemption date (unless the Trustee will accept less than forty-five (45) days' notice), be called for redemption prior to maturity as a whole or in part, at any time, on or after November 1, 20[] (less than all Series 2021 Bonds of a maturity to be selected randomly), at a Redemption Price equal to the principal amount of Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date from moneys on deposit in the Series 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account.

Mandatory Sinking Fund Redemption

The Series 2021 Bonds maturing on November 1, 20[] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

[Remainder of page intentionally left blank.]

Year **Mandatory Sinking Fund
Redemption Amount**

*

*Maturity

The Series 2021 Bonds maturing on November 1, 20[] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

Year **Mandatory Sinking Fund
Redemption Amount**

*

*Maturity

The Series 2021 Bonds maturing on November 1, 20[] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

Year **Mandatory Sinking Fund
Redemption Amount**

*

*Maturity

The Series 2021 Bonds maturing on November 1, 20[] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

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

*

*Maturity

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

Extraordinary Mandatory Redemption

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

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

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and subaccounts in the Funds and Accounts (other than the Series 2021 Rebate Fund and the Series 2021 Acquisition and

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

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account not otherwise reserved to complete a portion of the 2021 Project and which have been transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account.

EXHIBIT C

BOND COUNSEL'S SUPPLEMENTAL OPINION

_____, 2021

Pacific Ace Community Development District
Lake County, Florida

FMSbonds, Inc.
North Miami Beach, Florida

Re: \$_____ Pacific Ace Community Development District Special Assessment Bonds, Series 2021 (2021 Project) (the "Series 2021 Bonds")

Ladies and Gentlemen:

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

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

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

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

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

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

3. The information in the Limited Offering Memorandum under the captions "INTRODUCTION," "DESCRIPTION OF THE SERIES 2021 BONDS," "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS," "and "APPENDIX A: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" insofar as such statements constitute descriptions of the Series 2021 Bonds or the Indenture are accurate as to the matters set forth or documents described therein, and the information under the captions "TAX MATTERS" and

"AGREEMENT BY THE STATE," insofar as such information purports to describe or summarize certain provisions of the laws of the State of Florida (the "State") and the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), is accurate as to the matters set forth therein.

This letter is furnished by us as Bond Counsel. No attorney-client relationship has existed or exists between our firm and FMSbonds, Inc. (the "Underwriter") in connection with the Series 2021 Bonds or by virtue of this letter. This letter is delivered to the Underwriter solely for its benefit as Underwriter and may not be used, circulated, quoted or otherwise referred to or relied upon by the Underwriter for any other purpose or by any other person other than the addressee hereto. This letter is not intended to, and may not be, relied upon by holders of the Series 2021 Bonds.

Very truly yours,

EXHIBIT D

ISSUER'S COUNSEL'S OPINION

_____, 2021

Pacific Ace Community Development District
Lake County, Florida

FMSbonds, Inc.
North Miami Beach, Florida

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

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

GrayRobinson, P.A.
Tampa, Florida

Re: \$_____ Pacific Ace Community Development District Special Assessment Bonds, Series 2021 (2021 Project) (the "Series 2021 Bonds")

Ladies and Gentlemen:

We have acted as counsel for the Pacific Ace Community Development District, a community development district (the "District") established pursuant to Chapter 190, Florida Statutes (the "Act"), and by ordinance by Ordinance No. 2020-27, enacted by the Board of County Commissioner of the County on June 16, 2020 and becoming effective on June 22, 2020 (the "Ordinance"), in connection with the issuance by the District of the above-described Series 2021 Bonds.

The Series 2021 Bonds are being issued by the District pursuant to the Act, Resolution No. 2020-28 and Resolution No. 2022-01 adopted by the Board on August 13, 2020 and November [12], 2021, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture dated as of _____ 1, 2021 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indentures"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"). The Series 2021 Special Assessments have been levied by the District on the District Lands pursuant to Resolution Nos. 2020-26, 2020-27 and 2020-34, as may be amended from time to time (the "Assessment Resolutions"). Capitalized terms used and not otherwise defined herein shall have the meaning ascribed to them in the Indenture.

The District adopted Master Special Assessment Methodology Report dated August 13, 2020 (the "Master Special Assessment Allocation Report"), as supplemented by the final Supplemental Special Assessment Methodology Report dated _____, 2021 (collectively, the "Assessment Methodology"). The Assessment Methodology sets forth the terms of the Series 2021 Special Assessments securing the Series 2021 Bonds, and adopts a final special assessment roll for the Series 2021 Special Assessments.

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 Resolutions, hereinafter, the "District Resolutions"); (iii) the Indentures; (iv) the Bond Purchase Contract dated _____, 2021 (the "Purchase Contract"); (v) the Continuing Disclosure Agreement dated as of _____, 2021 (the "Continuing Disclosure Agreement"); (vi) the Completion Agreement dated as of _____, 2021 (the "Completion Agreement"); (vii) the Agreement Between the District and the Landowner Regarding the True-Up and Payment of Series 2021 2021 Project Assessments dated as of _____, 2021 (the "True-Up Agreement"); (viii) the Acquisition Agreement dated as of _____, 2021 (the "Acquisition Agreement"); (ix) the Collateral Assignment and Assumption of Development and Contract Rights Relating to the District dated as of _____, 2021 (the "Collateral Assignment")], (ix) the Declaration of Consent to Jurisdiction of the District and to Impose Special Assessments dated as of _____, 2021 (the "Declaration") and (x) the Preliminary Limited Offering Memorandum dated _____, 2021 and the final Limited Offering Memorandum dated _____, 2021 (collectively, the "Offering Memoranda"), and such other documents as we have deemed necessary or appropriate in rendering the opinions set forth below. The Indentures, the Purchase Contract, the Continuing Disclosure Agreement, the Completion Agreement, the Acquisition Agreement, the True-Up Agreement, the Collateral Assignment, the Declaration, 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 and independent local unit of special purpose government under applicable Florida law. The Financing Documents and the Series 2021 Bonds have been duly authorized, executed and delivered, and assuming due execution by the other party(s) thereto, if applicable, the Financing Documents 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 and based solely upon the District Certificate, the Certificate of the District Manager and our service as Registered Agent for the District, 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 2021 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 2021 Bonds, the District Resolutions, the Financing Documents or application of the proceeds of the Series 2021 Bonds for the purposes set forth in the Offering Memoranda; (d) specifically contesting the exclusion from federal gross income of interest on the Series 2021 Bonds, or (e) contesting the completeness or accuracy of the Offering Memoranda.

3. The District has duly authorized, executed, 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 2021 BONDS," "ENFORCEMENT OF ASSESSMENT COLLECTIONS," "THE DISTRICT" (excluding information contained under the sub-caption, "The District Manager and Other Consultants"), "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS," "THE DEVELOPMENT – Zoning and Permitting," "AGREEMENT BY THE STATE," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," CONTINUING DISCLOSURE" (as it relates to the District), "LITIGATION – The District," "VALIDATION" and "AUTHORIZATION AND APPROVAL," 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 2021 Bonds, in breach of or default under any applicable provision of the Act or constitutional provision, statute, or administrative regulation of the State or the United States, or, to the best of our knowledge, any applicable judgment or decree, any loan agreement, indenture, bond, note, resolution, agreement, or any other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of our knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the District under any such instrument; provided, however, that no opinion is expressed as to compliance with any state or federal tax laws or with any state "Blue Sky" or other securities laws.

6. The execution and delivery of the Series 2021 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

2021 Bonds and the Indentures. To the best of our knowledge after due inquiry, the District has taken no action which, with the lapse of time or the giving of notice, or both would constitute a material default or event of default by the District under the Series 2021 Bonds 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 Indenture required to be obtained or made, have been obtained or made or there is no reason to believe they will not be obtained or made when required, provided that no opinion is expressed as to the applicability of or compliance with tax laws, any state "Blue Sky" or other securities laws. Further, except as otherwise described in the Limited 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 2021 Project, the Capital Improvement Plan and the lands in the District as described in the Limited 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 2021 Project and the Capital Improvement Plan and the lands in the District as described in the Limited 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 Limited 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 2021 Bonds, and to levy the Series 2021 Special Assessments that will secure the Series 2021 Bonds and has duly adopted the District Resolutions.

9. All proceedings undertaken by the District with respect to the Series 2021 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 2021 Special Assessments. The Series 2021 Special Assessments constitute legal, valid, binding and enforceable first liens upon the property against which such Series 2021 Special Assessments are assessed, co-equal with the lien of all state, county, district and municipal taxes and assessments, and superior in dignity to all other liens, titles and claims, until paid.

10. The District has the full power and authority to own and operate the 2021 Project.

11. All conditions prescribed in the Indentures and the Purchase Contract to be performed by the District as precedent to the issuance of the Series 2021 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 2021 Bonds is excluded from gross income of the owners of the Series 2021 Bonds for federal income tax purposes, we understand that you are relying upon the opinions of Greenberg Traurig, 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 Indentures. 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,

COBB COLE

EXHIBIT E

LANDOWNER'S COUNSEL'S OPINION

[To come]

EXHIBIT F

CERTIFICATE OF LANDOWNER

[American Land Development of Central Florida, LLC], a [Florida] limited liability company (the "Landowner"), DOES HEREBY CERTIFY, that:

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

2. The Landowner is a limited liability company organized and existing under the laws of the State of Florida and qualified to transact business in the State of Florida.

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

4. The Declaration of Consent dated _____, 2021 executed by the Landowner and to be recorded in the public records of Lake County, Florida (the "Declaration of Consent"), constitutes a valid and binding obligation of the Landowner, enforceable against the Landowner in accordance with its terms.

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

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

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

8. The Landowner hereby represents that, as of the date hereof, it owns all of the land in the District that will be subject to the Series 2021 Special Assessments. The levy of the Series 2021 Special Assessments on the lands in the District will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which the Landowner is a party or to which its property or assets are subject.

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

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

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

12. There is no action, suit or proceedings at law or in equity by or before any court or public board or body pending or, solely to the best of the Landowner's knowledge, threatened against the Landowner (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of Financing Documents, Declaration of Consent and/or Ancillary Documents to which the Landowner is a party, (b) contesting or affecting the validity or enforceability of the Financing Documents, Declaration of Consent and/or Ancillary Documents, or any and all such other agreements or documents as may be required to be executed, or the transactions contemplated thereunder, (c) contesting or affecting the establishment or existence, of the Landowner, or of the Landowner's business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Landowner, or (d) that would have a material and adverse effect upon the ability of the Landowner to (i) complete the development of [the District as described in the Limited Offering Memoranda, (ii) pay the Series 2021 Special Assessments, or (iii) perform its various obligations as described in the Limited Offering Memoranda.

13. To the best of the Landowner's 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 District and the 2021 Project as described in the Limited Offering Memoranda, including applying for all necessary permits. Except as otherwise described in the Limited Offering Memoranda, (a) the District Lands are zoned and properly designated for their intended use; (b) all government permits other than certain permits, which permits are expected to be received as needed, have been received; (c) the 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 District as described in the Limited Offering Memoranda and all appendices thereto; and (d) there is no reason to believe that any permits, consents and licenses required to complete the development of the District and the 2021 Project as described in the Offering Memoranda will not be obtained as required.

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

15. [Except as disclosed in the Limited Offering Memoranda, the Landowner has never failed in the last five years to comply with its continuing disclosure obligations entered in connection with SEC

Rule 15c2-12.][The Landowner has not previously entered into any continuing disclosure obligations in connection with SEC Rule 15c2-12.]

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

Dated: _____, 2021.

**[AMERICAN LAND DEVELOPMENT OF
CENTRAL FLORIDA, LLC],** a [Florida] limited
liability company

By: _____

Name: _____

Title: _____

EXHIBIT G

CERTIFICATE OF ENGINEER

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

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

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

3. The plans and specifications for the 2021 Project (as described in the Limited Offering Memoranda) improvements were approved by all regulatory bodies required to approve them. All environmental and other regulatory permits or approvals required in connection with the construction of the 2021 Project have been obtained and all environmental and other regulatory permits or approvals required in connection with the development of the District Lands have either been obtained or are reasonably expected to be obtained in the ordinary course.

4. The Engineers prepared the reports entitled the "Master Pacific Ace Community Development District Report of District Engineer, dated [August 10, 2020] as supplemented by the "[Pacific Ace Community Development District Supplemental Report of District Engineer]" dated [_____, 2021] (collectively, the "Report"). The Report was prepared in accordance with generally accepted engineering principles. The Report is included as "APPENDIX C: ENGINEER'S REPORT" to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and a description of the Report and certain other information relating to the 2021 Project and the development of the District Lands are included in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions "THE CAPITAL IMPROVEMENT PLAN AND THE 2021 PROJECT" and "THE DEVELOPMENT." The Report and said information are true and complete in all material respects, contain no untrue statement of a material fact, and do not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

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

6. The price expected to be paid by the District, based on current construction cost estimates, to the Landowner for any future acquisition of the improvements included within the 2021 Project does not exceed the lesser of the cost of the 2021 Project or the fair market value of the assets acquired by the District.

7. The benefit provided by the 2021 Project is at least equal to or greater than the amount of Series 2021 Assessments levied within the District.

8. To the best of our knowledge, after due inquiry, the Landowner is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Landowner and the Development as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) all government permits required in connection with the construction of the 2021 Project and the development of the District Lands as described in the Limited Offering Memoranda have been received, or are reasonably expected to be obtained; (b) we are not aware of the any default of any zoning condition, land use permit or development agreement which would adversely affect the ability to complete development of the 2021 Project or the District Lands as described in the Limited Offering Memoranda and all appendices thereto; and (c) we have no actual knowledge and are not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the 2021 Project or the development of the District Lands as described in the Limited Offering Memoranda will not be obtained in due course as required by the Landowner, or any other person or entity, necessary for the development of the 2021 Project and the District Lands as described in the Limited Offering Memoranda and all appendices thereto.

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

Date: _____, 2021

HEIDT DESIGN, LLC

By: _____
Print Name: _____
Title: _____

EXHIBIT H

CERTIFICATE OF DISTRICT MANAGER AND METHODOLOGY CONSULTANT

WRATHELL, HUNT AND ASSOCIATES, LLC ("Wrathell"), DOES HEREBY CERTIFY:

1. This certificate is furnished pursuant to Section 8(c)(18) of the Bond Purchase Contract dated _____, 2021 (the "Purchase Contract"), by and between Pacific Ace Community Development District (the "District") and FMSbonds, Inc. with respect to the \$_____ Pacific Ace Community Development District Special Assessment Bonds, Series 2021 (2021 Project) (the "Series 2021 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Limited Offering Memoranda relating to the Series 2021 Bonds, as applicable.

2. Wrathell has acted as district manager and methodology consultant to the District in connection with the sale and issuance by the District of its Series 2021 Bonds and has participated in the preparation of the Preliminary Limited Offering Memorandum dated _____, 2021 and the Limited Offering Memorandum, dated _____, 2021, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

3. In connection with the issuance of the Series 2021 Bonds, we have been retained by the District to prepare the Master Special Assessment Methodology Report, dated [August 13, 2020] (the "Master Special Assessment Allocation Report"), as supplemented by the final First Supplemental Special Assessment Methodology Report dated _____, 2021 (the "Final Supplemental Special Assessment Allocation Report" and together with the Master Special Assessment Allocation Report, the "Assessment Methodology"), which Assessment Methodology has been included as an appendix to the Limited Offering Memoranda. We hereby consent to the use of such Assessment Methodology in the Limited Offering Memoranda and consent to the references to us therein.

4. As District Manager, nothing has come to our attention that would lead us to believe that the statements in the Limited Offering Memoranda, as they relate to the District, the 2021 Project, or any information provided by us, and the Assessment Methodology, as of their respective dates and as of this date, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. The information set forth in the Limited Offering Memoranda under the subcaptions "THE DISTRICT," "THE CAPITAL IMPROVEMENT PLAN AND THE 2021 PROJECT," "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS," "LITIGATION – The District," "CONTINGENT FEES," "EXPERTS," "FINANCIAL INFORMATION," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE," and in "APPENDIX D: ASSESSMENT METHODOLOGY" did not as of the respective dates of the Limited Offering Memoranda and does not as of the date hereof contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

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

7. As District Manager for the District, we are not aware of any litigation pending or, to the best of our knowledge, threatened against the District restraining or enjoining the issuance, sale, execution or delivery of the Series 2021 Bonds, or in any way contesting or affecting the validity of the Series 2021 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or security provided for the payment of the Series 2021 Bonds, or the existence or powers of the District.

8. The benefit from the 2021 Project equals or exceeds the Series 2021 Assessments, and such Assessments are fairly and reasonably allocated across all lands subject to the Series 2021 Assessments. Moreover, the assessments, taking into account among other things, all prior debt assessments that may have been levied within the District, as initially levied, and as may be reallocated from time to time as permitted by resolutions adopted by the District with respect to the Series 2021 Assessments are sufficient to enable the District to pay the debt service on the Series 2021 Bonds through the final maturity thereof.

9. Wrathell, Hunt and Associates, LLC, does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC, registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC, does not provide the District with financial advisory services or offer investment advice in any form.

Dated: _____, 2021.

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

By: _____
Name: _____
Title: _____

EXHIBIT B

DRAFT COPY OF PRELIMINARY LIMITED OFFERING MEMORANDUM

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED _____, 2021

NEW ISSUE - BOOK-ENTRY ONLY
LIMITED OFFERING

NOT RATED

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

**PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT
(LAKE COUNTY, FLORIDA)
\$[4,520,000]*
Special Assessment Bonds, Series 2021
(2021 Project)**

Dated: Date of Delivery

Due: As set forth below.

The Pacific Ace Community Development District Special Assessment Bonds, Series 2021 (2021 Project) (the "Series 2021 Bonds") are being issued by the Pacific Ace Community Development District (the "District" or "Issuer") only in fully registered form, without coupons, in denominations of \$5,000 and any integral multiple thereof.

The Series 2021 Bonds will bear interest at the fixed rates set forth below, calculated on the basis of a 360-day year comprised of twelve 30 day months, payable semi-annually on each May 1 and November 1, commencing May 1, 2022. The Series 2021 Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC") of New York, New York. Purchases of beneficial interests in the Series 2021 Bonds will be made only in book-entry form. Accordingly, principal of and interest on the Series 2021 Bonds will be paid from sources described below by U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States and authorized to exercise corporate trust powers in the State of Florida, as trustee (the "Trustee") directly to DTC as the registered owner thereof. Disbursements of such payments to the DTC Participants (as hereinafter defined) is the responsibility of DTC and disbursements of such payments to the beneficial owners is the responsibility of the DTC Participants and the Indirect Participants (as hereinafter defined), as more fully described herein. Any purchaser of a beneficial interest in a Series 2021 Bond must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Series 2021 Bond. See "DESCRIPTION OF THE SERIES 2021 BONDS - Book-Entry Only System" herein.

The District is a local unit of special purpose government of the State of Florida, created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 2020-27, enacted by the Board of County Commissioner of Lake County, Florida (the "County") on June 16, 2020 and becoming effective on June 22, 2020. The District was created for the purpose of delivering certain community development services and facilities for the benefit of District Lands (as hereinafter defined), and has previously determined to undertake in one or more stages, the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of certain District Lands. The Series 2021 Bonds are being issued by the District pursuant to the Act, Resolution Nos. 2020-28 and 2022-01 adopted by the Board of Supervisors of the District (the "Board") on August 13, 2020 and November [12], 2021, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture dated as of _____ 1, 2021 (the "Master Indenture"), as supplemented, by a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee. Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX A: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" herein.

Proceeds of the Series 2021 Bonds will be used to provide funds for (i) the Costs of acquiring and/or constructing a portion of the 2021 Project (as defined herein), (ii) funding Capitalized Interest through at least May 1, 2022, (iii) the funding of the Series 2021 Reserve Account, and (iv) the payment of the costs of issuance of the Series 2021 Bonds. See "THE CAPITAL IMPROVEMENT PLAN AND THE 2021 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

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

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2021 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The District has deemed this Preliminary Limited Offering Memorandum "final," except for permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

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

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

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

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

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

MATURITY SCHEDULE

\$ _____	% Series 2021 Term Bond due November 1, 20__	Yield _____%	Price _____	CUSIP # _____	**
\$ _____	% Series 2021 Term Bond due November 1, 20__	Yield _____%	Price _____	CUSIP # _____	**
\$ _____	% Series 2021 Term Bond due November 1, 20__	Yield _____%	Price _____	CUSIP # _____	**
\$ _____	% Series 2021 Term Bond due November 1, 20__	Yield _____%	Price _____	CUSIP # _____	**

The initial sale of the Series 2021 Bonds is subject to certain conditions precedent, including, without limitation, receipt of the opinion of Greenberg Traurig, P.A., West Palm Beach, Florida, Bond Counsel, as to the validity of the Series 2021 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Cobb Cole, P.A., Deland, Florida, for the Landowner by its counsel, [_____, _____, Florida], and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. It is expected that the Series 2021 Bonds will be delivered in book-entry form through the facilities of DTC on or about _____, 2021.

FMSbonds, Inc.

Dated: _____, 2021

* Preliminary, subject to change.

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

PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS

Stephen McConn, Chairman*
Casey Dare, Vice-Chairman*
Stephen Feccia, Assistant Secretary*
Wayne Horowitz, Assistant Secretary*
Fred Wyborski, Assistant Secretary*

* Employee of, or affiliated with, the Landowner

DISTRICT MANAGER/METHODOLOGY CONSULTANT

Wrathell, Hunt and Associates, LLC
Boca Raton, Florida

DISTRICT COUNSEL

Cobb Cole, P.A.
Deland, Florida

BOND COUNSEL

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

DISTRICT ENGINEER

Heidt Design, LLC
Celebration, Florida

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

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

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

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

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

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

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

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

TABLE OF CONTENTS

	PAGE
INTRODUCTION	1
DESCRIPTION OF THE SERIES 2021 BONDS	3
General Description.....	3
Redemption Provisions.....	4
Purchase of Series 2021 Bonds	7
Book-Entry Only System	7
SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS.....	9
General	9
Prepayment of Series 2021 Special Assessments.....	10
Additional Obligations	11
Covenant Against Sale or Encumbrance	11
Series 2021 Acquisition and Construction Account.....	12
Series 2021 Reserve Account.....	12
Deposit and Application of the Series 2021 Pledged Revenues.....	13
Investments.....	14
Master Indenture Provisions Relating to Bankruptcy of Landowner or Other Obligated Person	15
Events of Default and Remedies	16
ENFORCEMENT OF ASSESSMENT COLLECTIONS	18
General	18
Direct Billing and Foreclosure Procedure	19
Uniform Method Procedure.....	19
BONDOWNERS' RISKS	22
Concentration of Land Ownership	22
Bankruptcy and Related Risks.....	22
Series 2021 Special Assessments Are Non-Recourse	23
Regulatory and Environmental Risks.....	23
Economic Conditions and Changes in Development Plans.....	24
Other Taxes and Assessments	24
Limited Secondary Market for Series 2021 Bonds	25
Inadequacy of Series 2021 Reserve Account	25
Legal Delays.....	26
IRS Examination and Audit Risk	26
Loss of Exemption from Securities Registration.....	28
Federal Tax Reform.....	28
State Tax Reform.....	28
Insufficient Resources or Other Factors Causing Failure to Complete the 2021 Project or the Construction of Homes within the District	29
COVID-19 and Related Matters.....	29
Cybersecurity.....	29
Prepayment and Redemption Risk	30
Payment of Series 2021 Special Assessments after Bank Foreclosure	30
ESTIMATED SOURCES AND USES OF FUNDS	31
DEBT SERVICE REQUIREMENTS.....	32
THE DISTRICT.....	33

General Information	33
Legal Powers and Authority	33
Board of Supervisors	33
The District Manager and Other Consultants	35
No Outstanding Indebtedness	35
THE CAPITAL IMPROVEMENT PLAN AND THE 2021 PROJECT	36
ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS	38
THE DEVELOPMENT	39
General	39
Land Acquisition and Finance Plan	40
Development Plan / Status	40
Residential Product Offerings	41
Zoning and Permitting	41
Environmental	41
Amenities	41
Utilities	41
Taxes, Fees and Assessments	41
Education	42
Competition	42
Landowner Agreements	43
THE LANDOWNER	43
TAX MATTERS	43
General	43
Original Issue Discount and Premium	45
Changes in Federal and State Tax Law	45
Information Reporting and Backup Withholding	46
AGREEMENT BY THE STATE	46
LEGALITY FOR INVESTMENT	46
SUITABILITY FOR INVESTMENT	46
ENFORCEABILITY OF REMEDIES	47
LITIGATION	47
The District	47
The Landowner	47
CONTINGENT FEES	47
NO RATING	47
EXPERTS	47
FINANCIAL INFORMATION	48
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS	48
CONTINUING DISCLOSURE	48
UNDERWRITING	49
VALIDATION	49
LEGAL MATTERS	49

MISCELLANEOUS	49
AUTHORIZATION AND APPROVAL	51
APPENDIX A: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE	A-1
APPENDIX B: PROPOSED FORM OF OPINION OF BOND COUNSEL	B-1
APPENDIX C: ENGINEER'S REPORT	C-1
APPENDIX D: ASSESSMENT METHODOLOGY	D-1
APPENDIX E: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT	E-1

**PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT
(LAKE COUNTY, FLORIDA)**

**[\$4,520,000]*
Special Assessment Bonds, Series 2021
(2021 Project)**

INTRODUCTION

The purpose of this Limited Offering Memorandum is to set forth certain information in connection with the offering for sale by the Pacific Ace Community Development District (the "District" or "Issuer") of its \$[4,520,000]* Special Assessment Bonds, Series 2021 (2021 Project) (the "Series 2021 Bonds").

THE SERIES 2021 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2021 BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2021 BONDS. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2021 BONDS. SEE "BONDOWNERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and Ordinance No. 2020-27, enacted by the Board of County Commissioner of Lake County, Florida (the "County") on June 16, 2020 and becoming effective on June 22, 2020. The District was created for the purpose of delivering certain community development services and facilities for the benefit of District Lands (as hereinafter defined), and has previously determined to undertake in one or more stages, the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of certain District Lands. The Act authorizes the District to issue bonds for the purposes of, among others, financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping water management, water supply, sewer and wastewater management, bridges or culverts, public roads, street lights and other basic infrastructure projects within or without the boundaries of the District as provided in the Act.

The boundaries of the District include approximately 379.9 gross acres of land (the "District Lands") located in Lake County, Florida (the "County") located east of US Highway 27, south and west of Sawgrass Boulevard, and north of Citrus Parkway. The District Lands are being developed as a [532] single-family home residential community known as "[_____]" (the "Development"). The Development is expected to be constructed in phases. Phase 1 contains approximately [] acres of land and is planned to contain 144 single-family homes and Phase 2 contains approximately [] acres of land planned for 85 single-family homes (collectively, the "2021 Project Area"). Phase 3 and Phase 4 are planned to contain [] single-family homes and are expected to be constructed and funded in the future. See "THE DEVELOPMENT" herein for more information.

* Preliminary, subject to change.

[American Land Development of Central Florida, LLC], a [Florida] limited liability company (the "Landowner"), is the [sole landowner] of the land comprising the Development and will act as land developer and homebuilder. Landowner is a [wholly-owned subsidiary of KB Home]. See "THE LANDOWNER" herein for more information.

The District will levy the Series 2021 Special Assessments on all of the gross acres in the District on a pro-rata gross acre basis. As the land is platted, the Series 2021 Special Assessments will be assigned to lots in a first platted, first assigned basis as set forth in the Assessment Methodology attached hereto. It is anticipated that the Series 2021 Special Assessments will be assigned to the 229 lots planned for the 2021 Project Area. See "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto. The Series 2021 Bonds are payable from and secured solely by the Series 2021 Pledged Revenues, which consist primarily of the Series 2021 Special Assessments levied on the assessable lands in the District. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS" herein.

The Series 2021 Bonds are being issued by the District pursuant to the Act, Resolution No. 2020-28 and Resolution No. 2022-01 adopted by the Board of Supervisors of the District (the "Board") on August 13, 2020 and November [12], 2021, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture dated as of _____ 1, 2021 (the "Master Indenture"), as supplemented, by a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States and authorized to exercise corporate trust powers in the State of Florida, as trustee (the "Trustee"). Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX A: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" attached hereto.

Proceeds of the Series 2021 Bonds will be used to provide funds for (i) the Costs of acquiring and/or constructing a portion of the 2021 Project (as herein defined), (ii) funding Capitalized Interest through at least May 1, 2022, (iii) the funding of the Series 2021 Reserve Account, and (iv) the payment of the costs of issuance of the Series 2021 Bonds. See "THE CAPITAL IMPROVEMENT PLAN AND THE 2021 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

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

There follows in this Limited Offering Memorandum a brief description of the District, the Landowner, the Development, the 2021 Project Area, the 2021 Project and summaries of the terms of the Series 2021 Bonds, certain provisions of the Indenture and certain provisions of the Act. All references

herein to the Indenture and the Act are qualified in their entirety by reference to such documents and statute, and all references to the Series 2021 Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in the Indenture. The proposed forms of the Master Indenture and First Supplemental Indenture appear in APPENDIX A attached hereto.

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

DESCRIPTION OF THE SERIES 2021 BONDS

General Description

The Series 2021 Bonds are issuable only as fully registered bonds, without coupons, in the denominations of \$5,000 and any integral multiple thereof except as otherwise provided in the Indenture. The Series 2021 Bonds will mature, subject to the redemption provisions set forth herein, on the dates and in the amounts set forth on the cover page hereof.

The Series 2021 Bonds shall be dated as of the date of initial delivery. Interest on the Series 2021 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. "Interest Payment Date" means May 1 and November 1 of each year, commencing May 1, 2022, each Quarterly Redemption Date and any other date the principal of the Series 2021 Bonds is paid. "Quarterly Redemption Date" shall mean each February 1, May 1, August 1 and November 1. Interest on the Series 2021 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to May 1, 2022, in which case from the date of initial delivery or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date. Interest on the Series 2021 Bonds will be computed in all cases on the basis of a 360 day year consisting of twelve 30-day months.

Upon initial issuance, the ownership of the Series 2021 Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), and purchases of beneficial interests in the Series 2021 Bonds will be made in book-entry only form. As long as the Series 2021 Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes under the Indenture. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2021 Bonds ("Beneficial Owners"). Principal and interest on the Series 2021 Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the District. Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated Series 2021 Bonds, through DTC Participants and Indirect Participants. During the period for which Cede & Co. is registered owner of the Series 2021 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to DTC Participants and DTC Participants shall be responsible for notices to Indirect Participants, and DTC Participants and Indirect Participants shall be responsible for notices to Beneficial Owners. In the event DTC, any successor of DTC or the District, but only in accordance with the procedures of DTC, elects to

discontinue the book-entry only system, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor and after such time Series 2021 Bonds may be exchanged for an equal aggregate principal amount of Series 2021 Bonds in other Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee. See "DESCRIPTION OF THE SERIES 2021 BONDS – Book-Entry Only System" below.

The Series 2021 Bonds initially will be sold only to "accredited investors" within the meaning under Chapter 517, Florida Statutes, as amended, and the rules of the Florida Department of Financial Services promulgated thereunder, although there is no limitation on resales of the Series 2021 Bonds. See "SUITABILITY FOR INVESTMENT" below.

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

Redemption Provisions

Optional Redemption

The Series 2021 Bonds may, at the option of the District, provided written notice thereof has been sent to the Trustee at least forty-five (45) days prior to the redemption date (unless the Trustee will accept less than forty-five (45) days' notice), be called for redemption prior to maturity as a whole or in part, at any time, on or after November 1, 20[] (less than all Series 2021 Bonds of a maturity to be selected randomly), at a Redemption Price equal to the principal amount of Series 2021 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date from moneys on deposit in the Series 2021 Optional Redemption Subaccount of the Series 2021 Bond Redemption Account.

Mandatory Sinking Fund Redemption

The Series 2021 Bonds maturing on November 1, 20[] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

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

*

*Maturity

[Remainder of page intentionally left blank.]

The Series 2021 Bonds maturing on November 1, 20[] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

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

*

*Maturity

The Series 2021 Bonds maturing on November 1, 20[] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

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

*

*Maturity

[Remainder of page intentionally left blank.]

The Series 2021 Bonds maturing on November 1, 20[] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2021 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

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

*

*Maturity

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

Extraordinary Mandatory Redemption

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

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

(ii) from moneys, if any, on deposit in the Series 2021 Funds, Accounts and subaccounts in the Funds and Accounts (other than the Series 2021 Rebate Fund and the Series 2021 Acquisition and

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

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2021 Acquisition and Construction Account not otherwise reserved to complete a portion of the 2021 Project and which have been transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account.

Notice of Redemption and of Purchase

When required to redeem or purchase Series 2021 Bonds under any provision of the Indenture or directed to do so by the District, the Trustee shall cause notice of the redemption, either in whole or in part, to be given by Electronic Means or mailed by first class mail, postage prepaid, at least thirty (30) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of Series 2021 Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5th) day prior to such mailing), at their registered addresses, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Series 2021 Bonds for which notice was duly mailed in accordance with the Indenture.

If at the time of mailing of notice of redemption or purchase, the District shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the Series 2021 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. If the amount of funds deposited with the Trustee for such redemption, or otherwise available, is insufficient to pay the Redemption Price and accrued interest on the Series 2021 Bonds so called for redemption on the redemption date, the Trustee shall redeem and pay on such date an amount of the Series 2021 Bonds for which funds are sufficient, selecting the Series 2021 Bonds to be redeemed randomly from among all Series 2021 Bonds called for redemption on such date, and among different maturities of Series 2021 Bonds in the same manner as the initial selection of Series 2021 Bonds to be redeemed, and from and after such redemption date, interest on such Series 2021 Bonds or portions thereof so paid shall cease to accrue and become payable; but interest on any Series 2021 Bonds or portions thereof not so paid shall continue to accrue until paid at the same rate as it would have had such Series 2021 Bonds not been called for redemption.

Purchase of Series 2021 Bonds

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

Book-Entry Only System

The information in this caption concerning DTC and DTC's book-entry system has been obtained from DTC and neither the District nor the Underwriter make any representation or warranty or take any responsibility for the accuracy or completeness of such information.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be issued as fully-registered securities registered in the

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

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

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

To facilitate subsequent transfers, all Series 2021 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2021 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2021 Bonds may wish to take certain

steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2021 Bond documents. For example, Beneficial Owners of Series 2021 Bonds may wish to ascertain that the nominee holding the Series 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions*, and interest payments on the Series 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS

General

THE SERIES 2021 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE SERIES 2021 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE COUNTY, THE STATE OF FLORIDA (THE "STATE"),

* Not applicable to the Series 2021 Bonds.

OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2021 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, THE SERIES 2021 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2021 BONDS. THE SERIES 2021 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

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

The Series 2021 Special Assessments consist of the non-ad valorem special assessments imposed and levied by the District against the assessable lands within the District specially benefited by the 2021 Project or any portion thereof, pursuant to Section 190.022 of the Act, and the Assessment Resolutions (as defined in the Indenture) and assessment proceedings conducted by the District (together with the Assessment Resolutions, the "Assessment Proceedings"). Non-ad valorem assessments are not based on millage and are not taxes, but are a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. The Series 2021 Special Assessments will constitute a lien against the land as to which the Series 2021 Special Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

In the Master Indenture, the District will covenant that, if any 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 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 Special Assessment when it might have done so, the District shall either (i) take all necessary steps to cause a new Special Assessment to be made for the whole or any part of said improvement or against any property benefited by said improvement, or (ii) in its sole discretion, make up the amount of such Special Assessment from any legally available moneys, which moneys shall be deposited into the Series 2020 Revenue Account. In the case such second Special Assessment shall be annulled, the District shall obtain and make other Special Assessments until a valid Special Assessment shall be made.

Prepayment of Series 2021 Special Assessments

[Pursuant to the Assessment Proceedings and the Supplemental Indenture, an owner of property subject to the Series 2021 Special Assessments may prepay all or a portion of such Series 2021 Special Assessments at any time if there is also paid an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding interest payment date for the Series 2021 Bonds, or, if

prepaid during the forty-five (45) day period preceding such interest payment date, to the interest payment date following such next succeeding interest payment date.

Pursuant to the Act, an owner of property subject to the levy of Series 2021 Special Assessments may pay the entire balance of the Series 2021 Special Assessments remaining due, without interest, within thirty (30) days after the 2021 Project has been completed or acquired by the District, and the Board has adopted a resolution accepting the 2021 Project pursuant to Chapter 170.09, Florida Statutes. For the property that the Landowner owns within the District, the Landowner will covenant to waive this right on behalf of itself and its successors and assigns in connection with the issuance of the Series 2021 Bonds. See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein.]

The Series 2021 Bonds are subject to extraordinary redemption as indicated under "DESCRIPTION OF THE SERIES 2021 BONDS - Redemption Provisions - Extraordinary Mandatory Redemption" from prepayments of Series 2021 Special Assessments by property owners.

Additional Obligations

Other than in connection with the issuance of refunding bonds to be secured by the Series 2021 Special Assessments, the District will covenant not to issue any other Bonds or other debt obligations secured by the Series 2021 Special Assessments. [ADD TO INDENTURE - In addition, the District shall not issue any other Bonds or debt obligations secured by other Special Assessments on the same lands secured by the Series 2021 Special Assessments until the Series 2021 Special Assessments have been Substantially Absorbed.] "Substantially Absorbed" shall mean the date at least seventy-five percent (75%) of the principal portion of the Series 2021 Special Assessments have been assigned to residential units that have received certificates of occupancy. Once the Series 2021 Special Assessments have been Substantially Absorbed, the District may issue Bonds or other debt obligations on assessable lands within the District that are subject to the Series 2021 Special Assessments without limit as to the principal amount. Nothing herein shall prohibit the District from issuing additional Bonds or other debt obligations on lands that do not contain Series 2021 Special Assessments. Notwithstanding any of the foregoing, the District shall not be precluded from issuing additional Bonds or other debt obligations secured by Special Assessments or other non-ad valorem assessments on any assessable lands within the 2021 Project in connection with capital projects that are necessary for the health, safety and welfare of its residents or to remediate a natural disaster. The Trustee may rely on a written certificate from the District Manager that the Series 2021 Special Assessments have been Substantially Absorbed. Notwithstanding any provision in the Indenture to the contrary, the Issuer may issue other Bonds or debt obligations secured by Special Assessments on lands within the 2021 Project other than the Series 2021 Special Assessments, at any time upon the written consent of the Majority Holders.

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

Covenant Against Sale or Encumbrance

In the Indenture, the District will covenant that (a) except for those improvements comprising any portion of the 2021 Project that are to be conveyed by the District to the County, the State Department of Transportation or another governmental entity and (b) except as otherwise permitted in the Indenture, it

will not sell, lease or otherwise dispose of or encumber the 2021 Project or any part thereof. See "APPENDIX A: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" attached hereto for more information.

Series 2021 Acquisition and Construction Account

The First Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2021 Acquisition and Construction Account." Proceeds of the Series 2021 Bonds shall be deposited into the Series 2021 Acquisition and Construction Account in the amount set forth in the First Supplemental Indenture, together with any other moneys transferred to the Series 2021 Acquisition and Construction Account and such moneys in the Series 2021 Acquisition and Construction Account shall be applied as set forth in the Indenture. After the Completion Date, any moneys remaining in the Series 2021 Acquisition and Construction Account, as evidenced in writing from the District or from the District Manager, on behalf of the District to the Trustee, shall be transferred to the Series 2021 General Redemption Subaccount of the Series 2021 Bond Redemption Account, and thereupon, the Series 2021 Acquisition and Construction Account shall be closed. Upon presentment to the Trustee of a properly signed requisition in substantially the form attached as an exhibit to the First Supplemental Indenture, moneys withdrawn from the Series 2021 Acquisition and Construction Account shall be used to pay the Costs of the 2021 Project.

In accordance with the provisions of the Indenture, upon the occurrence of an Event of Default with respect to the Series 2021 Bonds, the Series 2021 Bonds are payable solely from the Series 2021 Pledged Revenues and any other moneys held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District will acknowledge in the First Supplemental Indenture that, upon the occurrence of an Event of Default with respect to the Series 2021 Bonds, (i) the Series 2021 Pledged Revenues include, without limitation, all amounts on deposit in the Series 2021 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, (ii) the Series 2021 Pledged Revenues may not be used by the District (whether to pay costs of the 2021 Project or otherwise) without the consent of the Majority Holders, and (iii) the Series 2021 Pledged Revenues may be used by the Trustee, at the direction, or with the approval of the Majority Holders, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture, subject to the receipt of an opinion of Bond Counsel as to the right to use Series 2021 Pledged Revenues that constitute proceeds of the Series 2021 Bonds or investment earnings therefrom for such purpose. The District will covenant in the First Supplemental Indenture not to enter into any contract that would require the further expenditure of funds from the Trust Estate and regarding the construction and/or acquisition of the 2021 Project upon the occurrence of an Event of Default without the written direction of the Majority Holders.

Series 2021 Reserve Account

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

On each March 15 and September 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2021 Reserve Account and transfer any excess therein above the Reserve Requirement for the Series 2021 Bonds caused by investment earnings to the Series 2021 Acquisition and Construction Account prior to the Completion Date, and after the Completion Date, to the Series 2021 Revenue Account.

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

Subject to the provisions of the First Supplemental Indenture, on any date the District receives notice from the District Manager that a landowner wishes to prepay its Series 2021 Special Assessments relating to the benefited property of such landowner, or as a result of a mandatory true-up payment, the District shall, or cause the District Manager, on behalf of the District to, calculate the principal amount of such Prepayment taking into account a credit against the amount of the Series 2021 Prepayment Principal due by the amount of money in the Series 2021 Reserve Account that will be in excess of the Reserve Requirement, taking into account the proposed Prepayment. Such excess shall be transferred to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account, as a result of such Prepayment. The District Manager, on behalf of the District, shall make such calculation within ten (10) Business Days after receiving notice of such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the landowner from the Series 2021 Reserve Account to the Series 2021 Prepayment Subaccount of the Series 2021 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2021 Bonds in accordance with the First Supplemental Indenture. The Trustee is authorized to make such transfers and has no duty to verify such calculations.

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

Deposit and Application of the Series 2021 Pledged Revenues

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

FIRST, upon receipt but no later than the Business Day next preceding each May 1 commencing May 1, 2022, to the Series 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds becoming due on the next succeeding May 1, less any amounts on deposit in the Series 2021 Capitalized Interest Account or the Series 2021 Interest Account not previously credited;

SECOND, upon receipt but no later than the Business Day next preceding each November 1 commencing November 1, 2022, to the Series 2021 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2021 Bonds becoming due on the next succeeding

November 1, less any amount on deposit in the Series 2021 Capitalized Interest account or the Series 2021 Interest Account not previously credited;

THIRD, no later than the Business Day next preceding each November 1, commencing November 1, 2023, to the Series 2021 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2021 Bonds subject to sinking fund redemption on such November 1, less any amount on deposit in the Series 2021 Sinking Fund Account not previously credited;

FOURTH, no later than the Business Day next preceding the November 1, which is a principal payment date for any Series 2021 Bonds, to the Series 2021 Principal Account of the Debt Service Fund, an amount equal to the principal amount of Series 2021 Bonds Outstanding maturing on such November 1, less any amounts on deposit in the Series 2021 Principal Account not previously credited;

FIFTH, notwithstanding the foregoing, at any time the Series 2021 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2021 Interest Account, the amount necessary to pay interest on the Series 2021 Bonds subject to redemption on such date;

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

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

Notwithstanding that the District has funded the Series 2021 Capitalized Interest Account to pay interest on the Series 2021 Bonds through at least May 1, 2022, moneys on deposit in the Series 2021 Capitalized Interest Account, including all investment earnings thereon, shall remain on deposit in such Account and be used by the Trustee to pay interest on the Series 2021 Bonds on any subsequent Interest Payment Date if moneys remain after May 1, 2022. When such Account has been depleted of all funds, the Trustee shall be authorized to close such Account.

Investments

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

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

Absent specific instructions as aforesaid or absent standing instructions from the District for investment of such moneys, then the Trustee shall not be responsible or liable for keeping the moneys invested. The Trustee shall not be liable or responsible for any loss or failure to achieve the highest return, or entitled to any gain, resulting from any investment or sale upon the investment instructions of the District or otherwise. The Trustee may make any investments permitted by the provisions of the Indenture through its own bond department or investment department.

The Trustee shall value the assets in each of the Funds and Accounts established under the Indenture forty-five (45) days prior to each Interest Payment Date, and as soon as practicable after each such valuation date (but no later than ten (10) days after each such valuation date) shall provide the District a report of the status of each Fund and Account as of the valuation date. For the purpose of determining the amount on deposit to the credit of any Fund or Account established under the Indenture, obligations in which money in such Fund or Account shall have been invested shall be valued at the market value or the amortized cost thereof, whichever is lower, or at the redemption price thereof, to the extent that any such obligation is then redeemable at the option of the holder.

Master Indenture Provisions Relating to Bankruptcy of Landowner or Other Obligated Person

The Master Indenture contains the following provisions which, pursuant to the Master Indenture, shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against the Landowner or other "obligated person" (as defined in the Disclosure Agreement) (herein a "Landowner") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). For as long as any Series 2021 Bonds remain Outstanding, in any Proceeding involving the District, any Landowner, or the Series 2021 Special Assessments, the District shall be obligated to act in accordance with direction from the Trustee, and the Trustee shall be obligated to act in accordance with direction from the Beneficial Owners of at least twenty-five percent (25%) of the aggregate principal amount of all Outstanding Series 2021 Bonds, with regard to all matters directly or indirectly affecting the Series 2021 Bonds.

The District will acknowledge and agree that, although the Series 2021 Bonds will be issued by the District, the Beneficial Owners of such Series 2021 Bonds are categorically the party with a financial stake in the repayment of the Series 2021 Bonds and, consequently, the party with a vested interest in a Proceeding. In the event of any Proceeding involving any Landowner (a) the District will agree that it shall

not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2021 Special Assessments, the Series 2021 Bonds or any rights of the Trustee or Series 2021 Bondholders under the Indenture that is inconsistent with any direction from the Trustee, (b) the Trustee shall have the right, but is not obligated to, vote in any such Proceeding any and all claims of the District, and, if the Trustee chooses to exercise such right, the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Landowner, including without limitation, the right to file and/or prosecute any claims, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the Bankruptcy Code and (c) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of any lands submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District's claim with respect to the Series 2021 Special Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District will agree that the Trustee shall have the right (i) to file a proof of claim with respect to the Series 2021 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 the immediately preceding paragraphs, nothing under this heading shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for operation and maintenance assessments, or claims for moneys or performance under a contract, and the District shall be free to pursue such 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 consents with respect to the Series 2021 Special Assessments relating to the Series 2021 Bonds Outstanding whether such claim is pursued by the District or the Trustee. See "BONDOWNERS' RISKS – Bankruptcy and Related Risks" herein for more information.

Events of Default and Remedies

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

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

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

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

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

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

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

(g) more than twenty percent (20%) of the "maintenance special assessments" levied by the District on District Lands upon which the Series 2021 Special Assessments are levied to secure the Series 2021 Bonds pursuant to Section 190.021(3), Florida Statutes, as amended, and collected directly by the District have become due and payable and have not been paid, within ninety (90) days when due.

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

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

If any Event of Default with respect to the Series 2021 Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Majority Holders of the Outstanding Series 2021 Bonds and receipt of indemnity to its satisfaction shall, in its capacity as Trustee:

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

(b) bring suit upon the Series 2021 Bonds;

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

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

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

If any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, then the District, the Trustee, the Paying Agent and the Bondholders

shall be restored to their former positions and rights under the Indenture as though no such proceeding had been taken.

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

No Bondholder shall have any right to pursue any remedy under the Indenture unless (a) the Trustee shall have been given written notice of an Event of Default, (b) the Majority Holders of the Series 2021 Bonds shall have requested the Trustee, in writing, to exercise the powers granted in the Indenture or to pursue such remedy in its or their name or names, (c) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, and (d) the Trustee shall have failed to comply with such request within a reasonable time.

ENFORCEMENT OF ASSESSMENT COLLECTIONS

General

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

The imposition, levy, and collection of Series 2021 Special Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Lake County Tax Collector ("Tax Collector") or the Lake County Property Appraiser ("Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2021 Special Assessments during any year. Such delays in the collection of Series 2021 Special Assessments, or complete inability to collect the Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2021 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2021 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2021 Bonds.

For the Series 2021 Special Assessments to be valid, the Series 2021 Special Assessments must meet two requirements: (1) the benefit from the 2021 Project to the lands subject to the Series 2021 Special Assessments must exceed or equal the amount of the Series 2021 Special Assessments, and (2) the Series 2021 Special Assessments must be fairly and reasonably allocated across all such benefitted properties.

Pursuant to the Act, and the Assessment Proceedings, the District may collect the Series 2021 Special Assessments through a variety of methods. See "BONDOWNERS' RISKS." Initially, the District will directly collect the Series 2021 Special Assessments levied in lieu of Uniform Method of Collection (the "Uniform Method") afforded by Chapter 197, Florida Statutes, with respect to any assessable lands within the District which have not yet been platted, or for platted lots that are owned by the Landowner, or when the timing for using the Uniform Method will not yet allow for using such method, unless the Trustee at the direction of the Majority Holders directs the District otherwise. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY." As lands are platted and sold, the Series 2021 Special Assessments will be added to the County tax roll and collected pursuant to the Uniform Method unless the timing for

using the Uniform Method will not yet allow for using such method. 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 and Foreclosure Procedure

As noted above, and pursuant to Chapters 170 and 190 of the Florida Statutes, the District may directly levy, collect and enforce the Series 2021 Special Assessments. In this context, Section 170.10 of the Florida Statutes provides that upon the failure of any property owner to timely pay all or any part of the annual installment of principal and/or interest of a special assessment due, including the Series 2021 Special Assessments, the whole assessment, with the interest and penalties thereon, shall immediately become due and payable and subject to foreclosure. Generally stated, the governing body of the entity levying the special assessment, in this case the District, may foreclose by commencing a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or, alternatively, by commencing an action under Chapter 173, Florida Statutes, which relates to foreclosure of municipal tax and special assessment liens. Such proceedings are in rem, meaning that the action would be brought against the land, and not against the landowner. In light of the one year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2021 Special Assessments and the ability to foreclose the lien of such Series 2021 Special Assessments upon the failure to pay such Series 2021 Special Assessments may not be readily available or may be limited because enforcement is dependent upon judicial action which is often subject to discretion and delay. Additionally, there is no guarantee that there will be demand for any foreclosed lands sufficient to repay the Series 2021 Special Assessments. See "BONDOWNERS' RISKS."

Uniform Method Procedure

Subject to certain conditions, the District may alternatively elect to collect the Series 2021 Special Assessments using the Uniform Method. The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2021 Special Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2021 Special Assessments will be collected together with County, school, special district, and other ad valorem taxes and non-ad valorem assessments (together, "Taxes and Assessments"), all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of Taxes and Assessments provide that such Taxes and Assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector, and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes and assessments – including the Series 2021 Special Assessments – are to be billed, and landowners in the District are required to pay, all Taxes and Assessments without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2021 Special Assessments.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by Florida law such as Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment

of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. Therefore, in the event the Series 2021 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2021 Special Assessments to not be collected to that extent, which could have a significant adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2021 Bonds.

Under the Uniform Method, if the Series 2021 Special Assessments are paid during November when due or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. All unpaid Taxes and Assessments become delinquent on April 1 of the year following assessment.

The Tax Collector is required to collect the Taxes and Assessments on the tax bill prior to April 1 and, after that date, to institute statutory procedures upon delinquency to collect such Taxes and Assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process. Neither the District nor the Underwriter can give any assurance to the holders of the Series 2021 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2021 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2021 Special Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable units within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2021 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2021 Special Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Series 2021 Special Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing and any applicable interest, costs and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

If there are no bidders, the tax certificate is issued to the County. The County is to hold, but not pay for, the tax certificate with respect to the property, bearing interest at the maximum legal rate of interest, which is currently 18%. The Tax Collector does not collect any money if tax certificates are issued, or "struck off," to the County. The County may sell such certificates to the public at any time after issuance, but before a tax deed application is made, at the face amount thereof plus interest at the rate of not more than 18% per annum, costs and charges. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Series 2021 Special Assessments), interest, costs and charges on the real property described in the certificate.

Any tax certificate in the hands of a person other than the County may be redeemed and canceled, in whole or in part (under certain circumstances), at any time before a tax deed is issued (unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees), at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, and charges due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of 5%, unless the rate borne by the certificates is zero percent. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the tax certificate

such proceeds less service charges, and the certificate is canceled. Redemption of tax certificates held by the County is effected by purchase of such certificates from the County, as described above.

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

In any such public sale conducted by the Clerk of the Circuit Court, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, including costs incurred for the service of notice required by statute, redemption of other tax certificates on the land, and all other costs to the applicant for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. The holder is also responsible for payment of any amounts included in the bid not already paid, including but not limited to, documentary stamp tax, recording fees, and, if property is homestead property, the moneys to cover the one-half value of the homestead. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, together with all subsequent unpaid taxes plus the costs and expenses of the application for deed, with interest on the total of such sums, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholders and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear. If the property is purchased for an amount in excess of the statutory bid of the certificate holder, but such excess is not sufficient to pay all governmental liens of record, the excess shall be paid to each governmental unit pro rata.

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

If there are no bidders at the public sale, the County Clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the County Commission that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the

minimum bid. Three years from the date of 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 2021 Special Assessments. For example, the demand for tax certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2021 Special Assessments, which are the primary source of payment of the Series 2021 Bonds. Additionally, legal proceedings under Federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates. See "BONDOWNERS' RISKS."

BONDOWNERS' RISKS

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

Concentration of Land Ownership

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

Bankruptcy and Related Risks

In the event of the institution of bankruptcy or similar proceedings with respect to the Landowner or any other owner of benefited property, delays could occur in the payment of debt service on the Series 2021 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Landowner and any other landowner to pay the Series 2021 Special Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2021 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2021 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2021 Bonds under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Indenture and the Series 2021 Bonds, including, without limitation, enforcement of the obligation to pay Series 2021 Special Assessments and

the ability of the District to foreclose the lien of the Series 2021 Special Assessments if not being collected pursuant to the Uniform Method, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2021 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the Series 2021 Bonds could have a material adverse impact on the interest of the Owners thereof.

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

Series 2021 Special Assessments Are Non-Recourse

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

Regulatory and Environmental Risks

The development of the District Lands is subject to comprehensive federal, state and local regulations and future changes to such regulations. Approval is required from various public agencies in connection with, among other things, the design, nature and extent of planned improvements, both public

and private, and construction of the infrastructure in accordance with applicable zoning, land use and environmental regulations. Although all such approvals required to date have been received and any further approvals are anticipated to be received as needed, failure to obtain any such approvals in a timely manner could delay or adversely affect the completion of the development of the District Lands. See "THE DEVELOPMENT – Zoning and Permitting," herein for more information.

The value of the land within the District, the success of the Development, the development of the 2021 Project Area and the likelihood of timely payment of principal and interest on the Series 2021 Bonds could be affected by environmental factors with respect to the land in the District. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the land in the District, which could materially and adversely affect the success of the development of the lands within the District and the likelihood of the timely payment of the Series 2021 Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received. Nevertheless, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the lands in the District.

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

Economic Conditions and Changes in Development Plans

The successful development of the District Lands, including, without limitation, the 2021 Project Area, and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Landowner. Moreover, the Landowner has the right to modify or change plans for development of the Development from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of the District.

Other Taxes and Assessments

The willingness and/or ability of an owner of benefited land to pay the Series 2021 Special Assessments could be affected by the existence of other taxes and assessments imposed upon such property by the District, the County or any other local special purpose or general purpose governmental entities. County, school, special district taxes and special assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on debt, including the Series 2021 Special Assessments, collected pursuant to the Uniform Method are payable at one time. Public entities whose boundaries overlap those of the District could, without the consent of the owners of the land within the District, impose additional taxes on

the property within the District. The District anticipates imposing operation and maintenance assessments encumbering the same property encumbered by the Series 2021 Special Assessments. In addition, lands within the District may also be subject to assessments by property owners' and homeowners' associations. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for additional information.

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

Limited Secondary Market for Series 2021 Bonds

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

Inadequacy of Series 2021 Reserve Account

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2021 Special Assessments, may not adversely affect the timely payment of debt service on the Series 2021 Bonds because of the Series 2021 Reserve Account. The ability of the Series 2021 Reserve Account to fund deficiencies caused by delinquencies in the Series 2021 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2021 Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys in such Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2021 Special Assessments, the Series 2021 Reserve Account would be rapidly depleted and the ability of the District to pay debt service on the Series 2021 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Series 2021 Reserve Account and such other Funds, Accounts and subaccounts created under the Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Series 2021 Reserve Account is accessed for any purpose, the District does not have a designated revenue source for replenishing such account. Moreover, the District may not be permitted to re-assess real property then burdened by the Series 2021 Special Assessments in order to provide for the replenishment of the Series 2021 Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2021 BONDS – Series 2021 Reserve Account" herein for more information about the Series 2021 Reserve Account.

Legal Delays

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

IRS Examination and Audit Risk

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

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the interest on which is excluded from gross income for federal tax purposes. The proposed regulations require that a political subdivision (i) have the power to exercise at least one sovereign power, (ii) be formed and operated for a governmental purpose, and (iii) have a governing body controlled by or have significant uses of its funds or assets otherwise controlled by a government unit with all three sovereign powers or by an electorate that is not controlled by an unreasonably small number of unrelated electors. On October 4, 2017,

the Treasury Department ("Treasury") announced that it would withdraw the proposed regulations, stating that, "while Treasury and the IRS continue to study the legal issues relating to political subdivisions, Treasury and the IRS currently believe that these proposed regulations should be withdrawn in their entirety, and plan to publish a withdrawal of the proposed regulations shortly in the Federal Register. Treasury and the IRS may propose more targeted guidance in the future after further study of the relevant legal issues." Notice of withdrawal of the proposed regulations was published in the Federal Register on October 20, 2017.

It has been reported that the IRS has closed audits of other community development districts in Florida with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within the timeframe established by the applicable state law or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. Currently, all of the members of the Board of the District were elected by the landowners and none were elected by qualified electors. The Landowner will certify as to its expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act, and its expectations as to compliance with the Act by any members of the Board that it elects. Such certification by the Landowner does not ensure that such certification shall be determinative of, or may influence the outcome of any audit by the IRS, or any appeal from such audit, that may result in an adverse ruling that the District is not a political subdivision for purposes of Section 103(a) of the Code. Further, there can be no assurance that an audit by the IRS of the Series 2021 Bonds will not be commenced. The District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable state or federal law.

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

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

Loss of Exemption from Securities Registration

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

Federal Tax Reform

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

State Tax Reform

It is impossible to predict what new proposals may be presented regarding tax reform and/or community development districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. On October 31, 2014, the Auditor General of the State released a 31-page report which requests legislative action to establish parameters on the amount of bonds a community development district may issue and provide additional oversight for community development district bonds. This report renews requests made by the Auditor General in 2011 that led to the Governor of the State issuing an Executive Order on January 11, 2012 (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor ("OPB") to examine the role of special districts in the State. As of the date hereof, the OPB has not made any recommendations pursuant to the Executive Order nor has the Florida legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for the Series 2021 Bonds. It should be noted that Section 190.16(14) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under the Act that it will not limit or alter the rights of the district to levy and collect the ... assessments... and to fulfill the terms of any agreement made with the holders of such bonds ... and that it will not impair the rights or remedies of such holders."

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

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

Although the Landowner will agree to fund or cause to be funded the completion of the 2021 Project regardless of the insufficiency of proceeds from the Series 2021 Bonds and will enter into a completion agreement with the District as evidence thereof, there can be no assurance that the Landowner will have sufficient resources to do so. Such obligation of the Landowner is an unsecured obligation[, and the Landowner is a special-purpose entity whose assets consist primarily of its interests in the District Lands.] See "THE LANDOWNER" herein for more information.

Further, even if development of the District Lands that will assume the lien of the Series 2021 Special Assessments is completed, there are no assurances that homes will be constructed and sold on such lands.

COVID-19 and Related Matters

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

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

Cybersecurity

The District relies on a technological environment to conduct its operations. The District, its agents and other third parties the District does business with or otherwise relies upon are subject to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to such parties' digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. No assurances can be given that any such attack(s) will not materially impact the

operations or finances of the District, which could impact the timely payment of debt service on the Series 2021 Bonds.

Prepayment and Redemption Risk

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

Payment of Series 2021 Special Assessments after Bank Foreclosure

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

[Remainder of page intentionally left blank.]

ESTIMATED SOURCES AND USES OF FUNDS

<u>Source of Funds</u>	Series 2021 <u>Bonds</u>
Par Amount	\$ _____
[Net Original Issue Premium/Discount]	_____
Total Sources	\$ _____
 <u>Use of Funds</u>	
Deposit to Series 2021 Acquisition and Construction Account	\$ _____
Deposit to Series 2021 Interest Account ⁽¹⁾	_____
Deposit to Series 2021 Reserve Account	_____
Costs of Issuance, including Underwriter's Discount ⁽²⁾	_____
Total Uses	\$ _____

(1) Capitalized interest through at least May 1, 2022.

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

[Remainder of page intentionally left blank.]

DEBT SERVICE REQUIREMENTS

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

<u>Year Ended</u> <u>November 1</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
--	------------------	-----------------	--------------

*
Total

* The Series 2021 Bonds mature on November 1, 20[___].

[Remainder of page intentionally left blank.]

THE DISTRICT

General Information

The District was established by Ordinance No. 2020-27, enacted by the Board of County Commissioner of Lake County, Florida (the "County") on June 16, 2020 and becoming effective on June 22, 2020 under the provisions of the Act. The District is located in the County and includes approximately 379.9 gross acres of land (the "District Lands"). The District Lands are being developed as part of a single-family residential community known as "[_____]." See "THE DEVELOPMENT" herein for a summary of the current development status of the Development.

Legal Powers and Authority

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

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

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

The Act exempts all property owned by the District from levy and sale by virtue of an execution and from judgment liens.

Board of Supervisors

The Act provides that a five-member Board of Supervisors (the "Board") serves as the governing body of the District. Members of the Board (the "Supervisors") must be residents of the State and citizens

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

At the initial election held within 90 days after formation of the District, the landowners in the District elected two Supervisors to four-year terms and three Supervisors to two-year terms. Thereafter, the elections have taken place and will take place every two years, with the first such election being held on the first Tuesday in November, and subsequent elections being held on a date in November established by the Board. Upon the later of six years after the initial appointment of Supervisors and the year when the District next attains at least 250 qualified electors, Supervisors whose terms are expiring will begin to be elected (as their terms expire) by qualified electors of the District. A qualified elector is a registered voter who is at least 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 Supervisors must be qualified electors and be elected by qualified electors, each elected to four-year terms. The seat of the remaining Supervisor whose term is expiring at such election shall be filled by a Supervisor who is elected by the landowners for a four-year term and who is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and must be elected by qualified electors to serve staggered four-year terms.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be elected by qualified electors in the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

The Act provides that it shall not be an impermissible conflict of interest under Florida law governing public officials for a Supervisor to be a stockholder, officer or employee of a landowner or of any entity affiliated with a landowner.

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

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Stephen McConn*	Chairman	November 2024
Casey Dare*	Vice-Chairman	November 2022
Wayne Horowitz*	Assistant Secretary	November 2024
Stephen Feccia*	Assistant Secretary	November 2022
Fred Wyborski*	Assistant Secretary	November 2022

* Employee of, or affiliated with, the Landowner.

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

The District Manager and Other Consultants

The chief administrative official of the District is the District Manager (as hereinafter defined). The Act provides that a district manager has charge and supervision of the works of the District and is responsible for preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, for maintaining and operating the equipment owned by the District, and for performing such other duties as may be prescribed by the Board. The District has retained Wrathell, Hunt and Associates, LLC, Boca Raton, Florida, to serve as its district manager ("District Manager"). The District Manager's office is located 2300 Glades Rd., Ste. #410W, Boca Raton, Florida 33431.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Greenberg Traurig, P.A., West Palm Beach, Florida, as Bond Counsel; Heidt Design, LLC, Celebration, Florida, as District Engineer; and Cobb Cole, P.A., Deland, Florida, as District Counsel. The Board has also retained the District Manager to serve as Methodology Consultant and to prepare the Assessment Methodology and to serve as Dissemination Agent for the Series 2021 Bonds.

No Outstanding Indebtedness

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

[Remainder of page intentionally left blank.]

THE CAPITAL IMPROVEMENT PLAN AND THE 2021 PROJECT

Heidt Design, LLC (the "District Engineer") prepared a report entitled of District Engineer, dated [August 10, 2020] (the "Master Report"), as supplemented by the report titled [Pacific Ace Community Development District Supplemental Report of District Engineer, dated _____] (the "Supplemental Report" and, collectively with the Master Report, the "Engineer's Report"), which sets forth certain public infrastructure improvements necessary for the development of the [532] lots planned for the District (the "Capital Improvement Plan"). The District Engineer in the Engineer's Report estimates the total cost of the Capital Improvement Plan to be \$12.81 million.

Land development associated with the Development will occur in phases. The Series 2021 Bonds are being issued to finance a portion of the 2021 Project, which consists of the public infrastructure costs associated with Phase One and Phase Two of the Development (collectively, the "2021 Project Area"), which are planned for an aggregate of 229 single-family lots. Remaining phases are expected to be developed and financed in the future.

The District Engineer, in the Engineer's Report estimates the total cost of the 2021 Project to be \$[_____], as more particularly described below:

<u>2021 Project Description</u>	<u>Estimated Costs</u>
Roadway Construction	\$ _____
Landscaping/Hardscaping	_____
Amenities	_____
Stormwater Management/Earthwork	_____
Water Distribution	_____
Sewage Collection System	_____
Total	\$ _____

The net proceeds of the Series 2021 Bonds will be approximately \$4.1 million* and such proceeds will be used by the District towards the funding and/or acquisition of the 2021 Project. The Landowner will enter into a completion agreement that will obligate the Landowner to complete any portions of the 2021 Project not funded with proceeds of the Series 2021 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the 2021 Project or the Construction of Homes in the District" herein.

Land development associated with the District commenced in [_____ 20__] and is expected to be completed by [_____ 20__]. The Landowner has spent approximately \$[_____] towards land development to date, a portion of which includes the District.

The District anticipates issuing additional series of bonds in the future in order to finance land development associated with future phases. Such bonds will be secured by special assessments levied on lands which will be separate and distinct from the lands that will assume the lien of the Series 2021 Special Assessments upon platting.

The District Engineer has indicated that all engineering permits necessary to construct the 2021 Project that are set forth in the Engineer's Report have been obtained or will be obtained in the ordinary course of business. In addition to the Engineer's Report, please refer to "THE DEVELOPMENT –

* Preliminary, subject to change.

Development Approvals" for a more detailed description of the entitlement and permitting status of the Development.

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

[Remainder of page intentionally left blank.]

ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

The Master Special Assessment Methodology Report dated August 13, 2020 (the "Master Special Assessment Allocation Report"), as supplemented by the Preliminary First Supplemental Special Assessment Methodology Report dated [_____, 2021] (the "Preliminary Supplemental Special Assessment Allocation Report" and together with the Master Special Assessment Allocation Report, the "Assessment Methodology"), which allocate the Series 2021 Special Assessments to the lands encompassing the 2021 Project within the District, have been prepared by Wrathell, Hunt and Associates, LLC, Boca Raton, Florida (the "Methodology Consultant"). See "EXPERTS" herein for more information. The Assessment Methodology is included herein as APPENDIX D. Once the final terms of the Series 2021 Bonds are determined, the Preliminary Supplemental Special Assessment Allocation Report will be amended to reflect such final terms. Once levied and imposed, the Series 2021 Special Assessments are first liens on the lands within the District against which they are assessed until paid or barred by operation of law, co-equal with other taxes and assessments levied by the District and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Series 2021 Bonds are payable from and secured by a pledge of the Series 2021 Pledged Revenues which consist primarily of the Series 2021 Special Assessments. As set forth in the Assessment Methodology, the District will levy the Series 2021 Special Assessments on all of the approximately [] gross acres in the District on a pro-rata gross acre basis. The Series 2021 Special Assessments will be assigned to platted lots on a first platted, first assigned basis as set forth in the Assessment Methodology attached hereto. It is anticipated that the Series 2021 Special Assessments will be assigned to the 229 lots planned for the 2021 Project Area. Assuming that all of the 229 residential units are developed and platted, then the Series 2021 Special Assessments will be allocated on a per unit basis below and as set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" for more information.

Product Type	Number of Units	Estimated Annual Series 2021 Assessments Per Unit*	Estimated Series 2021 Bonds Par Debt Per Unit*
Single-Family 40'	121	[\$1,080	\$18,755
Single-Family 50'	<u>108</u> 229	1,200	20,839]

*Preliminary, subject to change. Annual assessment levels shown assume payment in November and include a gross up to account for County collection fees for when assessments are collected via the Uniform Method.

The District anticipates levying assessments to cover its operation and maintenance costs that will be approximately \$[] per residential unit annually, which amount is subject to change. The land within the District has been and will continue to be subject to taxes and assessments imposed by taxing authorities other than the District. These taxes would be payable in addition to the Series 2021 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School Board of Lake County each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information.

The information appearing below under the captions "THE DEVELOPMENT" and "THE LANDOWNER" has been furnished by the Landowner for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has not been independently verified by Bond Counsel, the District or its counsel, or the Underwriter or its counsel, and no persons other than the Landowner make any representation or warranty as to the accuracy or completeness of such information supplied by them. The following information is provided by the Landowner as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the Development. The Landowner is not guaranteeing payment of the Series 2021 Bonds or the Series 2021 Special Assessments.

THE DEVELOPMENT

General

The District Lands encompass approximately 379.9 gross acres located entirely within an unincorporated area of Lake County, Florida (the "County") and are being developed as a [_____] unit master planned residential community to be known as ["_____"] (the "Development"). The Development is generally located east of US Highway 27, south and west of Sawgrass Boulevard, and north of Citrus Parkway.

Land development associated with the Development will occur in phases. The Series 2021 Bonds are being issued to finance a portion of the 2021 Project, which consists of the public infrastructure costs associated with Phase One and Phase Two of the Development (collectively, the "2021 Project Area"), which are planned for an aggregate of 229 single-family lots. Remaining phases are expected to be developed and financed in the future.

The Series 2021 Bonds will be secured by the Series 2021 Special Assessments which will initially be levied on all of the [379.9] acres within the District. The Series 2021 Special Assessments will be assigned to platted lots on a first platted, first assigned basis as set forth in the Assessment Methodology attached hereto. It is anticipated that the Series 2021 Special Assessments will be assigned to the 229 lots planned for the 2021 Project Area.

The District anticipates issuing additional series of bonds in the future in order to finance land development associated with future phases. Such bonds will be secured by special assessments levied on lands which will be separate and distinct from the land that ultimately will assume the lien of the Series 2021 Special Assessments upon platting. .

[American Land Development of Central Florida, LLC], a [Florida] limited liability company (the "Landowner"), is the [sole landowner] of the land comprising the Development and will act as land developer and homebuilder. The Landowner is a [wholly-owned subsidiary of KB Home]. See "THE DEVELOPER AND THE BUILDER" herein for more information.

Homes will range in size from approximately [_____] square feet to [_____] square feet and starting price points will range from approximately \$[_____] to \$[_____]. The target customers for units within the Development are [entry level buyers].

Land Acquisition and Finance Plan

The Landowner acquired the lands within the District on [_____, 20__] for approximately \$[_____]. [There are currently no mortgages on the lands within the District.]

The Landowner estimates total land development costs associated with the 2021 Project Area will be approximately \$[_____], consisting of the costs of the 2021 Project and other hard and soft costs. As of the date hereof, the Landowner has spent approximately \$[_____], a portion of which has been spent towards the 2021 Project. The net proceeds of the Series 2021 Bonds will be approximately \$4.1 million* and additional moneys needed to complete the Development will be paid for by the Landowner. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the 2021 Project and the Construction of Homes in the District" herein.

Development Plan / Status

Land development associated with the District has [commenced] and will occur in phases, with final completion expected to be completed by [_____]. Master infrastructure installation [for the entire site] – consisting of mass grading, stormwater management, and master utilities – is [complete].

Phase One of the Development is planned to contain 144 single-family homes consisting of 77 homes on forty-foot (40') wide lots and 67 homes on fifty-foot (50') wide lots ("Phase One"). Parcel infrastructure installation associated with Phase One is [complete]. A plat was recorded on [_____]. Sales and vertical construction will commence in [_____].

Phase Two of the Development is planned to contain 85 single-family homes consisting of 44 homes on forty-foot (40') wide lots and 41 homes on fifty-foot (50') wide lots ("Phase Two"). Parcel infrastructure installation associated with Phase Two [is expected to commence] in [_____] and is expected to be completed by [the second calendar quarter of 2022].

Remaining phases are expected to be developed in the future and will be subject to a future bond issuance.

The Development [has] [will have] an on-site sales center that [opened] [will open] in [_____]. The Landowner expects to construct ___ model homes, which are estimated to be completed by [_____ 20__]. [As of _____] 2021, [___] units are under contract with homebuyers.]

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

* Preliminary, subject to change.

Residential Product Offerings

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

<u>Product Type</u>	<u>Square Footage</u>	<u>Beds/Baths</u>	<u>Starting Price Points</u>
40'		___ Bedrooms, ___ Baths	\$
50'		___ Bedrooms, ___ Baths	

Zoning and Permitting

The land within the District is currently zoned Planned Unit Development (PUD). [The Current PUD approval Ordinance #2019-22, RZ18-24-1 allows for up to 555 housing units.] A right deceleration lane is required to be constructed on US Highway 27 to provide access at the primary entrance to the Development. Additionally, a signalized intersection including a left turn lane and right deceleration lane is required to be constructed at the secondary entrance on Sawgrass Bay Boulevard. The approximate combined costs of such improvements is estimated to be \$ _____ [which is expected to be funded as a part of the District's Capital Improvement Plan]. Construction of such improvements [commenced/expected to commence] in _____ with completion expected by _____. The land within the District, including, without limitation, the land therein subject to the Series 2021 Special Assessments, is zoned to allow for the contemplated residential uses described herein. All permits have been received by jurisdictional agencies to allow for the development contemplated herein or are reasonably expected to be received in the ordinary course. [Are there any other development obligations?]

Environmental

A Phase I Environmental Site Assessment dated [_____ 20__] (the "ESA"), was performed [covering the land in the Development]. [The ESA revealed no Recognized Environmental Conditions in connection with the Development.] See "BONDOWNERS' RISK – Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

Amenities

The Development is planned to contain an approximately [___] acre community site with an approximately [_____] square foot clubhouse ([_____]square feet under air conditioning), [a resort-style foot swimming pool, fitness center, tot lot, various recreation fields and courts] [Update; include any other amenities] (collectively, the "Amenity"). Construction of the Amenity is expected to commence in [_____] and is expected to be completed by [_____] . The estimated cost of the Amenity is approximately \$[_____].

Utilities

Potable water, wastewater treatment and reclaimed wastewater (reuse services) for the Development are expected to be provided by [_____] , Florida. Electric power is expected to be provided by [_____].

Taxes, Fees and Assessments

As set forth in the Assessment Methodology, the Series 2021 Special Assessments are initially levied on approximately [___] the gross acres comprising the District until such time the lots are platted.

The Series 2021 Special Assessments will be assigned to platted lots on a first platted, first assigned basis as set forth in the Assessment Methodology attached hereto. It is anticipated that the Series 2021 Special Assessments will be assigned to the 229 lots planned for the 2021 Project Area. Assuming that all of the planned 229 residential units are developed and platted, then the Series 2021 Special Assessments will be allocated on a per unit basis below and as set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein.

<u>Product Type</u>	<u>No. of Units</u>	<u>Annual Series 2021 Special Assessments Per Unit*/**</u>	<u>Series 2021 Bonds Par Debt Per Unit*</u>
40'	121	[\$1,090	\$18,755
50'	<u>108</u>	1,200	20,839]
Total	229		

*Preliminary, subject to change.

**This amount will be grossed up to include early payment discounts and County collection fees, currently [6%].

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

Education

School age residents are expected to attend [] Elementary School, [] Middle School and [] High School, which are located approximately [] miles, [] miles and [] miles, respectively, away from the Development, and which received grades of [], [] and [], respectively, by the State Department of Education in 2019 (the most recent year for which grades are available). The County School Board may change school boundaries from time to time and there is no requirement that students residing in the Development be permitted to attend the schools which are closest to the Development.

Competition

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

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

Landowner Agreements

The Landowner will enter into a completion agreement that will obligate the Landowner to complete any portions of the 2021 Project not funded with proceeds of the Series 2021 Bonds. In addition, the Landowner will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment"), pursuant to which the Landowner will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Landowner, development rights relating the 2021 Project and the development of the 2021 Project Area. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2021 Special Assessments as a result of a Landowner's or subsequent landowners' failure to pay such assessments, there is a risk that the District will not have all permits and entitlements necessary to complete the 2021 Project or the development of the 2021 Project Area. Finally, the Landowner will also enter into a True-Up Agreement in connection with its obligations to pay true-up payments in the event that debt levels remaining on unplatted lands in the District increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism." Such obligations of the Landowner are unsecured obligations, [and the Landowner is a special-purpose entity whose assets consist primarily of its interests in the District Lands]. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the 2021 Project or the Construction of Homes within the District" and "THE Landowner" herein for more information regarding the Landowner.

THE LANDOWNER

[American Land Development of Central Florida, LLC], a [Florida] limited liability company (the "Landowner"), is the [sole landowner] of the land comprising the Development and will act as land developer and homebuilder. The Landowner is a [wholly-owned subsidiary of KB Home]. KB Home is one of the largest and most recognized homebuilders in the United States and has built over 650,000 quality homes in our more than 60-year history. Today, KB Home operates in 45 markets from coast to coast.

[KB Home common stock trades on the New York Stock Exchange under the ticker symbol "KBH". KB Home is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information, including financial statements, with the Securities and Exchange Commission (the "SEC"). Such filings, particularly KB Home's annual and quarterly reports filed on Form 10-K and Form 10-Q, set forth certain data relative to the consolidated results of operations and financial position of KB Home and its subsidiaries as of such date. The SEC maintains an Internet web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC, including KB Home. The address of such Internet web site is www.sec.gov. All documents subsequently filed by KB Home pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in such manner as the SEC prescribes.]

Neither the Landowner nor any of the other entities listed above are guaranteeing payment of the Series 2021 Bonds or the Series 2021 Special Assessments. None of the entities listed herein, other than the Landowner, has entered into any agreements in connection with the issuance of the Series 2021 Bonds.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements that the District must continue to meet after the issuance of the Series 2021 Bonds in order that the interest on the

Series 2021 Bonds be and remain excludable from gross income for federal income tax purposes. The District's failure to meet these requirements may cause the interest on the Series 2021 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2021 Bonds. The District has covenanted in the Bond Resolution to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2021 Bonds.

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

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

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2021 Bonds, or the ownership or disposition of the Series 2021 Bonds. Prospective purchasers of Series 2021 Bonds should be aware that the ownership of Series 2021 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2021 Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2021 Bonds, (iii) the inclusion of the interest on the Series 2021 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the Series 2021 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (v) the inclusion of interest on the Series 2021 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2021 Bonds. Prospective purchasers of the Series 2021 Bonds should consult their own tax advisors as to the impact of these other tax consequences.

Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance of the Series 2021 Bonds. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and

is not binding on the IRS or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

Original Issue Discount and Premium

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

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

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

Changes in Federal and State Tax Law

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

Information Reporting and Backup Withholding

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

AGREEMENT BY THE STATE

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

LEGALITY FOR INVESTMENT

The Act provides that the Series 2021 Bonds issued by community development districts are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State, and constitute securities that may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required or voluntary statutory deposits.

SUITABILITY FOR INVESTMENT

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

ENFORCEABILITY OF REMEDIES

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

LITIGATION

The District

There is no litigation of any nature now pending or, to the knowledge of the District threatened, against the District and seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2021 Bonds, or in any way contesting or affecting (i) the validity of the Series 2021 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, (ii) the pledge or application of any moneys or security provided for the payment of the Series 2021 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings.

The Landowner

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 completion of the 2021 Project or the development of the lands in the District as described herein, materially and adversely affect the ability of the Landowner to pay the Series 2021 Special Assessments imposed against the land within the District owned by the Landowner or materially and adversely affect the ability of the Landowner to perform its various obligations described in this Limited Offering Memorandum.

CONTINGENT FEES

The District has retained Bond Counsel, District Counsel, the Consulting Engineer, the District Manager/Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (which has retained Trustee's counsel), with respect to the authorization, sale, execution and delivery of the Series 2021 Bonds. Except for the payment of certain fees to District Counsel, the Consulting Engineer and the District Manager, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2021 Bonds.

NO RATING

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

EXPERTS

The Engineer's Report has been prepared by Heidt Design, LLC, Celebration, Florida, the District Engineer. APPENDIX C should be read in its entirety for complete information with respect to the subjects discussed therein. Wrathell, Hunt and Associates, LLC, Boca Raton, Florida, as Methodology Consultant,

has prepared the Assessment Methodology set forth as APPENDIX D attached hereto. APPENDIX D should be read in its entirety for complete information with respect to the subjects discussed therein. As a condition to closing on the Series 2021 Bonds, both the District Engineer and the Methodology Consultant will consent to the inclusion of their respective reports in this Limited Offering Memorandum.

FINANCIAL INFORMATION

This District will covenant in a Disclosure Agreement (as defined below), the proposed form of which is set forth in APPENDIX E attached hereto, to provide its annual audited financial statements to EMMA (as defined below) as described in APPENDIX E, commencing with the audit for the District fiscal year ending September 30, 2022. The District does not have audited financial statements because the District has only recently been established. The Series 2021 Bonds are not general obligation bonds of the District and are payable solely from the Series 2021 Pledged Revenues.

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

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

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

CONTINUING DISCLOSURE

The District and the Landowner will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement"), the proposed form of which is set forth in the attached APPENDIX E, for the benefit of the Series 2021 Bondholders (including owners of beneficial interests in such Bonds), to provide certain financial information and operating data relating to the District and disclosures of certain enumerated material events by certain dates prescribed in the Disclosure Agreement (the "Reports") with the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system ("EMMA"). The specific nature of the information to be contained in the Reports is set forth in "APPENDIX E: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or the Landowner to comply with their respective obligations under the Disclosure Agreement may constitute an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement would allow the Series 2021 Bondholders (including owners of beneficial interests in such Series 2021 Bonds) to bring an action for specific performance.

The District has not previously issued any bonds and has not previously entered into any continuing disclosure obligations pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). [The Landowner has not previously entered into any continuing disclosure obligations pursuant to the Rule.]The District and Landowner anticipate satisfying all future disclosure

obligations required pursuant to the Disclosure Agreement. The District will appoint the District Manager to serve as dissemination agent under the Disclosure Agreements for the Series 2021 Bonds.

UNDERWRITING

FMSbonds, Inc. (the "Underwriter") has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2021 Bonds from the District at a purchase price of \$ _____ (par amount of the Series 2021 Bonds, [plus/less an original issue premium/discount of \$ _____ and] less an Underwriter's discount of \$ _____). The Underwriter's obligations are subject to certain conditions precedent and upon satisfaction or waiver by the Underwriter of such conditions, and the Underwriter will be obligated to purchase all of the Series 2021 Bonds if any Series 2021 Bonds are issued.

The Underwriter intends to offer the Series 2021 Bonds to accredited investors at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Series 2021 Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial offering prices may be changed from time to time by the Underwriter.

VALIDATION

Bonds issued pursuant to the terms of the Master Indenture have been validated by a judgment of the Circuit Court of the Fifth Judicial Circuit Court of Florida in and for Lake County, Florida, rendered on January 21, 2021. As a condition to closing on the Series 2021 Bonds, the period of time during which an appeal can be taken from such judgment must expire without an appeal having been taken.

LEGAL MATTERS

Certain legal matters related to the authorization, sale and delivery of the Series 2021 Bonds are subject to the approval of Greenberg Traurig, P.A., West Palm Beach, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Cobb Cole, P.A., Deland, Florida, for the Landowner by its counsel, [_____, _____, Florida], and for the Underwriter by its counsel, GrayRobinson, P.A. Tampa, Florida.

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

MISCELLANEOUS

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

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

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

[Remainder of page intentionally left blank.]

AUTHORIZATION AND APPROVAL

The execution and delivery of this Limited Offering Memorandum has been duly authorized by the Board of the District.

**PACIFIC ACE COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Chairperson, Board of Supervisors

APPENDIX A

**PROPOSED FORMS OF MASTER INDENTURE
AND FIRST SUPPLEMENTAL INDENTURE**

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX C
ENGINEER'S REPORT

APPENDIX D
ASSESSMENT METHODOLOGY

APPENDIX E

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

EXHIBIT C

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of _____, 2021 is executed and delivered by the Pacific Ace Community Development District (the "Issuer" or the "District"), [American Land Development of Central Florida, LLC], a [Florida] limited liability company (the "Landowner"), and Wrathell, Hunt and Associates, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Special Assessment Bonds, Series 2021 (2021 Project) (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of _____ 1, 2021 (the "Master Indenture") and a First Supplemental Trust Indenture dated as of _____ 1, 2021 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each entered into by and between the Issuer and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Fort Lauderdale, Florida, as trustee (the "Trustee"). The Issuer, the Landowner and the Dissemination Agent covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer, the Landowner and the Dissemination Agent for the benefit of the Beneficial Owners (as defined herein) of the Bonds and to assist the Participating Underwriter (as defined herein) of the Bonds in complying with the Rule (as defined herein). The Issuer has no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction, a governmental regulatory agency, or an attorney specializing in federal securities law, that the Rule requires the Issuer or other Obligated Person (as defined herein) to provide additional information, the Issuer and each Obligated Person agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

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

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

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

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

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

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

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

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

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

"Bond Year" means the annual period beginning on the second day of November of each year and ending on the first day of November of the following year.

"Business Day" means any day other than (a) a Saturday, Sunday or a day on which banks located in the city in which the designated corporate trust office of the Trustee is located are required or authorized by law or executive order to close for business, and (b) a day on which the New York Stock Exchange is closed.

"Disclosure Representative" shall mean (i) as to the Issuer, the District Manager or its designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing information to the Dissemination Agent; and (ii) as to each entity comprising an Obligated Person (other than the Issuer), the individuals executing this Disclosure Agreement on behalf of such entity or such person(s) as such entity shall designate in writing to the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent.

"Dissemination Agent" shall mean the Issuer or an entity appointed by the Issuer to act in the capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer pursuant to Section 8 hereof. Wrathell, Hunt and Associates, LLC has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean Wrathell, Hunt and Associates, LLC, and its successors and assigns.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures located at <http://emma.msrb.org/>.

"EMMA Compliant Format" shall mean a format for any document provided to the MSRB (as hereinafter defined) which is in an electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

"Financial Obligation" means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of an obligation or instrument described in either clause (a) or (b). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall mean the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

"Limited Offering Memorandum" shall mean that Limited Offering Memorandum dated _____, 2021, prepared in connection with the issuance of the Bonds.

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

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Person(s)" shall mean, with respect to the Bonds, those person(s) who either generally or through an enterprise fund or account of such persons are committed by contract or other arrangement to support payment of all or a part of the obligations on such Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the Issuer, and for the purposes of this Disclosure Agreement, the Landowner for so long as such Landowner or its affiliates, successors or assigns (excluding residential homebuyers who are end users) are the owners of District Lands responsible for payment of at least 20% of the Assessments.

"Participating Underwriter" shall mean FMSbonds, Inc.

"Quarterly Filing Date" shall mean for the quarter ending: (i) March 31, each May 1; (ii) June 30, each August 1; (iii) September 30, each November 1; and (iv) December 31, each February 1 of the following year. The first Quarterly Filing Date shall be [May 1, 2022].

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

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

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

"SEC" means the Securities and Exchange Commission.

"State" shall mean the State of Florida.

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

3. **Provision of Annual Reports.**

(a) Subject to the following sentence, the Issuer shall provide the Annual Report to the Dissemination Agent no later than March 31st following the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ending September 30, 2022. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided that* the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report, and may be submitted in accordance with State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the Issuer's Fiscal Year (the "Audited Financial Statements Filing Date"). The Issuer shall, or shall cause the Dissemination Agent to, provide to the Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty (30) days after same becomes available, but in no event later than the Annual Filing Date or Audited Financial Statements Filing Date, if applicable. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 6.

(b) If on the fifteenth (15th) day prior to each Annual Filing Date or the Audited Financial Statements Filing Date, as applicable, the Dissemination Agent has not received a copy of the Annual Report or Audited Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be via email) to remind the Issuer of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or the Audited Financial Statements, as applicable, in accordance with Section 3(a) above, or (ii) advise the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the times required under this Disclosure Agreement, state the date by which the Annual Report or the Audited Financial Statements for such year, as applicable, will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 6(a)(xvii) has occurred and to immediately send a notice to the Repository in substantially the form attached hereto as Exhibit A.

(c) If the Dissemination Agent has not received an Annual Report by 12:00 noon on the first (1st) Business Day following the Annual Filing Date for the Annual Report or the Audited Financial Statements by 12:00 noon on the first (1st) Business Day following the Audited

Financial Statements Filing Date for the Audited Financial Statements, then a Listed Event as described in Section 6(a)(xvii) shall have occurred and the Dissemination Agent shall immediately send a notice to the Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the Annual Filing Date the name, address and filing requirements of the Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Issuer stating that the Annual Report or Audited Financial Statement has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing all Repositories with which it was filed.

(e) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an EMMA Compliant Format.

4. **Content of Annual Reports.**

(a) Each Annual Report shall be in the form set in Schedule A attached hereto and shall contain the following Annual Financial Information with respect to the Issuer:

(i) All fund balances in all Funds, Accounts and subaccounts for the Bonds and the total amount of Bonds Outstanding, in each case as of December 31st following the end of the most recent prior Fiscal Year.

(ii) The method by which Assessments are being levied (whether on-roll or off-roll) and the amounts being levied by each method in the Assessment Area for the current Fiscal Year, and a copy of the assessment roll (on roll and off roll) for the Assessments certified for collection in the Assessment Area for the current Fiscal Year.

(iii) The method by which Assessments were levied (whether on-roll or off-roll) and the amounts levied by each method in the Assessment Area for the most recent prior Fiscal Year.

(iv) The amount of Assessments collected in the Assessment Area from the property owners during the most recent prior Fiscal Year.

(v) If available, the amount of delinquencies in the Assessment Area greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of the Assessments due in any year, a list of delinquent property owners.

(vi) If available, the amount of tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.

(vii) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.

(viii) The most recent Audited Financial Statements of the Issuer.

(ix) In the event of any amendment or waiver of a provision of this Disclosure Agreement, a description of such amendment or waiver in the next Annual Report, and in each case shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

To the extent any of the items set forth in subsections (i) through (vii) above are included in the Audited Financial Statements referred to in subsection (viii) above, they do not have to be separately set forth (unless Audited Financial Statements are being delivered later than March 31st after the close of the Issuer's Fiscal Year pursuant to Section 3(a) hereof). Any or all of the items listed above may be incorporated by reference from other documents, including limited offering memorandums and official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the SEC. If the document incorporated by reference is a final limited offering memorandum or official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

(b) The Issuer and each Obligated Person agree to supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The Issuer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Issuer, Obligated Persons and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the Issuer, an Obligated Person or others as thereafter disseminated by the Dissemination Agent.

(c) Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

5. **Quarterly Reports.**

(a) Each Obligated Person (other than the Issuer), or the Landowner on behalf of any other Obligated Person that fails to execute an Assignment (as hereinafter defined), shall provide an electronic copy of the Quarterly Report to the Dissemination Agent no later than fifteen (15) days prior to the Quarterly Filing Date. Promptly upon receipt of an electronic copy of the

Quarterly Report, but in any event no later than the applicable Quarterly Filing Date, the Dissemination Agent shall provide a Quarterly Report to the Repository.

(b) Each Quarterly Report shall be in the form set in Schedule B attached hereto and contain an update of the following information to the extent available:

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

(ii) With respect to lots owned in the Assessment Area by the Obligated Person: the total number of lots owned, the number of lots under contract but not closed with a homebuilder and the name of such homebuilder, the number of lots closed with a homebuilder, the number of lots not under contract with a homebuilder.

(iii) The number and type of lots developed in the Assessment Area.

(iv) The number and type of lots platted in the Assessment Area.

(v) With respect undeveloped and unplatted lands owned in the Assessment Area by the Obligated Person, a description of the status for lot development within such lands.

(vi) The cumulative number and type of homes closed with homebuyers (delivered to end users) in the Assessment Area.

(vii) The number and type of homes under contract and not closed with homebuyers in the Assessment Area in such quarter.

(viii) With respect to the Assessment Area, material changes to (1) builder contracts, (2) the number or type of lots planned to be developed, (3) permits/approvals, and (4) existing mortgage debt of the Obligated Person or the incurrence of new mortgage debt by the Obligated Person.

(ix) Any sale, assignment or transfer of ownership by the Obligated Person of lands in the Assessment Area to a third party which will in turn become an Obligated Person hereunder.

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in an Assessment Area (a "Transferor Obligated Person") to a third party (a "Transferee"), which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "Transfer"), the Transferor Obligated Person hereby agrees to use its best efforts to contractually obligate such Transferee to agree to comply with the disclosure obligations of an Obligated Person hereunder for so long as such Transferee is an Obligated Person hereunder, to the same extent as if such Transferee were a party to this Disclosure Agreement (an "Assignment"). The Transferor Obligated Person shall notify the District and the Dissemination Agent in writing of any Transfer within five (5) Business Days of the occurrence thereof. Nothing herein shall be construed to relieve the Landowner from its obligations hereunder except to the extent a written

Assignment from a Transferee is obtained and delivered to the Dissemination Agent and then only to the extent of such Assignment.

6. **Reporting of Listed Events.**

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

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on the Series 2021 Reserve Account reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;*
- (v) Substitution of credit or liquidity providers, or their failure to perform;*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;*
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer or any Obligated Person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer or any Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental

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

authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person);

(xiii) Consummation of a merger, consolidation, or acquisition involving the Issuer or any Obligated Person or the sale of all or substantially all of the assets of the Issuer or any Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

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

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

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

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

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

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

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

respect to such Obligated Person in compliance with the notification and filing requirements provided in Section 6(b).

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

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

8. **Dissemination Agent.** Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the Issuer or the Dissemination Agent, the Issuer agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. If at any time there is not any other designated Dissemination Agent, the District shall be deemed to be the Dissemination Agent. The initial Dissemination Agent shall be Wrathell, Hunt and Associates, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Wrathell, Hunt and Associates, LLC. Wrathell, Hunt and Associates, LLC, may terminate its role as Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the District and each Obligated Person. The District may terminate the agreement hereunder with the Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the Dissemination Agent and each Obligated Person.

9. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the Issuer, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment and/or waiver in the next Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Notwithstanding the above provisions of this Section 9, no amendment to the provisions of Section 5(b) hereof may be made without the consent of each Obligated Person, if any.

10. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

11. **Default.** In the event of a failure of the Issuer, the Disclosure Representative, any Obligated Person or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Beneficial Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and receipt of indemnity satisfactory to the Trustee, shall), or any beneficial owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer, the Disclosure Representative, any Obligated Person or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement by any Obligated Person shall not be deemed a default by the Issuer hereunder and no default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer, the Disclosure Representative, any Obligated Person, or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

12. **Duties of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement between the District, the Landowner and such Dissemination Agent. The Dissemination Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. The District, each Obligated Person and the Disclosure Representative covenant that they will supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The District, the Landowner and the Disclosure Representative acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, Obligated Person(s), the Disclosure Representative and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, any Obligated Person or the Disclosure Representative as thereafter disseminated by the Dissemination Agent. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format.

13. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Landowner, the Dissemination Agent, the Trustee, the Participating Underwriter and the Owners of the Bonds (the Dissemination Agent, the Trustee, Participating Underwriter and Owners of the Bonds being hereby deemed express third party beneficiaries of this Disclosure Agreement), and shall create no rights in any other person or entity.

14. **Tax Roll and Budget.** Upon the request of the Dissemination Agent, the Trustee or any Bondholder, the Issuer, through its District Manager, if applicable, agrees to provide such party with a certified copy of its most recent tax roll provided to the Lake County Tax Collector and the Issuer's most recent adopted budget.

15. **Governing Law.** The laws of the State of Florida and Federal law shall govern this Disclosure Agreement and venue shall be any state or federal court having jurisdiction in Lake County, Florida.

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

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

18. **Binding Effect.** This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the Landowner or any assignee or successor thereto that becomes an Obligated Person pursuant to the terms of this Disclosure Agreement, only successor or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**PACIFIC ACE COMMUNITY
DEVELOPMENT DISTRICT, AS ISSUER**

[SEAL]

By: _____
_____, Chairperson
Board of Supervisors

ATTEST:

By: _____
_____, Secretary

**[AMERICAN LAND DEVELOPMENT OF
CENTRAL FLORIDA, LLC], AS
LANDOWNER**

By: _____
_____, Manager

**WRATHELL, HUNT AND ASSOCIATES,
LLC, and its successors and assigns, AS
DISSEMINATION AGENT**

By: _____
Name: _____
Title: _____

CONSENTED TO AND AGREED TO BY:

DISTRICT MANAGER

**WRATHELL, HUNT AND
ASSOCIATES, LLC, AS DISTRICT
MANAGER**

By: _____
Name: _____
Title: _____

Acknowledged and agreed to for purposes of
Sections 11, 13 and 17 only:

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

By: _____

Name: _____

Title: _____

EXHIBIT A

**FORM OF NOTICE TO REPOSITORIES OF FAILURE
TO FILE [ANNUAL REPORT]
[AUDITED FINANCIAL STATEMENTS][QUARTERLY REPORT]**

Name of Issuer: Pacific Ace Community Development District

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

Obligated Person(s): Pacific Ace Community Development District;
_____.

Original Date of Issuance: _____, 2021

CUSIP Numbers: _____

NOTICE IS HEREBY GIVEN that the [Issuer][Obligated Person] has not provided an [Annual Report] [Audited Financial Statements] [Quarterly Report] with respect to the above-named Bonds as required by [Section 3] [Section 5] of the Continuing Disclosure Agreement dated _____, 2021, by and between the Issuer, the Landowner and the Dissemination Agent named therein. The [Issuer][Obligated Person] has advised the undersigned that it anticipates that the [Annual Report] [Audited Financial Statements] [Quarterly Report] will be filed by _____, 20____.

Dated: _____

_____, as Dissemination Agent

By: _____

Name: _____

Title: _____

cc: Issuer
Trustee

SCHEDULE A

FORM OF DISTRICT'S ANNUAL REPORT (Due 3/31)

1. Fund Balances

Combined Trust Estate Assets	<u>Quarter Ended – 12/31</u>
Acquisition and Construction Fund	
Revenue Fund	
Reserve Fund	
Prepayment Fund	
Other	
Total Bonds Outstanding	
TOTAL	

2. Assessment Certification and Collection Information

1. For the Current District Fiscal Year – Manner in which Assessments are collected (On Roll vs. Off Roll)

	<u>\$ Certified</u>
On Roll	\$ _____
Off Roll	\$ _____
TOTAL	\$ _____

2. Attach to Report the following:
- A. On Roll – Copy of certified assessment roll for the District's current Fiscal Year
 - B. Off Roll – List of folios and ownership for all off roll Assessments, together with par and annual Assessment assigned to each folio

3. For the immediately ended Bond Year, provide the levy and collection information

<u>Total Levy</u>	<u>\$ Levied</u>	<u>\$ Collected</u>	<u>% Collected</u>	<u>% Delinquent</u>
On Roll	\$ _____	\$ _____	____%	____%
Off Roll	\$ _____	\$ _____	____%	____%
TOTAL				

4. If available, the amount of delinquencies in the Assessment Area greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amount of the Assessments due in any year, a list of delinquent property owners

5. If available, the amount of tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year

6. The amount of principal and interest to be paid on the Bonds in the current Fiscal Year

SCHEDULE B

FORM OF OBLIGATED PERSON'S QUARTERLY REPORT

Bond Information

Pacific Ace Community Development District

Date of Quarterly Report _____

Bond Series 2021

Area/Project Project

NOTE: IF MORE THAN ONE ASSESSMENT AREA, INFORMATION NEEDS TO BE COMPLETED FOR EACH AREA

1. Unit Mix For Land Subject To Assessments

<u>Type</u>	<u>Number of Lots/Units</u>	<u>Ownership Information</u>		
		<u>Developer Owned</u>	<u>Builder Owned</u>	<u>Homeowner Owned</u>
Total				

2. For Lots owned by Obligated Person (if applicable)

<u>Type</u>	<u># of Lots Owned by Obligated Person</u>	<u># of Lots Under Contract With Builders (NOT CLOSED)</u>	<u># of Lots NOT Under Contract</u>	<u>Name of Builder</u>	<u>Expected Takedown Date(s)</u>
Total					

3. Status of Land Subject to Assessments

A. Lots developed (cumulative, not quarterly activity), by phase or sub-phase:

	<u>Assessment Area</u>
Total	

B. Lots platted (cumulative, not quarterly activity), by phase or sub-phase:

	<u>Assessment Area</u>
Total	

C. For lots not developed, and platted, provide brief description on status of lot development for land area securing the Bonds:

1. When do you anticipate lots will be developed (for each phase or sub phase)?
2. When do you anticipate lots will be platted (for each phase or sub phase)?
3. Provide total amount of money spent on land development to date (include money funded with bonds and with other sources)

D. Homes Closed with End-Users:

	<u>CUMULATIVE</u>
Total	

E. Homes Sold To End Users (AND NOT CLOSED):

	<u>QUARTER ONLY</u>
Total	

4. Development Changes and Status Updates

1. Material changes to Builder Contracts (i.e., change of terms or cancellation of contract, change of takedown dates)?
2. Any bulk sales of land within the District to other developers or builders?
3. Any material changes to the number or type of lots planned to be developed in the Assessment Area?
4. Any materially adverse changes or determinations to permits/approvals for the Assessment Area which necessitate changes to the development plans?
5. Incurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area (amount, rate, and term)?
6. Sale, assignment or transfer of ownership of real property in the Assessment Area to a third party, which will in turn be an Obligated Person?

*This report contains statements, which to the extent they are not recitations of historical fact, constitute "forward-looking statements." In this respect, the words "anticipate", "estimate", "expect", and "belief", and similar expressions are intended to identify forward-looking statements. Such statements may be subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements.

EXHIBIT D

FORM OF FIRST SUPPLEMENTAL TRUST INDENTURE

54535872v6/195229.010000

FIRST SUPPLEMENTAL TRUST INDENTURE

BETWEEN

PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT

AND

U.S. BANK NATIONAL ASSOCIATION

as Trustee

Dated as of _____ 1, 2022

Authorizing and Securing
\$ _____
PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT BONDS, SERIES 2022
(2022 PROJECT)

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS	3
ARTICLE II THE SERIES 2022 BONDS.....	8
SECTION 2.01. Amounts and Terms of Series 2022 Bonds; Issue of Series 2022 Bonds	8
SECTION 2.02. Execution.....	8
SECTION 2.03. Authentication	8
SECTION 2.04. Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2022 Bonds.	8
SECTION 2.05. Debt Service on the Series 2022 Bonds	9
SECTION 2.06. Disposition of Series 2022 Bond Proceeds	10
SECTION 2.07. Book-Entry Form of Series 2022 Bonds	10
SECTION 2.08. Appointment of Registrar and Paying Agent	11
SECTION 2.09. Conditions Precedent to Issuance of the Series 2022 Bonds.....	11
ARTICLE III REDEMPTION OF SERIES 2022 BONDS	13
SECTION 3.01. Redemption Dates and Prices.....	13
SECTION 3.02. Notice of Redemption	16
ARTICLE IV ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS; ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS; REMOVAL OF SPECIAL ASSESSMENT LIENS.....	17
SECTION 4.01. Establishment of Certain Funds and Accounts.....	17
SECTION 4.02. Series 2022 Revenue Account.....	19
SECTION 4.03. Power to Issue Series 2022 Bonds and Create Lien.....	20
SECTION 4.04. 2022 Project to Conform to Consulting Engineers Report.....	21
SECTION 4.05. Prepayments; Removal of Series 2022 Special Assessment Liens.	21
ARTICLE V COVENANTS AND DESIGNATIONS OF THE ISSUER	23
SECTION 5.01. Collection of Series 2022 Special Assessments	23
SECTION 5.02. Continuing Disclosure.....	23
SECTION 5.03. Investment of Accounts and Subaccounts.....	23
SECTION 5.04. Additional Obligations	23
SECTION 5.05. Requisite Owners for Direction or Consent	24
SECTION 5.06. Acknowledgement Regarding Series 2022 Acquisition and Construction Account Moneys Following an Event of Default.....	24
ARTICLE VI THE TRUSTEE; THE PAYING AGENT AND REGISTRAR	25
SECTION 6.01. Acceptance of Trust.....	25
SECTION 6.02. Trustee’s Duties.....	25
ARTICLE VII MISCELLANEOUS PROVISIONS	26
SECTION 7.01. Interpretation of First Supplemental Indenture	26
SECTION 7.02. Amendments.....	26
SECTION 7.03. Counterparts	26

SECTION 7.04. Appendices and Exhibits26
SECTION 7.05. Payment Dates26
SECTION 7.06. No Rights Conferred on Others.....26
SECTION 7.07. Patriot Act Requirements of the Trustee26
SECTION 7.08. Counterparts and Electronically Signed and/or Transmitted Signatures.....26

EXHIBIT A DESCRIPTION OF 2022 PROJECT
EXHIBIT B FORM OF SERIES 2022 BOND
EXHIBIT C FORMS OF REQUISITIONS
EXHIBIT D FORM OF INVESTOR LETTER

THIS FIRST SUPPLEMENTAL TRUST INDENTURE (the “First Supplemental Indenture”), dated as of _____ 1, 2022 between the PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT (together with its successors and assigns, the “Issuer”), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States and having a designated corporate trust office in Fort Lauderdale, Florida, as trustee (said banking corporation and any bank or trust company becoming successor trustee under this First Supplemental Indenture being hereinafter referred to as the “Trustee”);

W I T N E S S E T H:

WHEREAS, the Issuer is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the “Act”), by Ordinance No. 2020-27, duly enacted by the Board of County Commissioners of Lake County, Florida (the “County”), on June 16, 2020 and becoming effective on June 22, 2020 (the “Ordinance”); and

WHEREAS, the premises governed by the Issuer, as described more fully in the Ordinance, consisting of approximately 379.90 acres of land (herein, the “District Lands” or “District”), are located entirely within the unincorporated area of the County; and

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

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

WHEREAS, the Issuer has previously adopted Resolution No. 2020-28 on August 13, 2020 (the “Authorizing Resolution”), authorizing the issuance of not to exceed \$20,000,000 in aggregate principal amount of its special assessment bonds in one or more Series (the “Bonds”) to finance a portion of the design, acquisition and construction costs of certain improvements pursuant to the Act for the special benefit of the District Lands or portions thereof and approving the form of and authorizing the execution and delivery of a master trust indenture and supplemental indenture; and

WHEREAS, to the extent not constructed by the Issuer, American Land Development of Central Florida, LLC, a Florida limited liability company (the “Landowner”), as the master developer of a residential community to be located within the District and may construct all of the public infrastructure necessary to serve such residential community (herein, the “Development”), which such public infrastructure is necessary to develop the Development and will benefit certain District Lands and such public infrastructure will be constructed and/or purchased by the Issuer with a portion of the proceeds of the herein described Series 2022 Bonds (such public infrastructure as described on Exhibit A is herein collectively referred to as the “2022 Project”); and

WHEREAS, the Issuer has determined to issue a first Series of Bonds, designated as the Pacific Ace Community Development District Special Assessment Bonds, Series 2022 (2022 Project) (the “Series 2022 Bonds”), pursuant to the herein defined Master Indenture and this First

Supplemental Indenture (hereinafter sometimes collectively referred to as the “2022 Indenture”); and

WHEREAS, in the manner provided herein, the proceeds of the Series 2022 Bonds will be used to provide funds for (i) the Costs of acquiring and/or constructing a portion of the 2022 Project, (ii) funding Capitalized Interest through at least May 1, 2022, (iii) the funding of the Series 2022 Reserve Account, and (iv) the payment of the costs of issuance of the Series 2022 Bonds; and

WHEREAS, the Series 2022 Bonds will be secured by a pledge of Series 2022 Pledged Revenues (as hereinafter defined) to the extent provided herein; and

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH, that to provide for the issuance of the Series 2022 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 2022 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2022 Bonds by the Owners thereof, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer does hereby assign, transfer, set over and pledge to U.S. Bank National Association, as Trustee, its successors in trust and its assigns forever, and grants a lien on all of the right, title and interest of the Issuer in and to the Series 2022 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 2022 Bonds issued hereunder, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

TO HAVE AND TO HOLD the same and any other revenues, property, contracts or contract rights, accounts receivable, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, which may, by delivery, assignment or otherwise, be subject to the lien created by the Indenture with respect to the Series 2022 Bonds.

IN TRUST NEVERTHELESS, for the equal and ratable benefit and security of all present and future Owners of the Series 2022 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 2022 Bond over any other Series 2022 Bond, all as provided in the Indenture.

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal or redemption price of the Series 2022 Bonds issued, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2022 Bonds and the Indenture, according to the true intent and meaning thereof and hereof, and the Issuer shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this First Supplemental Indenture and the rights hereby granted shall cease and terminate, otherwise this First Supplemental Indenture to be and remain in full force and effect.

ARTICLE I DEFINITIONS

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

“Acquisition Agreement” shall mean that certain Acquisition and Advanced Funding Agreement relating to the acquisition of the 2022 Project, by and between the Landowner and the Issuer.

“Arbitrage Certificate” shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants, of the Issuer, dated the date of the delivery of the Series 2022 Bonds, relating to certain restrictions on arbitrage under the Code with respect to the Series 2022 Bonds.

“Assessment Resolutions” shall mean Resolution No. 2020-26, Resolution No. 2020-27, and Resolution No. 2020-34 of the Issuer adopted on August 13, 2020, August 13, 2020 and September 24, 2020, respectively, as amended and supplemented from time to time.

“Authorized Denomination” shall mean, with respect to the Series 2022 Bonds, on the date of issuance, in the denominations of \$5,000 and any integral multiple thereof provided, however, if any initial beneficial owner does not purchase at least \$100,000 of the Series 2022 Bonds at the time of initial delivery of the Series 2022 Bonds, such beneficial owner must execute and deliver to the Issuer and the Underwriter on the date of delivery of the Series 2022 Bonds the investor letter substantially in the form attached hereto as Exhibit D or otherwise establish to the satisfaction of the Underwriter that such Beneficial Owner is an “accredited investor,” as described in Rule 501(a) under Regulation D of the Securities Act of 1936, as amended.

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

“Capitalized Interest” shall mean interest due or to become due on the Series 2022 Bonds, which will be paid, or is expected to be paid, from the proceeds of the Series 2022 Bonds.

“Collateral Assignment” shall mean that certain Collateral Assignment Agreement executed by the Landowner in favor of the Issuer whereby all of the documents relating to the 2022 Project and other material documents necessary to complete the Development (comprising all of the development planned for the 2022 Project within the District), are collaterally assigned as security for the Landowner’s obligation to pay the Series 2022 Special Assessments imposed against lands within the District owned by the Landowner or builders from time to time.

“Continuing Disclosure Agreement” shall mean the Continuing Disclosure Agreement for the benefit of the owners of the Series 2022 Bonds, dated the date of delivery of the Series 2022 Bond, by and among the Issuer, the dissemination agent named therein, the Landowner and joined by the parties named therein, in connection with the issuance of the Series 2022 Bonds.

“District Manager” shall mean Wrathell Hunt & Associates, LLC, and its successors and assigns.

“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 on May 1, 2022 and any date principal of the Series 2022 Bonds is paid including any Quarterly Redemption Date.

“Majority Holders” means the beneficial owners of more than fifty percent (50%) of the Outstanding Series 2022 Bonds.

“Master Indenture” shall mean the Master Trust Indenture, dated as of _____ 1, 2022, by and between the Issuer and the Trustee, as supplemented and/or amended with respect to matters pertaining solely to the Master Indenture or the Series 2022 Bonds (as opposed to supplements or amendments relating to any other Series of Bonds).

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

“Prepayment” shall mean the payment by any owner of property within the 2022 Project within the District of the amount of the Series 2022 Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments. The term “Prepayment” also means any proceeds received as a result of true-up payments and/or accelerating and/or foreclosing the Series 2022 Special Assessments. “Prepayments” shall include, without limitation, Series 2022 Prepayment Principal.

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

“Redemption Price” shall mean the principal amount of any Series 2022 Bond payable upon redemption thereof pursuant to this First Supplemental Indenture.

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

“Regular Record Date” shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

“Resolution” shall mean, collectively, (i) Resolution No. 2020-28 of the Issuer adopted on August 13, 2020, pursuant to which the Issuer authorized the issuance of not exceeding \$20,000,000 aggregate principal amount of its Bonds to finance the construction or acquisition of public infrastructure within the District, and (ii) Resolution No. 2022-01 of the Issuer adopted on November 12, 2021, pursuant to which the Issuer authorized, among other things, the issuance of the Series 2022 Bonds in an aggregate principal amount of not exceeding \$5,500,000 to finance the acquisition and/or construction of a portion of the 2022 Project, specifying the details of the

Series 2022 Bonds and awarding the Series 2022 Bonds to the purchaser of the Series 2022 Bonds, subject to certain parameters set forth therein.

“Series 2022 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 2022 Bond Redemption Account” shall mean the Series 2022 Bond Redemption Account established as a separate Account within the Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2022 Bonds” shall mean the \$ _____ aggregate principal amount of Pacific Ace Community Development District Special Assessment Bonds, Series 2022 (2022 Project), to be issued as fully registered Bonds in accordance with the provisions of the Master Indenture and this First Supplemental Indenture, and secured and authorized by the Master Indenture and this First Supplemental Indenture.

“Series 2022 Capitalized 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 2022 Costs of Issuance Account” shall mean the Account so designated, established as a separate Account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this First Supplemental Indenture.

“Series 2022 General Redemption Subaccount” shall mean the subaccount so designated, established as a separate subaccount under the Series 2022 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2022 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 2022 Optional Redemption Subaccount” shall mean the subaccount so designated, established as a separate subaccount under the Series 2022 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2022 Pledged Revenues” shall mean (a) all revenues received by the Issuer from the Series 2022 Special Assessments levied and collected on the assessable lands within the District, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2022 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2022 Special Assessments, and (b) all moneys on deposit in the Funds, Accounts and subaccounts established under the 2022 Indenture created and established with respect to or for the benefit of the Series 2022 Bonds; provided, however, that Series 2022 Pledged Revenues shall not include (A) any moneys transferred to the Series 2022 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2022 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) “special assessments” levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or

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

“Series 2022 Prepayment Principal” shall mean the portion of a Prepayment corresponding to the principal amount of the Series 2022 Special Assessments being prepaid pursuant to Section 4.05 of this First Supplemental Indenture or as a result of an acceleration of the Series 2022 Special Assessments pursuant to Section 170.10, Florida Statutes, if such Series 2022 Special Assessments are being collected through a direct billing method.

“Series 2022 Prepayment Subaccount” shall mean the subaccount so designated, established as a separate subaccount under the Series 2022 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Indenture.

“Series 2022 Principal Account” shall mean the account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(c) of this First Supplemental Indenture.

“Series 2022 Rebate Fund” shall mean the Fund so designated, established pursuant to Section 4.01(j) of this First Supplemental Indenture.

“Series 2022 Reserve Account” shall mean the Series 2022 Reserve Account established as a separate Account within the Debt Service Reserve Fund pursuant to Section 4.01(f) of this First Supplemental Indenture.

“Series 2022 Reserve Requirement” or “Reserve Requirement” shall mean an amount equal to 50% of the maximum annual debt service with respect to the Outstanding principal amount of the Series 2022 Bonds initially determined on the date of issue. If a portion of the Series 2022 Bonds are redeemed pursuant to Section 3.01(b)(i) or Section 3.01(b)(iii), the Reserve Requirement shall be reduced to 50% of the then maximum annual debt service of the Series 2022 Bonds after taking into account such extraordinary mandatory redemption. Any amount in the Series 2022 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2022 Bonds be used to pay principal of and interest on the Series 2022 Bonds at that time. The initial Series 2022 Reserve Requirement shall be equal to \$ _____.

“Series 2022 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 2022 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 2022 Special Assessments” shall mean the Special Assessments levied on the assessable lands within the District as a result of the Issuer’s acquisition and/or construction of the 2022 Project, corresponding in amount to the debt service on the Series 2022 Bonds and designated as such in the methodology report relating thereto.

“Substantially Absorbed” shall mean the date at least 75% of the principal portion of the Series 2022 Special Assessments have been assigned to residential units that have received certificates of occupancy.

“2022 Project” shall mean the public infrastructure deemed necessary for development within the District generally described on Exhibit A attached hereto.

“Underwriter” shall mean FMSbonds, Inc., the underwriter of the Series 2022 Bonds.

The words “hereof,” “herein,” “hereto,” “hereby,” and “hereunder” (except in the form of Series 2022 Bonds), refer to the entire Indenture.

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

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

[END OF ARTICLE I]

ARTICLE II
THE SERIES 2022 BONDS

SECTION 2.01. Amounts and Terms of Series 2022 Bonds; Issue of Series 2022 Bonds. No Series 2022 Bonds may be issued under this First Supplemental Indenture except in accordance with the provisions of this Article and Articles II and III of the Master Indenture.

(a) The total principal amount of Series 2022 Bonds that may be issued under this First Supplemental Indenture is expressly limited to \$_____. The Series 2022 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2022 Bonds shall be issued substantially in the form attached hereto as Exhibit B, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture and with such additional changes as may be necessary or appropriate to conform to the provisions of the Resolution. The Issuer shall issue the Series 2022 Bonds upon execution of this First Supplemental Indenture and satisfaction of the requirements of Section 3.01 of the Master Indenture; and the Trustee shall, at the Issuer's request, authenticate such Series 2022 Bonds and deliver them as specified in the request.

SECTION 2.02. Execution. The Series 2022 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

SECTION 2.03. Authentication. The Series 2022 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2022 Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee, as provided in the Master Indenture.

SECTION 2.04. Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2022 Bonds.

(a) The Series 2022 Bonds are being issued hereunder in order to provide funds (i) for the payment of the Costs of acquiring and/or constructing a portion of the 2022 Project, (ii) to fund the Series 2022 Reserve Account in an amount equal to the Series 2022 Reserve Requirement; (iii) to fund Capitalized Interest through at least May 1, 2022; and (iv) to pay the costs of issuance of the Series 2022 Bonds. The Series 2022 Bonds shall be designated "Pacific Ace Community Development District Special Assessment Bonds, Series 2022 (2022 Project)," and shall be issued as fully registered bonds without coupons in Authorized Denominations.

(b) The Series 2022 Bonds shall be dated as of the date of initial delivery. Regularly scheduled interest on the Series 2022 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2022 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 May 1, 2022, in which case from the date of initial delivery or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

(c) Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book entry only system of registration of the Series 2022 Bonds, the principal or Redemption Price of the Series 2022 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 2022 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 2022 Bonds, the payment of interest on the Series 2022 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2022 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Any interest on any Series 2022 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 2022 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2022 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Record Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Record Date.

SECTION 2.05. Debt Service on the Series 2022 Bonds.

(a) The Series 2022 Bonds will mature on November 1 in the years and in the principal amounts, and bear interest at the rates as set forth below, subject to the right of prior redemption in accordance with their terms.

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

*Term Bonds

(b) Interest on the Series 2022 Bonds will be computed in all cases on the basis of a 360 day year of twelve 30 day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by the Series 2022 Bonds on the day before the default occurred.

SECTION 2.06. Disposition of Series 2022 Bond Proceeds. From the net proceeds of the Series 2022 Bonds received by the Trustee in the amount of \$ _____.

(a) \$ _____ derived from the net proceeds of the Series 2022 Bonds (which is an amount equal to the Series 2022 Reserve Requirement) shall be deposited in the Series 2022 Reserve Account of the Debt Service Reserve Fund;

(b) \$ _____ derived from the net proceeds of the Series 2022 Bonds shall be deposited into the Series 2022 Capitalized Interest Account to pay Capitalized Interest;

(c) \$ _____ derived from the net proceeds of the Series 2022 Bonds shall be deposited into the Series 2022 Costs of Issuance Account of the Acquisition and Construction Fund for payment of the costs of issuing the Series 2022 Bonds; and

(d) \$ _____, representing the balance of the net proceeds of the Series 2022 Bonds, shall be deposited in the Series 2022 Acquisition and Construction Account of the Acquisition and Construction Fund which the Issuer shall cause to be applied in accordance with Article V of the Master Indenture and the terms of the Acquisition Agreement.

SECTION 2.07. Book-Entry Form of Series 2022 Bonds. The Series 2022 Bonds shall be issued as one fully registered bond for each maturity of Series 2022 Bonds and deposited with The Depository Trust Company (“DTC”), New York, New York, which is responsible for establishing and maintaining records of ownership for its participants.

As long as the Series 2022 Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof and in the Master Indenture. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants (“DTC Participants”) and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly (“Indirect Participants”). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2022 Bonds (“Beneficial Owners”).

Principal and interest on the Series 2022 Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the Issuer.

Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated Series 2022 Bonds, through DTC Participants and Indirect Participants.

During the period for which Cede & Co. is registered owner of the Series 2022 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to DTC Participants and DTC Participants shall be responsible for notices

to Indirect Participants, and DTC Participants and Indirect Participants shall be responsible for notices to Beneficial Owners.

The Issuer and the Trustee, if appropriate, shall enter into a blanket letter of representations with DTC providing for such book-entry-only system. Such agreement may be terminated at any time by either DTC or the Issuer in accordance with the procedures of DTC. In the event of such termination, the Issuer shall select another securities depository and in that event, all references herein to DTC or Cede & Co., shall be deemed to be for reference to such successor. If the Issuer does not replace DTC, the Trustee will register and deliver to the Beneficial Owners replacement Series 2022 Bonds in the form of fully registered Series 2022 Bonds in accordance with the instructions from Cede & Co.

In the event DTC, any successor of DTC or the Issuer, but only in accordance with the procedures of DTC, elects to discontinue the book-entry only system, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor and after such time Series 2022 Bonds may be exchanged for an equal aggregate principal amount of Series 2022 Bonds in other Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee.

SECTION 2.08. Appointment of Registrar and Paying Agent. The Issuer shall keep, at the designated corporate trust office of the Registrar, books (the “Bond Register”) for the registration, transfer and exchange of the Series 2022 Bonds, and hereby appoints U.S. Bank National Association, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. U.S. Bank National Association hereby accepts its appointment as Registrar and its duties and responsibilities as Registrar hereunder. Registrations, transfers and exchanges shall be without charge to the Bondholder requesting such registration, transfer or exchange, but such Bondholder shall pay any taxes or other governmental charges on all registrations, transfers and exchanges.

The Issuer hereby appoints U.S. Bank National Association as Paying Agent for the Series 2022 Bonds. U.S. Bank National Association hereby accepts its appointment as Paying Agent and its duties and responsibilities as Paying Agent hereunder.

SECTION 2.09. Conditions Precedent to Issuance of the Series 2022 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2022 Bonds, all the Series 2022 Bonds shall be executed by the Issuer for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Issuer or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Assessment Resolutions;
- (b) Executed originals or copies of the Master Indenture and this First Supplemental Indenture;
- (c) An opinion of Counsel to the District in the form required by the Master Indenture;

(d) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2022 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 opinion of Bond Counsel;

(f) A certificate of the Issuer's methodology consultant that the benefit from the proposed 2022 Project equals or exceeds the amount of corresponding Series 2022 Special Assessments, the Series 2022 Special Assessments are fairly and reasonably allocated across the land that are subject to the Series 2022 Special Assessments, and the Series 2022 Special Assessments are sufficient to pay the Debt Service on the Series 2022 Bonds; and

(g) A copy of the Collateral Assignment.

Receipt by the Trustee of the net proceeds from the initial sale of the Series 2022 Bonds shall constitute conclusive evidence of the fulfillment of the conditions precedent for the issuance of the Series 2022 Bonds set forth in this Section 2.09 to the satisfaction of the Issuer and the Underwriter.

[END OF ARTICLE II]

ARTICLE III
REDEMPTION OF SERIES 2022 BONDS

SECTION 3.01. Redemption Dates and Prices. The Series 2022 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 2022 Bonds shall be made on the dates hereinafter required. Except as otherwise provided in this Section 3.01, if less than all the Series 2022 Bonds are to be redeemed pursuant to an extraordinary mandatory redemption, the Trustee shall select the Series 2022 Bonds or portions of the Series 2022 Bonds to be redeemed by lot. Partial redemptions of Series 2022 Bonds shall be made in such a manner that the remaining Series 2022 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2022 Bond.

The Series 2022 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the Redemption Price of the Series 2022 Bonds shall be made on the dates specified below.

(a) Optional Redemption. The Series 2022 Bonds may, at the option of the Issuer, provided written notice hereof has been sent to the Trustee at least forty-five (45) days prior to the redemption date (unless the Trustee will accept less than forty-five (45) days' notice), be called for redemption prior to maturity as a whole or in part, at any time, on or after November 1, 20XX (less than all Series 2022 Bonds of a maturity to be selected randomly), at a Redemption Price equal to the principal amount of Series 2022 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date from moneys on deposit in the Series 2022 Optional Redemption Subaccount of the Series 2022 Bond Redemption Account.

(b) Extraordinary Mandatory Redemption in Whole or in Part. The Series 2022 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole or in part, on any date (other than in the case of clause (i) below which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2022 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2022 Prepayment Principal deposited into the Series 2022 Prepayment Subaccount of the Series 2022 Bond Redemption Account (taking into account the credit from the Series 2022 Reserve Account pursuant to Section 4.05 hereof) following the Prepayment in whole or in part of 2022 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of this First Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2022 Funds, Accounts and subaccounts in the Funds and Accounts (other than the Series 2022 Rebate Fund and the Series 2022 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2022 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Indenture.

(iii) Upon the Completion Date, from any funds remaining on deposit in the Series 2022 Acquisition and Construction Account not otherwise reserved to complete a

portion of the 2022 Project and which have been transferred to the Series 2022 General Redemption Subaccount of the Series 2022 Bond Redemption Account.

(c) Mandatory Sinking Fund Redemption. The Series 2022 Bonds maturing on November 1, 20XX are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2022 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

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

*Maturity

The Series 2022 Bonds maturing on November 1, 20XX are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2022 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

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

*Maturity

The Series 2022 Bonds maturing on November 1, 20XX are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2022 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

Year **Mandatory Sinking Fund
Redemption Amount**

*Maturity

The Series 2022 Bonds maturing on November 1, 20XX are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2022 Sinking Fund Account on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

Year **Mandatory Sinking Fund
Redemption Amount**

*Maturity

Upon any redemption of Series 2022 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the District shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2022 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2022 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2022 Bonds in any year. In the event of a redemption or purchase occurring less than forty-five (45) days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall

be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

SECTION 3.02. Notice of Redemption. When required to redeem Series 2022 Bonds under any provision of this First Supplemental Indenture or directed to redeem Series 2022 Bonds by the Issuer, the Trustee shall give or cause to be given to Owners of the Series 2022 Bonds to be redeemed, notice of the redemption, as set forth in Article VIII of the Master Indenture.

[END OF ARTICLE III]

ARTICLE IV
ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS;
ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS;
REMOVAL OF 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 2022 Acquisition and Construction Account.” Proceeds of the Series 2022 Bonds shall be deposited into the Series 2022 Acquisition and Construction Account in the amount set forth in Section 2.06 of this First Supplemental Indenture, together with any moneys transferred to the Series 2022 Acquisition and Construction Account, and such moneys in the Series 2022 Acquisition and Construction Account shall be applied as set forth in Section 5.01 of the Master Indenture shall be applied as set forth in this paragraph (a). After the Completion Date, any moneys remaining in the Series 2022 Acquisition and Construction Account, as evidenced in writing from the Issuer or from the District Manager, on behalf of the Issuer to the Trustee, shall be transferred to the Series 2022 General Redemption Subaccount of the Series 2022 Bond Redemption Account and thereupon, the Series 2022 Acquisition and Construction Account shall be closed. Upon presentment to the Trustee of a properly signed requisition in substantially the form attached hereto as Exhibit C, moneys withdrawn from the Series 2022 Acquisition and Construction Account shall be used to pay Costs of the 2022 Project. Pursuant to the Master Indenture, the Trustee shall establish a separate account within the Acquisition and Construction Fund designated as the “Series 2022 Costs of Issuance Account.” Proceeds of the Series 2022 Bonds shall be deposited into the Series 2022 Costs of Issuance Account in the amount set forth in Section 2.06 of this First Supplemental Indenture. Upon presentment to the Trustee of a properly signed requisition in substantially the form attached hereto as Exhibit C, the Trustee shall withdraw moneys from the Series 2022 Costs of Issuance Account to pay the costs of issuing the Series 2022 Bonds. Six months after the issuance of the Series 2022 Bonds, any moneys remaining in the Series 2022 Costs of Issuance Account in excess of the costs of issuing the Series 2022 Bonds requested to be disbursed by the Issuer shall be deposited into the Series 2022 Interest Account. Any deficiency in the amount allocated to pay the cost of issuing the Series 2022 Bonds shall be paid from excess Series 2022 Pledged Revenues on deposit in the Series 2022 Revenue Account. When no monies remain therein, the Series 2022 Acquisition and Construction Account and the Series 2022 Costs of Issuance Account shall be closed.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the “Series 2022 Revenue Account.” The Series 2022 Special Assessments (except for Prepayments of Series 2022 Special Assessments which shall be identified as such by the Issuer to the Trustee and deposited in the Series 2022 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2022 Revenue Account which shall be applied as set forth in Section 6.03 of the Master Indenture and Section 4.02 of this First Supplemental Indenture.

(c) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the “Series 2022 Principal Account.” Moneys shall be deposited into the Series 2022 Principal Account as provided in Section 6.04 of the Master Indenture and Section 4.02 of this First Supplemental Indenture, and applied for the purposes provided therein.

(d) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish two (2) separate Accounts within the Debt Service Fund designated as the “Series 2022 Interest Account” and the “Series 2022 Capitalized Interest Account.” Moneys deposited into the Series 2022 Interest Account and Series 2022 Capitalized Interest Account pursuant to Section 6.04 of the Master Indenture and Sections 2.06 and 4.02 of this First Supplemental Indenture, shall be applied for the purposes provided therein.

(e) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish another separate Account within the Debt Service Fund designated as the “Series 2022 Sinking Fund Account.” Moneys shall be deposited into the Series 2022 Sinking Fund Account as provided in Section 6.04 of the Master Indenture and Section 4.02 of this First Supplemental Indenture and applied for the purposes provided therein and in Section 3.01(c) of this First Supplemental Indenture.

(f) Pursuant to Section 6.05 of the Master Indenture, the Trustee shall establish a separate Account within the Reserve Fund designated as the “Series 2022 Reserve Account.” Proceeds of the Series 2022 Bonds shall be deposited into the Series 2022 Reserve Account in the amount set forth in Section 2.06 of this First Supplemental Indenture, and such moneys, together with any other moneys deposited into the Series 2022 Reserve Account shall be applied for the purposes provided therein and in this Section 4.01(f) of this First Supplemental Indenture.

On each March 15 and September 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2022 Reserve Account and transfer any excess therein above the Reserve Requirement for the Series 2022 Bonds caused by investment earnings to the Series 2022 Acquisition and Construction Account prior to the Completion Date, and after the Completion Date, to the Series 2022 Revenue Account.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2022 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holders of the Series 2022 Bonds to the Series 2022 General Redemption Subaccount of the Series 2022 Bond Redemption Account, if as a result of the application of Article X of the Master Indenture, the proceeds received from lands sold subject to the Series 2022 Special Assessments and applied to redeem a portion of the Series 2022 Bonds is less than the principal amount of Series 2022 Bonds indebtedness attributable to such lands.

Subject to the provisions of Section 4.05 hereof, on any date the Issuer receives notice from the District Manager that a landowner wishes to prepay its Series 2022 Special Assessments relating to the benefited property of such landowner, or as a result of a mandatory true-up payment, the Issuer shall, or cause the District Manager, on behalf of the Issuer to, calculate the principal amount of such Prepayment taking into account a credit against the amount of the Series 2022 Prepayment Principal due by the amount of money in the Series 2022 Reserve Account that will be in excess of the Reserve Requirement, taking into account the proposed Prepayment. Such excess shall be transferred to the Series 2022 Prepayment Subaccount of the Series 2022 Bond Redemption Account, as a result of such Prepayment. The District Manager, on behalf of the Issuer, shall make such calculation within ten (10) Business Days after receiving notice of such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the landowner from the Series 2022 Reserve Account to the Series 2022 Prepayment Subaccount of

the Series 2022 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2022 Bonds in accordance with Section 3.01(b)(i) hereof. The Trustee is authorized to make such transfers and has no duty to verify such calculations.

(g) Pursuant to Section 6.06 of the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Account within the Bond Redemption Fund designated as the “Series 2022 Bond Redemption Account” and within such Account, a “Series 2022 General Redemption Subaccount,” a “Series 2022 Optional Redemption Subaccount,” and a “Series 2022 Prepayment Subaccount.” Except as otherwise provided in this First Supplemental Indenture regarding Prepayments or in connection with the optional redemption of the Series 2022 Bonds, moneys to be deposited into the Series 2022 Bond Redemption Account as provided in Section 6.06 of the Master Indenture, shall be deposited to the Series 2022 General Redemption Subaccount of the Series 2022 Bond Redemption Account.

(h) Moneys that are deposited into the Series 2022 General Redemption Subaccount of the Series 2022 Bond Redemption Account (including all earnings on investments held therein) shall be used to call Series 2022 Bonds for the extraordinary mandatory redemption in whole, pursuant to Section 3.01(b)(ii) hereof or in part pursuant to Section 3.01(b)(iii) hereof.

(i) Moneys in the Series 2022 Prepayment Subaccount of the Series 2022 Bond Redemption Account (including all earnings on investments held in such Series 2022 Prepayment Subaccount of the Series 2022 Bond Redemption Account) shall be accumulated therein to be used to call for redemption pursuant to Section 3.01(b)(i) hereof an amount of Series 2022 Bonds equal to the amount of money transferred to the Series 2022 Prepayment Subaccount of the Series 2022 Bond Redemption Account for the purpose of such extraordinary mandatory redemption on the dates and at the price provided in such Section 3.01(b)(i) hereof.

(j) The Issuer hereby directs the Trustee to establish a Series 2022 Rebate Fund designated as the “Series 2022 Rebate Fund.” Moneys shall be deposited into the Series 2022 Rebate Fund, as provided in the Arbitrage Certificate and applied for the purposes provided therein.

(k) Moneys on deposit in the Series 2022 Optional Redemption Subaccount shall be used to optionally redeem all or a portion of the Series 2022 Bonds pursuant to Section 3.01(a) hereof.

SECTION 4.02. Series 2022 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2022 Revenue Account to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt but no later than the Business Day next preceding each May 1 commencing May 1, 2022, to the Series 2022 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2022 Bonds becoming due on the next succeeding May 1, less any amounts on deposit in the Series 2022 Capitalized Interest Account or the Series 2022 Interest Account not previously credited;

SECOND, upon receipt but no later than the Business Day next preceding each November 1 commencing November 1, 2022, to the Series 2022 Interest Account of the

Debt Service Fund, an amount equal to the interest on the Series 2022 Bonds becoming due on the next succeeding November 1, less any amounts on deposit in the Series 2022 Capitalized Interest Account or the Series 2022 Interest Account not previously credited;

THIRD, no later than the Business Day next preceding each November 1, commencing November 1, 2023, to the Series 2022 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2022 Bonds subject to sinking fund redemption on such November 1, less any amount on deposit in the Series 2022 Sinking Fund Account not previously credited;

FOURTH, no later than the Business Day next preceding the November 1, which is a principal payment date for any Series 2022 Bonds, to the Series 2022 Principal Account of the Debt Service Fund, an amount equal to the principal amount of Series 2022 Bonds Outstanding maturing on such November 1, less any amounts on deposit in the Series 2022 Principal Account not previously credited;

FIFTH, notwithstanding the foregoing, at any time the Series 2022 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2022 Interest Account, the amount necessary to pay interest on the Series 2022 Bonds subject to redemption on such date;

SIXTH, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2022 Bonds remain Outstanding, to the Series 2022 Reserve Account, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the applicable Reserve Requirement for the Series 2022 Bonds; and

SEVENTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Series 2022 Costs of Issuance Account to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2022 Bonds and next, any balance in the Series 2022 Revenue Account shall remain on deposit in such Series 2022 Revenue Account, unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2022 Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.

Notwithstanding that the Issuer has funded the Series 2022 Capitalized Interest Account to pay interest on the Series 2022 Bonds through at least May 1, 2022, moneys on deposit in the Series 2022 Capitalized Interest Account, including all investment earnings thereon, shall remain on deposit in such Account and be used by the Trustee to pay interest on the Series 2022 Bonds on any subsequent Interest Payment Date if moneys remain after May 1, 2022. When such Account has been depleted of all funds, the Trustee shall be authorized to close such Account.

SECTION 4.03. Power to Issue Series 2022 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2022 Bonds, to execute and deliver the Indenture and to pledge the Series 2022 Pledged Revenues for the benefit of the Series 2022 Bonds to the extent set forth herein. The Series 2022 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 2022 Bonds, except the lien created by the Series 2022-2 Special Assessments and as otherwise permitted under the Master Indenture. The Series 2022 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 2022 Bonds under the Indenture against all claims and demands of all persons whomsoever.

SECTION 4.04. 2022 Project to Conform to Consulting Engineers Report. Upon the issuance of the Series 2022 Bonds, the Issuer will promptly proceed to construct or acquire the 2022 Project, as described in Exhibit A hereto and in the Consulting Engineer's Report relating thereto.

SECTION 4.05. Prepayments; Removal of Series 2022 Special Assessment Liens.

(a) At any time any owner of property subject to the Series 2022 Special Assessments may, at its option, or as a result of acceleration of the Series 2022 Special Assessments because of non-payment thereof or as a result of true-up payment, shall require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2022 Special Assessments by paying or causing there to be paid to the Issuer all or a portion of the Series 2022 Special Assessment, which shall constitute Series 2022 Prepayment Principal, plus accrued interest to the next succeeding Interest Payment Date (or the second succeeding Interest Payment Date if such Prepayment is made within forty-five (45) calendar days before an Interest Payment Date), attributable to the property subject to Series 2022 Special Assessment owned by such owner. In the event the amount in the Series 2022 Reserve Account will exceed the Reserve Requirement for the Series 2022 Bonds as a result of a Prepayment in accordance with this Section 4.05(a), the excess amount shall be transferred from the Series 2022 Reserve Account to the Series 2022 Prepayment Subaccount of the Series 2022 Bond Redemption Account as a credit against the Series 2022 Prepayment Principal otherwise required to be paid by the owner of such lot or parcel. As a condition of providing such credit, the District Manager, on behalf of the Issuer, shall provide written instructions to the Trustee, together with a certification stating that, after giving effect to such transfer sufficient moneys will be on deposit in the Series 2022 Reserve Account to equal or exceed the Debt Service Reserve Requirement for the Series 2022 Bonds.

(b) Upon receipt of Series 2022 Prepayment Principal as described in paragraph (a) above, subject to satisfaction of the conditions set forth therein, the Issuer shall immediately pay the amount so received to the Trustee, and the Issuer shall take such action as is necessary to record in the official records of the Issuer that the Series 2022 Special Assessment has been paid in whole or in part and that such Series 2022 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be.

(c) The Trustee may conclusively rely on the Issuer's determination of what moneys constitute Series 2022 Prepayment Principal. The Trustee shall calculate the amount available for extraordinary mandatory redemption of the Series 2022 Bonds pursuant to Section 3.01(b)(i) hereof forty-five (45) days before each Quarterly Redemption Date and will withdraw money from the Series 2022 Reserve Account as a credit against the amount of Prepayment that is owed in an amount as directed by the Issuer or the District Manager on behalf of the Issuer in accordance with Section 4.01(f) hereof and Section 4.05(a) hereof. No credit shall be given if as a result the Reserve Requirement shall be less than is required after taking into account the

proposed extraordinary mandatory redemption pursuant to Section 3.01(b)(i) hereof. At any time such Prepayment is not in an integral multiple of \$5,000, the Trustee shall withdraw moneys from the Series 2022 Revenue Account to round-up to an integral multiple of \$5,000 and deposit such amount into the Series 2022 Prepayment Subaccount. Notwithstanding the foregoing, the Trustee shall not be authorized to withdraw any moneys from the Series 2022 Revenue Account unless all of the deposits required under Section 4.02 hereof have or can be made to the next succeeding Interest Payment Date.

[END OF ARTICLE IV]

ARTICLE V
COVENANTS AND DESIGNATIONS OF THE ISSUER

SECTION 5.01. Collection of Series 2022 Special Assessments. Pursuant to the terms and provisions of the Master Indenture, the Issuer shall collect the Series 2022 Special Assessments relating to the acquisition and construction of the 2022 Project through the Uniform Method of Collection (the “Uniform Method”) afforded by Chapter 197, Florida Statutes. Pursuant to the terms and provisions of the Master Indenture, the Issuer shall, pursuant to the provisions of the Assessment Resolutions, directly collect the Series 2022 Special Assessments levied in lieu of the Uniform Method with respect to any assessable lands which have not yet been platted, or for platted lots that are owned by Landowner, unless the Trustee at the direction of the Majority Holders directs the Issuer otherwise or the timing for using the Uniform Method will not yet allow for using such method. In addition, and not in limitation of, the covenants contained elsewhere in this First Supplemental Indenture and in the Master Indenture, the Issuer covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2022 Special Assessments, and to levy the Series 2022 Special Assessments in such manner as will generate funds sufficient to pay debt service on the Series 2022 Bonds when due. All Series 2022 Special Assessments that are collected directly by the Issuer shall be due and payable by the Landowner not later than thirty (30) days prior to each Interest Payment Date.

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

SECTION 5.03. Investment of Accounts and Subaccounts. The provisions of Section 7.02 of the Master Indenture shall apply to the investment and reinvestment of moneys in the Series 2022 Accounts and subaccounts therein created hereunder.

SECTION 5.04. Additional Obligations. Other than in connection with the issuance of refunding bonds to be secured by the Series 2022 Special Assessments, the Issuer covenants not to issue any Bonds or other debt obligations secured by the Series 2022 Special Assessments. In addition, the Issuer shall not issue any other Bonds or debt obligations secured by other Special Assessments on the same lands secured by the Series 2021 Special Assessments until the Series 2021 Special Assessments have been Substantially Absorbed. Once the Series 2022 Special Assessments have been Substantially Absorbed, the Issuer may issue Bonds or other debt obligations on assessable lands within the District that are subject to the Series 2022 Special Assessments without limit as to the principal amount. Nothing herein shall prohibit the District from issuing additional Bonds or other debt obligations on lands that do not contain Series 2022 Special Assessments. Notwithstanding any of the foregoing, the Issuer shall not be precluded from issuing additional Bonds or other debt obligations secured by Special Assessments or other non-ad valorem assessments on any assessable lands within the District subject to the Series 2022 Special Assessments in connection with capital projects that are necessary for the health, safety and welfare of its residents or to remediate a natural disaster. The Trustee may rely on a written certificate from the District Manager that the Series 2022 Special Assessments have been

Substantially Absorbed. Notwithstanding any provision in the Indenture to the contrary, the Issuer may issue other Bonds or debt obligations secured by Special Assessments on lands within the District that are subject to the Series 2022 Special Assessments, at any time upon the written consent of the Majority Holders.

SECTION 5.05. Requisite Owners for Direction or Consent. Anything in the Master Indenture to the contrary notwithstanding, any direction or consent or similar provision which requires more than fifty percent (50%) of the Owners, shall in each case be deemed to refer to, and shall mean, the Majority Holders.

SECTION 5.06. Acknowledgement Regarding Series 2022 Acquisition and Construction Account Moneys Following an Event of Default. In accordance with the provisions of the Indenture, upon the occurrence of an Event of Default with respect to the Series 2022 Bonds, the Series 2022 Bonds are payable solely from the Series 2022 Pledged Revenues and any other moneys held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that, upon the occurrence of an Event of Default with respect to the Series 2022 Bonds, (i) the Series 2022 Pledged Revenues include, without limitation, all amounts on deposit in the Series 2022 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, (ii) the Series 2022 Pledged Revenues may not be used by the Issuer (whether to pay costs of the 2022 Project or otherwise) without the consent of the Majority Holders, and (iii) the Series 2022 Pledge Revenues may be used by the Trustee, at the direction or with the approval of the Majority Holders, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture, subject to the receipt of an opinion of Bond Counsel as to the right to use Series 2022 Pledged Revenues that constitute proceeds of the Series 2022 Bonds or investment earnings therefrom for such purpose. The Issuer covenants not to enter into any contract that would require the further expenditure of funds from the Trust Estate and regarding the construction and/or acquisition of the 2022 Project upon the occurrence of an Event of Default without the written direction of the Majority Holders.

[END OF ARTICLE V]

ARTICLE VI
THE TRUSTEE; THE PAYING AGENT AND REGISTRAR

SECTION 6.01. Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created and agrees to perform such trusts upon the terms and conditions set forth in the Indenture. The Trustee agrees to act as Paying Agent and Registrar for the Series 2022 Bonds.

SECTION 6.02. Trustee's Duties. The Trustee shall not be responsible in any manner for the due execution of this First Supplemental Indenture by the Issuer or for the recitals contained herein (except for the certificate of authentication on the Series 2022 Bonds), all of which are made solely by the Issuer. Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlement inuring to the Trustee under the Master Indenture.

[END OF ARTICLE VI]

ARTICLE VII
MISCELLANEOUS PROVISIONS

SECTION 7.01. Interpretation of First Supplemental Indenture. This First Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2022 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this First Supplemental Indenture by reference. To the maximum extent possible, the Master Indenture and the First Supplemental Indenture shall be read and construed as one document.

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

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

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

SECTION 7.05. Payment Dates. In any case in which an Interest Payment Date or the maturity date of the Series 2022 Bonds or the date fixed for the redemption of any Series 2022 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 7.06. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Series 2022 Bonds.

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

SECTION 7.08. Counterparts and Electronically Signed and/or Transmitted Signatures. This First Supplemental Indenture may be executed in counterparts, and all counterparts together shall be construed as one document. Executed counterparts of this First Supplemental Indenture with signatures sent by electronic mail (i.e., in PDF format) or signed electronically via DocuSign or other electronic means may be used in the place of original signatures on this First Supplemental Indenture. The parties intend to be bound by the signatures

of the electronically mailed or signed signatures and the delivery of the same shall be effective as delivery of an original executed counterpart of this First Supplemental Indenture. The parties to this First Supplemental Indenture hereby waive any defenses to the enforcement of the terms of this First Supplemental Indenture based on the form of the signature, and hereby agree that such electronically mailed or signed signatures shall be conclusive proof, admissible in judicial proceedings, of the parties' execution of this First Supplemental Indenture.

All documents received by the Trustee under the provisions of the Master Indenture or this First Supplemental Indenture and not required to be redelivered shall be retained in its possession, subject at all reasonable times to the inspection of the Issuer, any consultant, any Bondholder and the agents and representatives thereof as evidence in writing. The Trustee agrees to accept and act upon instructions or directions pursuant to this First Supplemental Indenture sent by the Issuer by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Issuer shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

[Remainder of page intentionally left blank.]

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

PACIFIC ACE COMMUNITY
DEVELOPMENT DISTRICT

[SEAL]

Attest:

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

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

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

By: _____
Name: Amanda Kumar
Title: Vice President

STATE OF FLORIDA)
) SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2022, by _____, Chairperson/Vice Chairperson of the Board of Supervisors of Pacific Ace Community Development District, who acknowledged that he/she did sign the foregoing instrument as such officer, for and on behalf of Pacific Ace Community Development District; that the same is his/her free act and deed as such officer, and the free act and deed of Pacific Ace Community Development District; and that the seal affixed to said instrument is the seal of Pacific Ace Community Development District. He/she is personally known to me or produced _____ as identification.

[NOTARIAL SEAL]

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

STATE OF FLORIDA)
) SS:
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this _____ day of _____, 2022, by Craig Wrathell, Secretary of the Board of Supervisors of Pacific Ace Community Development District, who acknowledged that he did sign the foregoing instrument as such officer for and on behalf of Pacific Ace Community Development District; that the same is his free act and deed as such officer, and the free act and deed of Pacific Ace Community Development District; and that the seal affixed to said instrument is the seal of Pacific Ace Community Development District. He is personally known to me or produced _____ as identification.

[NOTARIAL SEAL]

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

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2022, by Amanda Kumar, a Vice President of U.S. Bank National Association, as trustee (the “Trustee”), who acknowledged that she did so sign said instrument as such officer for and on behalf of the Trustee; that the same is her free act and deed as such officer and the free act and deed of the Trustee; that she appeared before me on this day in person and acknowledged that she, being thereunto duly authorized, signed, for the uses and purposes therein set forth. She is personally known to me or produced _____ as identification.

[NOTARIAL SEAL]

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

EXHIBIT A

DESCRIPTION OF 2022 Project

The 2022 Project includes, but is not limited to, the following improvements, as described in the *Report of District Engineer*, dated August 13, 2020, as supplemented:

- Stormwater management and control facilities, including, but not limited to, related earthwork and acquisition of interests in real property;
- Onsite and offsite roadway improvements, including applicable impact fees;
- Irrigation for public property;
- Landscaping in public rights-of-way including, but not limited to, entrance features;
- Hardscape;
- Differential cost of undergrounding electric utilities; and
- All related soft and incidental costs.

EXHIBIT B

[FORM OF SERIES 2022 BOND]

R-1

\$ _____

**UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF LAKE
PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT BOND, SERIES 2022
(2022 Project)**

Interest Rate Maturity Date Date of Original Issuance CUSIP
_____ %

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

Principal Amount:--

KNOW ALL PERSONS BY THESE PRESENTS that the Pacific Ace Community Development District (the "Issuer"), for value received, hereby promises to pay to the registered owner shown above or registered assigns, on the date specified above, from the sources hereinafter mentioned, upon presentation and surrender hereof (except while the herein defined Series 2022 Bonds are in book-entry only form such presentation shall not be required) at the designated corporate trust office of U.S. Bank National Association, as paying agent (said U.S. Bank National Association and any successor paying agent being herein called the "Paying Agent"), the Principal Amount set forth above (with interest thereon at the Interest Rate per annum set forth above, computed on 360-day year of twelve 30-day months), said principal payable on the Maturity Date stated above. Principal of this Bond is payable at the designated corporate trust office of U.S. Bank National Association, located in Fort Lauderdale, Florida, in lawful money of the United States of America. Interest on this Bond is payable by check or draft of the Paying Agent made payable to the registered owner and mailed on each May 1 and November 1, commencing May 1, 2022 to the address of the registered owner as such name and address shall appear on the registry books of the Issuer maintained by U.S. Bank National Association, as registrar (said U.S. Bank National Association and any successor registrar being herein called the "Registrar") at the close of business on the fifteenth day of the calendar month preceding each interest payment date or the date on which the principal of a Bond is to be paid (the "Record Date"). Such interest shall be payable from the most recent interest payment date next preceding the date of authentication hereof to which interest has been paid, unless the date of authentication hereof is a May 1 or November 1 to which interest has been paid, in which case from the date of authentication hereof, or unless such date of authentication is prior to May 1, 2022, in which case from the date of initial delivery, or unless the date of authentication hereof is between a Record Date and the next succeeding interest payment date, in which case from such interest payment date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Record Date and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by U.S.

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

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE SERIES 2022 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, LAKE COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2022 SPECIAL ASSESSMENTS (AS DEFINED IN THE INDENTURE) TO SECURE AND PAY THE BONDS. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

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

This Bond is one of an authorized issue of Bonds of the Pacific Ace Community Development District, a community development district duly created, organized and existing under Chapter 190, Florida Statutes (the Uniform Community Development District Act of 1980), as amended (the "Act") and Ordinance No. 2020-27 of the Board of County Commissioners of Lake County, Florida enacted on June 16, 2020 and becoming effective on June 22, 2020, designated as "Pacific Ace Community Development District Special Assessment Bonds, Series 2022 (2022 Project)" (the "Bonds"), in the aggregate principal amount of _____ MILLION _____ HUNDRED _____ THOUSAND AND 00/100 DOLLARS (\$ _____ .00) of like date, tenor and effect, except as to number, denomination, interest rate and maturity date. The Series 2022 Bonds are being issued under authority of the laws and Constitution of the State of Florida, including particularly the Act, to pay the costs of constructing and/or acquiring a portion of the 2022 Project (as defined in the herein referred to Indenture). The Series 2022 Bonds shall be issued as fully registered bonds in authorized denominations, as set forth in the Indenture. The Bonds are issued under and secured by a Master Trust Indenture dated as of _____ 1, 2022 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of _____ 1, 2022 (the "First Supplemental Indenture" and together with the Master Indenture, the "Indenture"), each by and between the Issuer and the Trustee, executed counterparts of which are on file at the designated corporate trust office of the Trustee in Fort Lauderdale, Florida.

Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2022 Bonds issued under the Indenture,

the operation and application of the Debt Service Fund, the Series 2022 Reserve Account within the Debt Service Reserve Fund and other Funds and Accounts (each as defined in the Indenture) charged with and pledged to the payment of the principal of and the interest on the Series 2022 Bonds, the levy and the evidencing and certifying for collection, of the Series 2022 Special Assessments, the nature and extent of the security for the Bonds, the terms and conditions on which the Series 2022 Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Indenture, the conditions under which such Indenture may be amended without the consent of the registered owners of the Series 2022 Bonds, the conditions under which such Indenture may be amended with the consent of the Majority Holders of the Series 2022 Bonds outstanding, and as to other rights and remedies of the registered owners of the Series 2022 Bonds.

It is expressly agreed by the owner of this Bond that such owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, the County, the State or any other political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, the County, the State or any other political subdivision thereof, for the payment of the principal of and interest on this Bond or the making of any other sinking fund and other payments provided for in the Indenture, except for Series 2022 Special Assessments to be assessed and levied by the Issuer as set forth in the Indenture.

By the acceptance of this Bond, the owner hereof assents to all the provisions of the Indenture.

This Bond is payable from and secured by Series 2022 Pledged Revenues, as such term is defined in the Indenture, all in the manner provided in the Indenture. The Indenture provides for the levy and the evidencing and certifying, of non-ad valorem assessments in the form of Series 2022 Special Assessments to secure and pay the Bonds.

The Series 2022 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the redemption price of the Series 2022 Bonds shall be made on the dates specified below. Upon any redemption of Series 2022 Bonds other than in accordance with scheduled mandatory sinking fund redemption, the Issuer shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2022 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2022 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2022 Bonds in any year. In the event of a redemption or purchase occurring less than forty-five (45) days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

Optional Redemption

The Series 2022 Bonds are subject to redemption prior to maturity at the option of the Issuer, as a whole or in part, at any time, on or after November 1, 20XX (less than all Series 2022

Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of the Series 2022 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date.

Mandatory Sinking Fund Redemption

The Series 2022 Bonds maturing on November 1, 20XX are subject to mandatory sinking fund redemption on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2022 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.

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

*Maturity

The Series 2022 Bonds maturing on November 1, 20XX are subject to mandatory sinking fund redemption on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2022 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.

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

*Maturity

The Series 2022 Bonds maturing on November 1, 20XX are subject to mandatory sinking fund redemption on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2022 Bonds redeemed pursuant to optional or

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

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

*Maturity

The Series 2022 Bonds maturing on November 1, 20XX are subject to mandatory sinking fund redemption on November 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2022 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth herein or purchased and cancelled pursuant to the provisions of the Indenture.

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

*Maturity

Extraordinary Mandatory Redemption in Whole or in Part

The Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole or in part on any date (other than in the case of clause (i) below which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at an extraordinary

mandatory redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus interest accrued to the redemption date.

(i) from Series 2022 Prepayment Principal deposited into the Series 2022 Prepayment Subaccount of the Series 2022 Bond Redemption Account (taking into account the credit from the Series 2022 Reserve Account pursuant to Section 4.05 of the First Supplemental Indenture) following the prepayment in whole or in part of 2022 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of the First Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2022 Funds, Accounts and subaccounts in the Funds and Accounts (other than the Series 2022 Rebate Fund and the Series 2022 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2022 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Indenture.

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2022 Acquisition and Construction Account not otherwise reserved to complete the 2022 Project and which have been transferred to the Series 2022 General Redemption Subaccount of the Series 2022 Bond Redemption Account.

Except as otherwise provided in the Indenture, if less than all of the Series 2022 Bonds subject to redemption shall be called for redemption, the particular such Bonds or portions of such Series 2022 Bonds to be redeemed shall be selected by lot by the Trustee, as provided in the Indenture.

Notice of each redemption of the Series 2022 Bonds is required to be mailed by the Trustee by first class mail, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date to each Registered Owner of the Series 2022 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Trustee or the Paying Agent, all as provided in the Indenture, the Series 2022 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2022 Bonds or such portions thereof on such date, interest on such Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2022 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2022 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Trustee or the Paying Agent. Further notice of redemption shall be given by the Trustee to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Notwithstanding the foregoing, the Trustee is authorized to give conditional notice of redemption as provided in the Master Indenture.

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

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

Any moneys held by the Trustee or Paying Agent in trust for the payment and discharge of any Series 2022 Bond which remain unclaimed for three (3) years after the date when such Bond has become due and payable, either at its stated maturity date or by call for earlier redemption shall be paid to the Issuer, thereupon and thereafter no claimant shall have any rights against the Trustee or Paying Agent to or in respect of such moneys.

If the Issuer deposits or causes to be deposited with the Trustee funds or Defeasance Securities (as defined in the Master Indenture) sufficient to pay the principal or Redemption Price of any the Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of such Bonds as to the trust estate with respect to the Bonds shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

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

The Issuer shall keep books for the registration of the Series 2022 Bonds at the designated corporate trust office of the Registrar in Fort Lauderdale, Florida. Subject to the restrictions contained in the Indenture, the Series 2022 Bonds may be transferred or exchanged by the registered owner thereof in person or by his attorney duly authorized in writing only upon the books of the Issuer kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. In all cases in which the privilege of transferring or exchanging Series 2022 Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Series 2022 Bond or Series 2022 Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Indenture. Every Series 2022 Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, Paying Agent or the Registrar, duly executed by the Bondholder or his attorney duly authorized in writing. Transfers and exchanges shall be made without charge to the Bondholder, except that the Issuer or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Series 2022 Bonds.

The Issuer, the Trustee, the Paying Agent and the Registrar shall deem and treat the person in whose name any Series 2022 Bond shall be registered upon the books kept by the Registrar as the absolute owner thereof (whether or not such Series 2022 Bond shall be overdue) for the purpose of receiving payment of or on account of the principal of and interest on such Series 2022 Bond as the same becomes due, and for all other purposes. All such payments so made to any such

registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2022 Bond to the extent of the sum or sums so paid, and neither the Issuer, the Trustee, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed, precedent to and in connection with the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, including particularly the Act, and that the issuance of this Bond, and of the issue of the Series 2022 Bonds of which this Bond is one, is in full compliance with all constitutional and statutory limitations or provisions.

IN WITNESS WHEREOF, Pacific Ace Community Development District has caused this Bond to be signed by the manual signature of the Chairperson/Vice Chairperson of its Board of Supervisors and its seal to be imprinted hereon, and attested by the manual signature of the Secretary of its Board of Supervisors, all as of the date hereof.

PACIFIC ACE COMMUNITY DEVELOPMENT
DISTRICT

By: _____
Chairperson/Vice Chairperson
Board of Supervisors

(SEAL)

Attest:

By: _____
Secretary
Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2022 Bonds delivered pursuant to the within mentioned Indenture.

Date of Authentication: _____

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Assistant Vice President

STATEMENT OF VALIDATION

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court of the Fifth Judicial Circuit of Florida, in and for Lake County, Florida, rendered on the 21st day of January, 2021.

PACIFIC ACE COMMUNITY DEVELOPMENT
DISTRICT

By: _____
Chairperson/Vice Chairperson
Board of Supervisors

(SEAL)

Attest:

By: _____
Secretary
Board of Supervisors

ABBREVIATIONS

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

TEN COM - as tenants in common
TEN ENT - as tenants by the entirety
JT TEN - as joint tenants with rights of survivorship and
not as tenants in common

UNIFORM TRANSFER MIN ACT - _____ Custodian _____
(Cust) (Minor)

Under Uniform Transfer to Minors Act _____
(State)

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

ASSIGNMENT AND TRANSFER

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

(please print or typewrite name and address of assignee)

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

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

Signature Guarantee:

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

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

Please insert social security or other identifying number of Assignee.

EXHIBIT C

FORMS OF REQUISITIONS

PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2022 (2022 Project)

(Acquisition and Construction)

The undersigned, a Responsible Officer of the Pacific Ace Community Development District (the “District”) hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the District and U.S. Bank National Association, as trustee (the “Trustee”), dated as of _____ 1, 2022, as supplemented by that certain First Supplemental Trust Indenture dated as of _____ 1, 2022 (collectively, the “Indenture”) (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number:
- (B) Identify Acquisition Agreement, if applicable;
- (C) Name of Payee pursuant to Acquisition Agreement:
- (D) Amount Payable:
- (E) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments):
- (F) Fund or Account and subaccount, if any, from which disbursement to be made:

Series 2022 Acquisition and Construction Account of the Acquisition and Construction Fund.

The undersigned hereby certifies that:

1. obligations in the stated amount set forth above have been incurred by the District,
2. each disbursement set forth above is a proper charge against the Series 2022 Acquisition and Construction Account;
3. each disbursement set forth above was incurred in connection with the Cost of the 2022 Project; and
4. Each disbursement represents a Cost of the 2022 Project which has not previously been paid.

The undersigned hereby further certifies that there has not been filed with or served upon the District notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive

payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

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

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

PACIFIC ACE COMMUNITY
DEVELOPMENT DISTRICT

By: _____
Responsible Officer

Date: _____

CONSULTING ENGINEER'S APPROVAL

The undersigned Consulting Engineer hereby certifies that this disbursement is for the Cost of the 2022 Project and is consistent with: (i) the Acquisition Agreement; and/or (ii) the report of the District Engineer, as such report shall have been amended or modified.

Consulting Engineer

**PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT BONDS, SERIES 2022
(2022 Project)**

(Costs of Issuance)

The undersigned, a Responsible Officer of the Pacific Ace Community Development District (the “District”) hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the District and U.S. Bank National Association, as trustee (the “Trustee”), dated as of _____ 1, 2022, as supplemented by that certain First Supplemental Trust Indenture dated as of _____ 1, 2022 (collectively, the “Indenture”) (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number:

- (B) Amount Payable:

- (C) Purpose for which paid or incurred: Costs of Issuance

- (D) Fund or Account and subaccount, if any, from which disbursement to be made:
Series 2022 Costs of Issuance Account of the Acquisition and Construction Fund

The undersigned hereby certifies that:

1. this requisition is for Costs of Issuance payable from the Series 2022 Costs of Issuance Account that have not previously been paid;
2. each disbursement set forth above is a proper charge against the Series 2022 Costs of Issuance Account;
3. each disbursement set forth above was incurred in connection with the issuance of the Series 2022 Bonds; and
4. each disbursement represents a cost of issuance which has not previously been paid.

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

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

Attached hereto are originals or copies of the invoice(s) from the vendor of the services rendered with respect to which disbursement is hereby requested.

PACIFIC ACE COMMUNITY DEVELOPMENT
DISTRICT

By: _____
Responsible Officer

Date: _____

EXHIBIT D

FORM OF INVESTOR LETTER

[Date]

Pacific Ace Community Development District
c/o Wrathell Hunt & Associates, LLC
2300 Glades Road, Suite 410W
Boca Raton, FL 33431
Attention: Craig Wrathell

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

Re: \$ _____ Pacific Ace Community Development District Special Assessment
Bonds, Series 2022 (2022 Project)

Ladies and Gentlemen:

The undersigned is authorized to sign this letter [on behalf of Name of Non-Individual Investor], as the beneficial owner (the “Investor”) of \$ _____ of the above-referenced Bonds [state maturing on November 1, _____, bearing interest at the rate of ___% per annum and CUSIP #] (herein, the “Investor Bonds”).

The undersigned acknowledges that the Bonds were issued by the Pacific Ace Community Development District (herein, the “Issuer”) for the purpose of providing a portion of the funds necessary to finance the acquisition and construction of certain public infrastructure described in the herein defined Offering Document. The undersigned further acknowledges that the Bonds, which include the Investor Bonds, are secured under that certain Master Trust Indenture, dated as of _____ 1, 2022 (the “Master Indenture”) and a First Supplemental Trust Indenture dated as of _____ 1, 2022 (“First Supplement” and, collectively with the Master Indenture, the “Indenture”), between the Issuer and U.S. Bank National Association, as trustee (the “Trustee”), which creates a security interest in the trust estate described therein (the “Security”) for the benefit of the Owners of the Bonds.

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

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

2. The Investor meets the criteria of an “accredited investor” as described in one or more of the categories derived from Rule 501(a) under Regulation D of the Securities Act of 1933, as amended (the “Securities Act”) summarized below, and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations including those which are not rated or credit-enhanced, to be able to

evaluate the risks and merits of the investment represented by the Bonds. Please check the appropriate box below to indicate the type of accredited investor:

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

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

an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust partnership, or limited liability company, not formed for the specific purpose of acquiring the Investor Bonds with assets exceeding \$5 million;

a business in which all the equity owners are “accredited investors”;

a natural person who has individual net worth, or joint net worth with the person’s spouse or spousal equivalent, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person, except that mortgage indebtedness on the primary residence shall not be included as a liability;

a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse or spousal equivalent exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year;

a trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Investor Bonds whose purchase is directed by a sophisticated person;

an entity, of a type other than those set forth above, that owns investments in excess of \$5,000,000 and that was not formed for the specific purpose of acquiring the Investor Bonds;

a natural person holding in good standing one or more professional certifications or designations or credentials from a designated accredited educational institution qualifying an individual for “accredited investor” status;

a “family office” with at least \$5,000,000 in assets under management, that was not formed for the specific purpose of acquiring the Investor Bonds, and whose prospective investment is directed by a person capable of evaluating the merits and risks of the prospective investment; or

a “family client” of a family office described in the prior bullet point whose prospective investment is directed by that family office.

3. The Investor Bonds are being acquired by the Investor for investment and not with a present view to, or for resale in connection with, any distribution of the Bonds.

4. The Investor understands that the Bonds are not registered under the Securities Act and that such registration is not legally required as of the date hereof; and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating service and (d) will be delivered in a form which is not readily marketable.

5. The Investor understands that (a) the Bonds are not secured by any pledge of any moneys received or to be received from any taxation by the Issuer, State of Florida or any political subdivision thereof, (b) the Bonds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the Issuer, the State of Florida or any political subdivision thereof; and (c) the liability of the Issuer with respect to the Bonds is limited to the Security as set forth in the Indenture.

6. The Investor has been supplied with an (electronic) copy of the Preliminary Limited Offering Memorandum dated _____, 2022 of the Issuer and relating to the Bonds (the “Offering Document”) and has reviewed the Offering Document and represents that such Offering Document has provided full and meaningful disclosure in order to make an informed decision to invest in the Investor Bonds.

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

Very truly yours,

[Name], [Type of Entity]

By: _____
Name: _____
Title: _____
Date: _____

Or

[Name], an Individual

51909033v12/195229.010000

PACIFIC ACE

COMMUNITY DEVELOPMENT DISTRICT

4

NOTICE OF TENDER OF RESIGNATION

To: Board of Supervisors
Pacific Ace Community Development District
Attn: Craig Wrathell, District Manager
2300 Glades Road, Suite 410W
Boca Raton, Florida 33431

From: Wayne Horowitz
Printed Name

Date: 9/20/21
Date

I hereby tender my resignation as a member of the Board of Supervisors of the *Pacific Ace Community Development District*. My tendered resignation will be deemed to be effective as of the time a quorum of the remaining members of the Board of Supervisors accepts it at a duly noticed meeting of the Board of Supervisors.

I certify that this Notice of Tender of Resignation has been executed by me and personally presented at a duly noticed meeting of the Board of Supervisors, scanned and electronically transmitted to gillyardd@whhassociates.com or faxed to 561-571-0013 and agree that the executed original shall be binding and enforceable and the fax or email copy shall be binding and enforceable as an original.



Signature

PACIFIC ACE

COMMUNITY DEVELOPMENT DISTRICT

6

RESOLUTION 2022-02

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT DESIGNATING CERTAIN OFFICERS OF THE DISTRICT, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Pacific Ace Community Development District (“District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*,

WHEREAS, the Board of Supervisors of the District desires to designate certain Officers of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. _____ is appointed Chair.

SECTION 2. _____ is appointed Vice Chair.

SECTION 3. **Craig Wrathell** is appointed Secretary.

_____ is appointed Assistant Secretary.

_____ is appointed Assistant Secretary.

_____ is appointed Assistant Secretary.

 Kristen Suit is appointed Assistant Secretary.

SECTION 4. This Resolution supersedes any prior appointments made by the Board for Chair, Vice Chair, Secretary and Assistant Secretaries; however, prior appointments by the Board for Treasurer and Assistant Treasurer(s) remain unaffected by this Resolution.

SECTION 5. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 12th day of November, 2021.

ATTEST:

**PACIFIC ACE COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

PACIFIC ACE

COMMUNITY DEVELOPMENT DISTRICT

7

RESOLUTION 2022-03

A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT DESIGNATING THE PRIMARY ADMINISTRATIVE OFFICE AND PRINCIPAL HEADQUARTERS OF THE DISTRICT; DESIGNATING THE LOCATION OF THE LOCAL DISTRICT RECORDS OFFICE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Pacific Ace Community Development District (the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Lake County, Florida; and

WHEREAS, the District desires to designate its primary administrative office as the location where the District’s public records are routinely created, sent, received, maintained, and requested, for the purposes of prominently posting the contact information of the District’s Record’s Custodian in order to provide citizens with the ability to access the District’s records and ensure that the public is informed of the activities of the District in accordance with Chapter 119, *Florida Statutes*; and

WHEREAS, the District also desires to specify the location of the District’s principal headquarters for the purpose of establishing proper venue under the common law home venue privilege applicable to the District; and

WHEREAS, the District is statutorily required to designate a local district records office location for the purposes of affording citizens the ability to access the District’s records, promoting the disclosure of matters undertaken by the District, and ensuring that the public is informed of the activities of the District in accordance with Chapter 119 and Section 190.006(7), *Florida Statutes*.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. The District’s primary administrative office for purposes of Chapter 119, *Florida Statutes*, shall be located at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

SECTION 2. The District’s principal headquarters for purposes of establishing proper venue shall be located at _____ within Lake County, Florida.

SECTION 3. The District’s local records office shall be located at _____.

SECTION 4. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS ___ day of _____, 2021.

ATTEST:

**PACIFIC ACE COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair, Board of Supervisors

PACIFIC ACE

COMMUNITY DEVELOPMENT DISTRICT

8

**FIELD OPERATIONS
AGREEMENT**

THIS FIELD OPERATIONS AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2021 by and between:

PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT, a local unit of special purpose government established pursuant to Chapter 190, *Florida Statutes*, whose address is c/o Wrathell, Hunt and Associates, LLC, 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431 (“**District**”); and

EMPIRE MANAGEMENT GROUP, INC., a Florida profit corporation, whose mailing address is 770 Almond Street, Suite A, Clermont, FL 34711 (“**Manager**,” and together with the District, “**Parties**”).

RECITALS

WHEREAS, the District is a local unit of special-purpose government established pursuant Chapter 190, *Florida Statutes* (“**Act**”); and

WHEREAS, pursuant to the Act, the District is authorized to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge and extend, equip, operate, and maintain systems, facilities and infrastructure in conjunction with the development of lands within the District; and

WHEREAS, the District presently owns and is continuing to construct and/or acquire various systems, facilities and infrastructure (“**Improvements**”) located within the District; and

WHEREAS, the District operates and maintains the Improvements and desires to retain an independent contractor to provide for field operations management for the Improvements; and

WHEREAS, for ease of administration, potential cost savings to property owners and residents, and the benefits of on-site inspection, operation and maintenance personnel, the District desires to contract with the Manager to manage the operation and maintenance of the Improvements.

NOW, THEREFORE, in consideration of the recitals, agreements, and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

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.

SECTION 2. MANAGER’S OBLIGATION.

A. Specific Duties. Manager shall perform the specific duties described on the document attached hereto as **Exhibit A** and incorporated herein by reference.

B. General Duties. Manager shall be responsible for the management and oversight of District vendors for the District Property in an efficient, lawful and satisfactory manner and in accordance with the District’s bond covenants relating to such maintenance under the District’s direction. Manager shall not have authority to execute contracts and/or change orders on behalf of the District.

Manager is responsible for the overall supervision of service contractors and maintenance staff, as well as arranging for certain repair and maintenance work. Manager shall report directly to the District Manager and the Board of Supervisors of the District. Manager shall attend monthly board of supervisor meetings when requested by the District Manager or Board of Supervisors.

C. *Inspection.* Manager shall conduct regular inspections of all District property and report any irregularities to the District Manager, or his designated representative, and shall correct any irregularities in accordance with the terms of this Agreement.

D. *Investigation and Report of Accidents/Claims.* Manager shall promptly notify the District Manager as to all accidents or claims for damage relating to the management of the District and maintenance and operation of District Property. Such report shall at a minimum include a description of any damage or destruction of property. Manager shall cooperate and make any and all reports required by any insurance company or the District in connection with any accident or claim. Manager shall not file any claims with the District's insurance company without the prior consent of the District Manager or his designee.

E. *Compliance with Government Rules, Regulations, Requirements and Orders.* Manager shall take such action as is necessary to comply promptly with any and all orders or requirements affecting District property placed thereon by any governmental authority having jurisdiction. Manager shall immediately notify the District Manager and District Counsel in writing of all such orders or requirements. At the request of the District, Manager shall prepare for execution and filing by the District any forms, reports or returns which may be required by law in connection with the ownership, maintenance and operation of the District property.

F. *Adherence to District Rules, Regulations and Policies.* To the extent they apply to Manager's performance herein, Manager's personnel shall be familiar with any and all District policies and procedures, if any, and shall ensure that all persons using District Property are informed with respect to the rules, regulations and notices as may be promulgated by the District from time to time and ensure that said persons conform therewith. Manager may adopt such policies and procedures as it deems necessary to the fulfillment of its obligations under this Agreement provided that copies of such policies and procedures shall be provided to the District at all times. Manager assures the District that all third parties will be dealt with at arm's length, and that the District's interest will be best served at all times.

G. *Care of the Property.* Manager shall use all due care to protect the property of the District, its residents and landowners from damage by Manager, its employees or contractors.

SECTION 3. COMPENSATION. The District shall pay the Manager the compensation set forth in **Exhibit A** for the provision of field operations management services pursuant to the terms of this Agreement.

SECTION 4. TERM.

A. The term of this Agreement shall commence as of the date first written above and shall terminate November 01, 2021, unless otherwise terminated in accordance with this Agreement. Thereafter, this Agreement shall be automatically renewed for additional one (1) year periods unless either party provides at least thirty (30) days' written notice of its intent to not renew the Agreement.

B. Notwithstanding the foregoing, the Manager and the District shall both have the right to terminate this Agreement upon thirty (30) days' written notice without cause. In the event of any termination, the Manager and the District shall use commercially reasonable efforts to cooperate with one another to provide a smooth and orderly transition of responsibilities between the Parties. Any termination of this Agreement shall not release District from its obligation to pay Manager the compensation and reimbursable expenses due for work performed prior to termination, subject to any offsets the District may have.

SECTION 5. INSURANCE. The Manager shall maintain, at its own expense throughout the term of this Agreement, insurance coverage from a reputable insurance carrier, licensed to conduct business in the State of Florida. The Manager shall provide the District a copy of the insurance policy, and any endorsements, prior to the commencement of the services contemplated under this Agreement. District shall also receive thirty (30) days' notice of cancellation of any such insurance policy. Policies shall have the minimum levels of insurance as set forth in **Exhibit B**. As may be available, all policies shall name the District, and its staff and supervisors, as additional insureds.

SECTION 6. INDEMNITY. Contractor agrees to defend, indemnify, and hold harmless the District and its officers, agents, employees, successors, assigns, members, affiliates, or representatives from any and all liability, claims, actions, suits, liens, demands, costs, interest, expenses, damages, penalties, fines, judgments against the District, or loss or damage, whether monetary or otherwise, arising out of, wholly or in part by, or in connection with the services to be performed by Contractor, its subcontractors, its employees and agents in connection with this Agreement, including litigation, mediation, arbitration, appellate, or settlement proceedings with respect thereto. Additionally, nothing in this Agreement requires Contractor to indemnify the District for the District's percentage of fault if the District is adjudged to be more than 50% at fault for any claims against the District and Contractor as jointly liable parties; however, Contractor shall indemnify the District for any and all percentage of fault attributable to Contractor for claims against the District, regardless whether the District is adjudged to be more or less than 50% at fault. Contractor further agrees that nothing herein shall constitute or be construed as a waiver of the District's limitations on liability contained in section 768.28, *Florida Statutes*, or other statute. Obligations under this section shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, arbitration and/or mediation costs, litigation expenses, attorneys' fees, paralegal fees (incurred in court, out of court, on appeal, or in bankruptcy proceedings), any interest, expenses, damages, penalties, fines, or judgments against the District. The indemnity obligations in this Agreement shall survive expiration or earlier termination of this Agreement.

SECTION 7. RECOVERY OF COSTS AND FEES. In the event either the District or the Manager are required to enforce this Agreement or any provision hereof by court proceedings or otherwise then, if prevailing, the District or the Manager, as applicable, shall be entitled to recover from the other all fees and costs incurred, including but not limited to reasonable attorneys' fees, paralegal fees and expert witness fees and costs incurred prior to or during any litigation or other dispute resolution and including fees incurred in appellate proceedings.

SECTION 8. 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 9. ASSIGNMENT. Neither Party may assign this Agreement without the prior written approval of the other.

SECTION 10. INDEPENDENT CONTRACTOR STATUS. In all matters relating to this Agreement, the Manager shall be acting as an independent contractor. Neither the Manager nor employees of the Manager, if there are any, are employees of the District under the meaning or application of any Federal or State Unemployment or Insurance Laws or Old Age Laws or otherwise. The Manager agrees to assume all liabilities or obligations imposed by any one or more of such laws with respect to employees of the Manager, if there are any, in the performance of this Agreement. The Manager shall not have any authority to assume or create any obligation, express or implied, on behalf of the District and the Manager shall have no authority to represent the District as an agent, employee, or in any other capacity, unless otherwise set forth in this Agreement.

SECTION 11. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall neither control nor affect the meaning or construction of any of the provisions of this Agreement.

SECTION 12. AGREEMENT. This instrument shall constitute the final and complete expression of this Agreement between the District and the Manager relating to the subject matter of this Agreement.

SECTION 13. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Manager.

SECTION 14. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Manager, both the District and the Manager have complied with all the requirements of law in order to effectuate the terms of this Agreement, and both the District and the Manager have full power and authority to comply with the terms and provisions of this instrument.

SECTION 15. NOTICES. All notices, requests, consents and other communications under this Agreement (“Notices”) shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, and at the addresses first set forth above. Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Manager may deliver Notice on behalf of the District and the Manager. 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.

SECTION 16. THIRD-PARTY BENEFICIARIES. This Agreement is solely for the benefit of the District and the Manager and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and the Manager any right, remedy, or claim under or by reason of this Agreement or any of the provisions

or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Manager and their respective representatives, successors, and assigns.

SECTION 17. CONTROLLING LAW; VENUE. This Agreement and the provisions contained in this Agreement shall be construed, interpreted, and controlled according to the laws of the State of Florida. Venue shall be in Lake County, Florida.

SECTION 18. PUBLIC RECORDS. Manager understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, Manager agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, Florida Statutes. Manager acknowledges that the designated public records custodian for the District is **Craig Wrathell** (“**Public Records Custodian**”). Among other requirements and to the extent applicable by law, the Manager shall: 1) keep and maintain public records required by the District to perform the service; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the contract term and following the contract term if the Manager does not transfer the records to the Public Records Custodian of the District; and 4) upon completion of the contract, transfer to the District, at no cost, all public records in the Manager’s possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by the Manager, the Manager shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats.

IF THE MANAGER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE MANAGER’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (877) 276-0889, WRATHELLC@WHHASSOCIATES.COM, OR 2300 GLADES ROAD, SUITE 410W, BOCA RATON, FLORIDA 33431.

SECTION 19. 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.

SECTION 20. ARM’S LENGTH TRANSACTION. This Agreement has been negotiated fully between the District and the Manager as an arm’s length transaction. The District and the Manager participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen, and selected the language, and any doubtful language will not be interpreted or construed against any party.

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

**PACIFIC ACE COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

By: _____, Chairman

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this ____ day of _____, 2021, by _____ as Chairman for PACIFIC ACE 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 _____, 2021, by _____ as Secretary/Assistant Secretary of the Board of Supervisors for PACIFIC ACE 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:

EMPIRE MANAGEMENT GROUP, INC.

Witnesses:

Print Name: _____

By: _____

Name: _____

Title: _____

Print Name: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization this ____ day of _____, 2021 by _____ as _____ of **EMPIRE MANAGEMENT GROUP, INC.**, a Florida profit corporation, 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:

EXHIBIT A
Scope of Services

EXHIBIT A

Manager shall provide the following staffing:

<i>Amenity attendant</i>	<i>2 (Fri / Sat)</i>	<i>15</i>	<i>52</i>	<i>\$14.00</i>	<i>30%</i>	<i>\$1,183</i>
<i>CDD Field Ops</i>	<i>4</i>	<i>\$750</i>	<i>48</i>			

- Reports directly to the CDD District Manager
- Oversees Community Support Staff, Facility Monitors, and Auxiliary Staff (AT ADDITIONAL COST / IF NECESSARY)
- Assess condition of District property resulting from neglect, vandalism, depreciation and estimate costs associated with its repair and/or replacement
- Maintain preventative maintenance records, inventories, purchases, and review of invoices
- Arrange quotes and supervise performance of outside contractors
- Perform regularly scheduled reviews of preventative maintenance records, inventories, and purchases
- Provide sign off on and code invoices, as needed and submit for payment.
- Work to ensure the community meets the quality maintenance standards set by the Board of Supervisors
- Provide budgetary input and assist in monitoring and controlling of expenditures.
- Attend monthly Board meetings and present an Operations report.
- Oversee pond maintenance and water management system provider performance through regular meetings and inspections.
- Oversee landscape/irrigation maintenance system provider performance through regular meetings and inspections
- Oversee Pool Maintenance Service and repairs as well as condition of all pools and fountains
- Advise the District of any necessary repairs, cleaning, or replacement items required due to "normal wear and tear", "acts of God", or "vandalism". Such repairs shall be billed separately, upon approval of the Community Development District
- Prepare a Facility Maintenance Plan and an Emergency Action Plan
- Resolve any issues requiring attention on behalf of the residents and/or Board of Supervisors
- Oversee aspects such as budgeting, policy recommendations and enforcement as well as safety and security recommendations
- Assume all staffing responsibilities including all duties associated with employing the recreational staff, such as recruiting, hiring, training, and overseeing and evaluating such personnel
- Conduct professional interaction and coordination with security providers (Security Company / Off Duty Sheriffs)
- Recommend on an ongoing basis, capital equipment replacements, additions, and operational improvements.
- Upon review, have the authority to purchase goods and/or services on the District's behalf as it relates to operation and maintenance of the District up to \$500.00 per purchase with the District issued debt card
- Make suggestions for new or revised rules for the Recreational Facilities when appropriate
- Assist the District in procuring and maintaining all licenses and permits required for Recreational Facilities
- At times, the work schedule of the manager must be flexible to monitor resident request, supervise outside contractors and handle operational emergencies
- All other duties deemed necessary by the Board of Supervisors or District Manager to Assist residents with Facility Rental Contracts
- Assist residents with Access Cards (Costs of cards/ postage/ handling reimbursed by CDD)

EXHIBIT B
Insurance Certificate and Endorsements

PACIFIC ACE

COMMUNITY DEVELOPMENT DISTRICT

9

**PACIFIC ACE
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
SEPTEMBER 30, 2021**

**PACIFIC ACE
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash	\$ 10,127	\$ -	\$ 10,127
Undeposited funds	4,279	-	4,279
Due from Landowner	7,481	9,011	16,492
Prepaid expense	5,175	-	5,175
Total assets	\$ 27,062	\$ 9,011	\$ 36,073
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 15,919	\$ 9,011	\$ 24,930
Due to Landowner	-	9,011	9,011
Landowner advance	6,000	-	6,000
Total liabilities	21,919	18,022	39,941
DEFERRED INFLOWS OF RESOURCES			
Deferred receipts	2,306	-	2,306
Unearned revenue	5,175	-	5,175
Total deferred inflows of resources	7,481	-	7,481
Fund balances:			
Restricted for:			
Debt service	-	(9,011)	(9,011)
Unassigned	(2,338)	-	(2,338)
Total fund balances	(2,338)	(9,011)	(11,349)
Total liabilities, deferred inflows of resources and fund balances	\$ 27,062	\$ 9,011	\$ 36,073

**PACIFIC ACE
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Landowner contribution	\$ 8,501	\$ 69,634	\$ 87,040	80%
Total revenues	<u>8,501</u>	<u>69,634</u>	<u>87,040</u>	80%
EXPENDITURES				
Professional & administrative				
Management/accounting/recording	4,000	48,000	48,000	100%
Legal	2,306	3,270	15,000	22%
Engineering	190	190	3,000	6%
Audit*	-	-	4,500	0%
Arbitrage rebate calculation*	-	-	750	0%
Dissemination agent*	-	-	1,000	0%
Trustee*	-	-	5,000	0%
Telephone	17	200	200	100%
Postage	-	-	500	0%
Printing & binding	42	500	500	100%
Legal advertising	-	230	1,500	15%
Annual special district fee	-	175	175	100%
Insurance	-	5,000	5,500	91%
Contingencies/bank charges	32	626	500	125%
Website hosting & maintenance	-	1,680	705	238%
Website ADA compliance	-	210	210	100%
Total professional & administrative	<u>6,587</u>	<u>60,081</u>	<u>87,040</u>	69%
Excess/(deficiency) of revenues over/(under) expenditures	1,914	9,553	-	
Fund balances - beginning	(4,252)	(11,891)	-	
Fund balances - ending	<u>\$ (2,338)</u>	<u>\$ (2,338)</u>	<u>\$ -</u>	

**PACIFIC ACE
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND
FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

	Current Month	Year To Date
REVENUES	\$ -	\$ -
Total revenues	-	-
 EXPENDITURES		
Debt service		
Cost of issuance	9,011	9,011
Total debt service	9,011	9,011
 Excess/(deficiency) of revenues over/(under) expenditures	(9,011)	(9,011)
 Fund balances - beginning	-	-
Fund balances - ending	\$ (9,011)	\$ (9,011)

PACIFIC ACE

COMMUNITY DEVELOPMENT DISTRICT

10

DRAFT

**MINUTES OF MEETING
PACIFIC ACE
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Pacific Ace Community Development District held a Public Hearing and Regular Meeting on August 25, 2021, at 2:00 p.m., at the Hampton Inn & Suites by Hilton, 2200 E Hwy 50, Clermont, Florida 34711.

Present were:

Stephen McConn	Chair
Casey Dare	Vice Chair
Wayne Ortiz	Assistant Secretary
Fred Wyborski	Assistant Secretary
Stephen Feccia	Assistant Secretary

Also present, were:

Craig Wrathell	District Manager
Kristen Suit	Wrathell, Hunt and Associates, LLC
Nika Hosseini (via telephone)	District Counsel
Jeremy Morton (via telephone)	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Wrathell called the meeting to order at 2:01 p.m. Supervisors McConn, Horowitz, Dare and Wyborski were present, in person. Supervisor Feccia was not present at roll call.

SECOND ORDER OF BUSINESS

Public Comments

There were no public comments.

THIRD ORDER OF BUSINESS

Administration of Oath of Office to Supervisor Fred Wyborski (the following to be provided in a separate package)

Mr. Wrathell, a notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Wyborski. He distributed and briefly described the following items:

- 40 **A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- 41 **B. Membership, Obligations and Responsibilities**
- 42 **C. Financial Disclosure Forms**
 - 43 **I. Form 1: Statement of Financial Interests**
 - 44 **II. Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - 45 **III. Form 1F: Final Statement of Financial Interests**
- 46 **D. Form 8B: Memorandum of Voting Conflict**
- 47 **Mr. Feccia arrived at the meeting at 10:05. a.m.**

48

49 **FOURTH ORDER OF BUSINESS** **Ratify Designation of Supervisor Fred**
 50 **Wyborski as Assistant Secretary**

51

52 Mr. Wrathell asked for a motion to ratify Mr. Wyborski as an Assistant Secretary.

53

54 **On MOTION by Mr. Horowitz and seconded by Mr. McConn, with all in favor,**
 55 **the designation of Supervisor Fred Wyborski as an Assistant Secretary, was**
 56 **ratified.**

57

58

59 **FIFTH ORDER OF BUSINESS** **Public Hearing on Adoption of Fiscal Year**
 60 **2021/2022 Budget**

61

62 **A. Proof/Affidavit of Publication**

63 The affidavit of publication was included for informational purposes.

64 **B. Consideration of Resolution 2021-09, Relating to the Annual Appropriations and**
 65 **Adopting the Budget for the Fiscal Year Beginning October 1, 2021 and Ending**
 66 **September 30, 2022; Authorizing Budget Amendments; and Providing an Effective**
 67 **Date**

68 Mr. Wrathell reviewed the proposed Fiscal Year 2022 budget.

69

70 **On MOTION by Mr. Horowitz and seconded by Mr. McConn, with all in favor,**
 71 **the public hearing was opened.**

72

73

74 No members of the public spoke.

75

76 **On MOTION by Mr. Horowitz and seconded by Mr. McConn, with all in favor,**
77 **the public hearing was closed.**

78

79

80 Mr. Wrathell presented Resolution 2021-09.

81

82 **On MOTION by Mr. Horowitz and seconded by Mr. McConn, with all in favor,**
83 **Resolution 2021-09, Relating to the Annual Appropriations and Adopting the**
84 **Budget for the Fiscal Year Beginning October 1, 2021 and Ending September 30,**
85 **2022; Authorizing Budget Amendments; and Providing an Effective Date, was**
86 **adopted.**

87

88

89 **SIXTH ORDER OF BUSINESS** **Consideration of Fiscal Year 2021/2022**
90 **Budget Funding Agreement**

91

92 Mr. Wrathell presented the Fiscal Year 2021/2022 Budget Funding Agreement.

93

94 **On MOTION by Mr. Horowitz and seconded by Mr. McConn, with all in favor,**
95 **the Fiscal Year 2021/2022 Budget Funding Agreement, was approved.**

96

97

98 **SEVENTH ORDER OF BUSINESS** **Consideration of Resolution 2021-03,**
99 **Designating the Primary Administrative**
100 **Office and Principal Headquarters of the**
101 **District; Designating the Location of the**
102 **Local District Records Office; and Providing**
103 **an Effective Date**

104

105 This item was deferred.

106

107 **EIGHTH ORDER OF BUSINESS** **Acceptance of Unaudited Financial**
108 **Statements as of July 31, 2021**

109

110 Mr. Wrathell presented the Unaudited Financial Statements as of July 31, 2021. In
111 response to a question regarding when the CDD would commence making payments on the

112 infrastructure, Mr. Wrathell stated when that segment of improvements are completed, they
113 would be conveyed over to the CDD and Staff would arrange to reimburse the
114 Landowners/Developers for the actual cost.

115 Discussion ensued regarding recording the first and second plats, reviewing the plat
116 language, conveyance timeline, common areas, entrance, ponds, monument and Maintenance
117 Agreement.

118 Ms. Hosseini requested the language in order for her to commence drafting the plats for
119 conveyance. Mr. Wrathell would email Mr. Mark Watts and copy the Chair.

120

121 **On MOTION by Mr. Horowitz and seconded by Mr. McConn, with all in favor,**
122 **the Unaudited Financial Statements as of July 31, 2021, were accepted.**

123

124

125 **NINTH ORDER OF BUSINESS**

**Consideration of May 26, 2021 Special
Meeting Minutes**

126

127

128 Mr. Wrathell presented the May 26, 2021 Special Meeting Minutes.

129

130 **On MOTION by Mr. Dare and seconded by Mr. McConn, with all in favor, the**
131 **May 26, 2021 Special Meeting Minutes, as presented, were approved.**

132

133

134 **TENTH ORDER OF BUSINESS**

Staff Reports

135

136 **A. District Counsel: *Cobb Cole***

137 Ms. Hosseini asked to be copied on Management's emails regarding the conveyances.

138 **B. District Engineer: *Heidt Design***

139 Mr. Morton asked to be copied on Management's emails regarding the conveyances.

140 **C. District Manager: *Wrathell, Hunt and Associates, LLC***

141 Asked if it was necessary to have a broad motion authorizing Staff to coordinate with
142 the Board Chair to effectuate the conveyances, Ms. Hossieni replied affirmatively.

143

144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175

On MOTION by Mr. Horowitz and seconded by Mr. McConn, with all in favor, authorizing District Staff to coordinate with the ,Chair to effectuate conveyance of certain property to the CDD, for ratification at a future meeting, and to effectuate conveyances to the County in advance of the next meeting, was approved.

I. 0 Registered Voters in District as of April 15, 2021

There were zero registered voters residing within the District as of April 15, 2021.

II. NEXT MEETING DATE: September 22, 2021 at 2:00 P.M.

The next meeting would be held on September 22, 2021.

ELEVENTH ORDER OF BUSINESS

Board Members' Comments/Requests

There being no Board Members' comments or requests, the next item followed.

TWELFTH ORDER OF BUSINESS

Public Comments

No members of the public spoke.

THIRTEENTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Mr. Dare and seconded by Mr. Horowitz, with all in favor, the meeting adjourned at 2:33 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

176
177
178
179
180
181
182
183

Secretary/Assistant Secretary

Chair/Vice Chair

PACIFIC ACE
COMMUNITY DEVELOPMENT DISTRICT

11C

PACIFIC ACE COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2021/2022 MEETING SCHEDULE

LOCATION

Hampton Inn & Suites by Hilton, 2200 E Hwy 50, Clermont, Florida 34711

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 27, 2021 CANCELED	Regular Meeting	2:00 PM
November 12, 2021	Special Meeting	2:00 PM
<i>Citrus Coffee Co., 141 N Highway 27, Clermont, Florida 34711-2401</i>		
November 24, 2021	Regular Meeting	2:00 PM
December 22, 2021	Regular Meeting	2:00 PM
January 26, 2022	Regular Meeting	2:00 PM
February 23, 2022	Regular Meeting	2:00 PM
March 23, 2022	Regular Meeting	2:00 PM
April 27, 2022	Regular Meeting	2:00 PM.
May 25, 2022	Regular Meeting	2:00 PM
June 22, 2022	Regular Meeting	2:00 PM
July 27, 2022	Regular Meeting	2:00 PM
August 24, 2022	Public Hearing & Regular Meeting	2:00 PM.
September 28, 2022	Regular Meeting	2:00 PM