

In the opinion of Bond Counsel, assuming continuing compliance with certain tax covenants, interest on the 2006 Bonds is, under existing statutes, regulations, published rulings and court decisions, excludable from gross income for federal income tax purposes. Interest on the 2006 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, see "TAX MATTERS" herein for a description of the alternative minimum tax on corporations and certain other federal tax consequences of ownership of the 2006 Bonds. Bond Counsel is further of the opinion that pursuant to the Act, the 2006 Bonds and interest paid thereon, are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes on interest, income or profits on debt obligations owned by corporations as defined in Chapter 220. For a more complete discussion of tax aspects see "TAX MATTERS" herein.

\$34,855,000
MYRTLE CREEK IMPROVEMENT DISTRICT
(City of Orlando, Florida)
Special Assessment Revenue Bonds, Series 2006A

Dated: December 1, 2006

Due Date: As set forth below

The \$34,855,000 Myrtle Creek Improvement District (City of Orlando, Florida) Special Assessment Revenue Bonds, Series 2006A (the "2006 Bonds") are being issued by the Myrtle Creek Improvement District (the "District"), only in fully registered form, in denominations of \$5,000, provided, however, that the 2006 Bonds will be deliverable to the initial purchasers only in denominations of \$100,000 or integral multiples of \$5,000 in excess of \$100,000. The District is a local unit of special purpose government of the State of Florida (the "State"), established under and pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act").

The 2006 Bonds are being issued pursuant to the Act; Resolution No. 2006-02 adopted by the Board of Supervisors of the District (the "Board") on October 17, 2005 (the "Bond Resolution"), authorizing the issuance of not exceeding \$65,000,000 special assessment revenue bonds in separate series for the purposes set forth in said Bond Resolution, as supplemented by Resolution 2007-04, adopted by the Board on November 28, 2006 (collectively, the "Resolution"), with respect to the 2006 Bonds and a Master Trust Indenture dated as of December 1, 2006 (the "Master Indenture"), between the District and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of December 1, 2006 (the "First Supplemental Indenture," and together with the Master Indenture, the "Indenture"). Capitalized terms not otherwise defined herein shall have the respective meanings assigned to them in the Indenture. See "APPENDIX A - FORM OF MASTER INDENTURE AND FIRST SUPPLEMENTAL TRUST INDENTURE" attached hereto.

The 2006 Bonds, when issued, will be registered in the name of Cede & Co., as the Owner of the 2006 Bonds and nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the 2006 Bonds will be made in book-entry only form. Accordingly, principal of and interest on the 2006 Bonds will be paid from the sources provided below by the Trustee directly to Cede & Co. as the nominee of DTC and the registered owner thereof. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants and the Indirect Participants, as more fully described herein. Any purchaser as a beneficial owner of a 2006 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 2006 Bond. See "DESCRIPTION OF THE 2006 BONDS - Book-Entry Only System" herein. The 2006 Bonds will bear interest at the fixed rate set forth herein, calculated on the basis of a 360-day year comprised of twelve thirty-day months and will be payable on each May 1 and November 1, commencing May 1, 2007.

The 2006 Bonds are subject to optional, mandatory and extraordinary mandatory redemption at the times, in the amounts and at the redemption price as more fully described herein. See "DESCRIPTION OF THE 2006 BONDS - Redemption Provisions" herein.

The 2006 Bonds are the first series of securities to be issued by the District and are being issued to: (i) finance the Cost of acquisition, construction, installation and equipping of a portion of the District's Capital Improvement Program (the "CIP"); (ii) pay certain costs associated with the issuance of the 2006 Bonds; (iii) pay a portion of the interest to become due on the 2006 Bonds; and (iv) fund the 2006 Reserve Account as provided in the First Supplemental Indenture.

The 2006 Bonds are equally and ratably secured by the 2006 Trust Estate, without preference or priority of one 2006 Bond over another. The District has covenanted not to issue or incur any obligations payable from the 2006 Trust Estate other than Refunding Bonds issued in accordance with the provisions of the Master Indenture. The District or other governmental entities may, however, impose and levy assessments or ad valorem taxes payable on parity with the Series 2006 Assessments securing the 2006 Bonds.

The 2006 Bonds are limited obligations of the District issued under the provisions of the Act and the Indenture and do not constitute an indebtedness of the State, the City of Orlando, Florida (the "City") or Orange County, Florida (the "County"), but are payable solely from the revenues, funds, accounts and other sources pledged thereto under the terms and provisions of the Indenture and the District is not obligated to pay the 2006 Bonds except from such sources. The issuance of the 2006 Bonds shall not directly, indirectly or contingently obligate the District to levy or to pledge any other funds whatsoever therefor or to make any appropriation for their payment, other than from the 2006 Pledged Revenues and 2006 Pledged Funds. The 2006 Bonds are not obligations or indebtedness of the State or any agency, authority, district or political subdivision of the State, including the City and the County, other than the District.

NO APPLICATION HAS BEEN MADE FOR A RATING WITH RESPECT TO THE 2006 BONDS. THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING TO ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. SUCH LIMITATION DOES NOT DENOTE RESTRICTIONS ON TRANSFER IN ANY SECONDARY MARKET FOR THE 2006 BONDS.

This cover page contains information for quick reference only. It is not a summary of the 2006 Bonds. Investors must read this entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE

\$34,855,000 – 5.200% 2006 Term Bonds due May 1, 2037 – Price 99.875% – CUSIP 628583AA4¹

The 2006 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice and the receipt of the opinion of Akerman Senterfitt, Orlando, Florida, Bond Counsel, as to the validity of the 2006 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the Underwriter by its counsel, Greenberg Traurig, P.A., Orlando, Florida, for the District by its counsel, Hopping Green & Sams, P.A., Tallahassee, Florida; and for the Master Developer by its counsel, Broad and Cassel, Orlando, Florida. It is expected that the 2006 Bonds will be available for delivery through DTC in New York, New York, on or about December 14, 2006.

PRAGER, SEALY & CO., LLC

Dated: December 8, 2006

¹ The District shall not be responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Limited Offering Memorandum.

No broker, dealer, salesperson, or other person has been authorized by the District (as defined herein) or the Underwriter (as defined herein) to give any information or to make any representations, other than those contained in this Limited Offering Memorandum, and if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any of the 2006 Bonds and there shall be no offer, solicitation, or sale of the 2006 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The Underwriter has provided the following sentence for inclusion in 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 set forth herein has been obtained from public documents, records and other sources, including the Master Developer (as defined herein) and the Sub-Developer (as defined herein), which are believed by the Underwriter to be reliable. The Underwriter does not, however, guaranty the accuracy of this information. The information and expressions of opinion herein contained are subject to change without notice and neither the delivery of this Limited Offering Memorandum, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the District, the Master Developer or the Sub-Developer since the date hereof.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS LIMITED OFFERING MEMORANDUM CONSTITUTE "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PROJECTS," "PLAN," "INTENDS," "EXPECT," "ESTIMATE," "BUDGET," "ANTICIPATES" OR OTHER SIMILAR WORDS. SUCH FORWARD-LOOKING STATEMENTS INCLUDE BUT ARE NOT LIMITED TO CERTAIN STATEMENTS CONTAINED IN THE INFORMATION UNDER THE CAPTIONS "ESTIMATED SOURCES AND USES OF PROCEEDS" AND "THE MASTER DEVELOPMENT, THE DEVELOPMENT AND VILLAGEWALK" IN THIS LIMITED OFFERING MEMORANDUM. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT 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. NEITHER THE MASTER DEVELOPER, THE SUB-DEVELOPER (AS DEFINED HEREIN) NOR THE DISTRICT PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, SUBJECT TO ANY CONTRACTUAL OR LEGAL RESPONSIBILITIES TO THE CONTRARY.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2006 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE 2006 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939. THE REGISTRATION OR QUALIFICATION OF THE 2006 BONDS UNDER THE SECURITIES LAWS OF ANY JURISDICTIONS IN WHICH THEY MAY HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE STATE, THE COUNTY, THE CITY, THE DISTRICT, NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE 2006 BONDS. THE DISTRICT HAS PASSED UPON THE ACCURACY AND FACTUAL COMPLETENESS OF THIS LIMITED OFFERING MEMORANDUM, EXCEPT FOR THOSE SECTIONS CAPTIONED "DESCRIPTION OF THE 2006 BONDS," "FUNDS AND ACCOUNTS," "THE MASTER DEVELOPMENT, THE DEVELOPMENT AND VILLAGEWALK," "THE MASTER DEVELOPER AND THE SUB-DEVELOPER," "TAX MATTERS," "LEGALITY FOR INVESTMENT," "SUITABILITY FOR INVESTMENT" AND INFORMATION CONTAINED UNDER THE SUBCAPTION "THE DISTRICT MANAGER AND OTHER CONSULTANTS" IN THE SECTION CAPTIONED "THE DISTRICT," HOWEVER, NEITHER THE STATE, THE COUNTY, THE CITY, NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE ACCURACY OR COMPLETENESS OF THIS LIMITED OFFERING MEMORANDUM.

[THIS PAGE INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
DESCRIPTION OF THE 2006 BONDS	2
General	2
Redemption Provisions	4
Notice of Redemption	6
Book-Entry Only System	7
ESTIMATED SOURCES AND USES OF PROCEEDS	10
DEBT SERVICE REQUIREMENTS FOR 2006 BONDS	11
SECURITY FOR AND SOURCE OF PAYMENT OF THE 2006 BONDS	12
General	12
Master Developer and Sub-Developer Prepayment Waiver	14
Additional Obligations	14
COLLECTION OF SERIES 2006 ASSESSMENTS	14
ENFORCEMENT OF PAYMENT OF SERIES 2006 ASSESSMENTS	14
FUNDS AND ACCOUNTS	18
Acquisition and Construction Fund	18
Debt Service Fund	19
Reserve Fund	19
Application of Prepayment Principal	20
Tax Covenants and Rebate Accounts	21
Establishment of 2006 Revenue Account in Revenue Fund; Application of Pledged Revenues and Investment Earnings	21
BONDHOLDERS' RISKS	23
THE DISTRICT	27
Legal Powers and Authority	27
Board of Supervisors	28
The District Manager and Other Consultants	29
THE 2006 PROJECT	30
2006 SPECIAL ASSESSMENT METHODOLOGY – LIMITATION ON LIENED REAL PROPERTY	30
Interlocal Agreement between the City and the District	31
THE MASTER DEVELOPMENT, THE DEVELOPMENT AND VILLAGEWALK	31
General	31
Master Development Approvals	32
The District	32
Equity in Development	33
District Infrastructure Plan	33
VillageWalk at Lake Nona	34
Projected Absorption for VillageWalk	35
Remaining Land in the Development	36
Marketing	37
Fees and Assessments	38

Competition.....	39
Schools.....	40
THE MASTER DEVELOPER AND SUB-DEVELOPER	41
Master Developer.....	41
Sub-Developer	41
TAX MATTERS.....	42
General.....	42
Tax Treatment of Original Issue Discount.....	44
AGREEMENT BY THE STATE	44
LEGALITY FOR INVESTMENT	44
SUITABILITY FOR INVESTMENT	45
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS	45
CONTINUING DISCLOSURE.....	45
ENFORCEABILITY OF REMEDIES	46
LITIGATION.....	46
RATING	46
UNDERWRITING	46
EXPERTS	47
LEGAL MATTERS.....	47
VALIDATION.....	47
MISCELLANEOUS	48
APPENDIX A — FORM OF MASTER INDENTURE AND FIRST SUPPLEMENTAL TRUST INDENTURE	
APPENDIX B — FORM OF OPINION OF BOND COUNSEL	
APPENDIX C — ENGINEER'S REPORT	
APPENDIX D — MASTER ASSESSMENT METHODOLOGY AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT	
APPENDIX E — FORMS OF CONTINUING DISCLOSURE AGREEMENTS	

\$34,855,000
MYRTLE CREEK IMPROVEMENT DISTRICT
(City of Orlando, Florida)
Special Assessment Revenue Bonds, Series 2006A

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page and appendices hereto, is to set forth certain information in connection with the offer by the Myrtle Creek Improvement District (the "District") of its \$34,855,000 Myrtle Creek Improvement District (City of Orlando, Florida) Special Assessment Revenue Bonds, Series 2006A (the "2006 Bonds").

The District was created as a community development district pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act").

The 2006 Bonds are being issued pursuant to the Act; Resolution No. 2006-02 adopted by the Board of Supervisors of the District (the "Board") on October 17, 2005 (the "Bond Resolution"), authorizing the issuance of not exceeding \$65,000,000 special assessment revenue bonds in separate series for the purposes set forth in said Bond Resolution, as supplemented by Resolution 2007-04, adopted by the Board on November 28, 2006 (collectively, the "Resolution"), with respect to the 2006 Bonds and a Master Trust Indenture dated as of December 1, 2006 (the "Master Indenture"), between the District and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of December 1, 2006 (the "First Supplemental Indenture," and together with the Master Indenture, the "Indenture"). Capitalized terms not otherwise defined herein shall have the respective meanings assigned to them in the Indenture. See "APPENDIX A - FORM OF MASTER INDENTURE AND FIRST SUPPLEMENTAL TRUST INDENTURE" attached hereto.

The 2006 Bonds are not a suitable investment for all investors. See "BONDHOLDERS' RISKS" and "SUITABILITY FOR INVESTMENT" herein. The Underwriter is limiting the offering of the 2006 Bonds to Accredited Investors within the meaning of the rules of the Florida Department of Financial Services. Other than as referenced in the section captioned "SUITABILITY FOR INVESTMENT" herein, no person has been authorized by the District or the Underwriter to give any information or to make any representations, other than those contained in this Limited Offering Memorandum, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and/or operation of the infrastructure necessary within the District for community development. The Act authorizes the District to issue bonds for the purpose of, among others, financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping, operating and maintaining water management, water supply, sewer and wastewater management, bridges or culverts, district roads, street lights

and other basic infrastructure projects within and without the boundaries of the District as provided in the Act.

The 2006 Bonds are the first series of securities to be issued by the District and are being issued to: (i) finance the Cost of acquisition, construction, installation and equipping the District's Capital Improvement Program ("CIP"); (ii) pay certain costs associated with the issuance of the 2006 Bonds; (iii) pay a portion of the interest to become due on the 2006 Bonds; and (iv) fund the 2006 Reserve Account as provided in the First Supplemental Indenture.

There follows in this Limited Offering Memorandum brief descriptions of the District and certain provisions of the Act, the CIP, together with summaries of the terms of the Bonds and the Indenture. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and all references to the Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. All terms not otherwise defined herein shall be given the defined meanings ascribed to them in the Indenture.

DESCRIPTION OF THE 2006 BONDS

General

The 2006 Bonds are issuable only in fully registered form, in current interest form in denominations of \$5,000 or any integral multiple thereof (an "Authorized Denomination") provided, however, that the 2006 Bonds will be deliverable to the initial purchasers in aggregate denominations of \$100,000 or integral multiples of \$5,000 in excess thereof. The 2006 Bonds will initially be sold only to Accredited Investors, as such term is defined in the rules of the Florida Department of Financial Services. The limitation of the initial offering to Accredited Investors does not denote restrictions on transfer in any secondary market for the 2006 Bonds.

The 2006 Bonds will be dated December 1, 2006, will bear interest from that date at the rate per annum and, subject to the redemption provisions set forth below, will mature on the date set forth on the cover page of this Limited Offering Memorandum. Interest on the 2006 Bonds will be computed on the basis of a 360-day year based on twelve 30-day months and will be payable on each May 1 and November 1, commencing May 1, 2007.

The 2006 Bonds shall be initially issued in the form of a separate single certificated fully registered 2006 Bond for each maturity thereof. Upon initial issuance, the ownership of each such 2006 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), the initial Bond Depository. Except as provided in the Indenture, all of the Outstanding 2006 Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC. See "DESCRIPTION OF THE 2006 BONDS - Book-Entry Only System" herein.

The First Supplemental Indenture provides that, with respect to 2006 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no

responsibility or obligation to any such Bond Participant (as defined herein) or to any Beneficial Owner (as defined herein). Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the 2006 Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the 2006 Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the 2006 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the absolute owner of such Bond for the purpose of payment of principal, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such 2006 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the 2006 Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided in the Indenture and all such payment shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the 2006 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated 2006 Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in the First Supplemental Indenture with respect to Record Dates, the words "Cede & Co." in the First Supplemental Indenture shall refer to such new nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, the Bond Registrar and the Paying Agent.

The First Supplemental Indenture also provides that, upon receipt by the Trustee or the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding 2006 Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the 2006 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC thereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the 2006 Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Owners transferring or exchanging the 2006 Bonds shall designate, in accordance with the provisions of the Indenture.

U.S. Bank National Association is the initial Trustee, Bond Registrar and Paying Agent for the 2006 Bonds.

Redemption Provisions

Optional Redemption. The 2006 Bonds are subject to redemption at the option of the District prior to maturity in whole or in part at any time on or after May 1, 2016 (less than all 2006 Bonds to be selected by lot), at the Redemption Price of the principal amount of the 2006 Bonds or portions thereof to be redeemed together with accrued interest to the redemption date.

Mandatory Redemption. The 2006 Bonds are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2006 Sinking Fund Account established under the First Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Year	Amortization Installment
2008	\$495,000
2009	520,000
2010	550,000
2011	580,000
2012	610,000
2013	640,000
2014	675,000
2015	710,000
2016	750,000
2017	790,000
2018	835,000
2019	875,000
2020	925,000
2021	975,000
2022	1,025,000
2023	1,080,000
2024	1,135,000
2025	1,200,000
2026	1,260,000
2027	1,330,000
2028	1,400,000
2029	1,475,000
2030	1,555,000
2031	1,635,000
2032	1,725,000
2033	1,815,000
2034	1,915,000
2035	2,015,000
2036	2,125,000
2037*	2,235,000

*Final Maturity.

Upon redemption or purchase of the 2006 Bonds (other than redemption in accordance with scheduled Amortization Installments), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so that Debt Service on such 2006 Bonds is amortized in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of such 2006 Bond (the annual principal amounts so determined referred to as the "Aggregate Amortization Installments"). The Amortization Installments as so recalculated shall not result in an increase in Aggregate Amortization Installments in any year.

Extraordinary Mandatory Redemption. The 2006 Bonds are subject to Extraordinary Mandatory Redemption prior to scheduled maturity, in whole on any date or in part on any Interest Payment Date, and if in part by lot in the manner determined by the Bond Registrar and as otherwise provided in the Indenture, at the Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the date of redemption, if and to the extent that any one or more of the following shall have occurred:

- (i) On or after the Date of Completion of the 2006 Project and after payment of all Deferred Costs, by application of moneys transferred from the 2006 Acquisition and Construction Account to the Prepayment Subaccount of the 2006 Redemption Account in accordance with the terms of the Indenture; or
- (ii) Amounts are deposited into the Prepayment Subaccount of the 2006 Redemption Account from the Prepayment of Series 2006 Assessments; or
- (iii) When the amount on deposit in the 2006 Reserve Account, together with other moneys available therefor are sufficient to pay and redeem all 2006 Bonds then Outstanding as otherwise provided in the First Supplemental Indenture.

Except as otherwise provided in the Indenture, if less than all of the 2006 Bonds subject to redemption shall be called for redemption, the particular such 2006 Bonds or portions of such 2006 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture.

Reference is hereby specifically made to "APPENDIX A - FORM OF MASTER INDENTURE AND FIRST SUPPLEMENTAL TRUST INDENTURE" for additional details concerning the redemption of 2006 Bonds.

Notice of Redemption

Notice of each redemption of 2006 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty five (45) days prior to the redemption date to each Registered Owner of 2006 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the 2006 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 2006 Bonds or such portions thereof on such date, interest on such 2006 Bonds or such portions thereof so called for redemption shall

cease to accrue, such 2006 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 2006 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

Book-Entry Only System

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC and the District does not make any representation or warranty or take any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the 2006 Bonds. The 2006 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 Bond certificate will be issued for each maturity of the 2006 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest 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 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at <http://www.dtcc.com> and www.dtc.org.

Purchases of the 2006 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2006 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2006 Bond (the "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, but Beneficial Owners are 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 2006 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 2006 Bonds, except in the event that use of the book entry system for the 2006 Bonds is discontinued.

To facilitate subsequent transfers, all 2006 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 2006 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2006 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2006 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 2006 Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the 2006 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. Beneficial Owners of 2006 Bonds may wish to ascertain that the nominee holding the 2006 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 the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2006 Bonds within a series or maturity of a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 2006 Bonds unless authorized by a Direct Participant in accordance with DTC's 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 2006 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, and interest payments on the 2006 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 a payment date in accordance with their respective holdings shown on DTC's records. Payments by Bond 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 Bond Participant and not of DTC (nor its nominee), the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest on the 2006 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

THE DISTRICT, THE PAYING AGENT AND BOND REGISTRAR DO NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO THE DTC PARTICIPANTS, INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO THE 2006 BONDS IN RESPECT OF: (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT; (B) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF, REDEMPTION PRICE OR INTEREST ON THE 2006 BONDS; (C) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE INDENTURE TO BE GIVEN TO OWNERS; (D) THE SELECTION BY DTC OR ANY DTC PARTICIPANT OF ANY BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF PARTIAL REDEMPTION OF THE 2006 BONDS; OR (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC, OR ITS NOMINEE, CEDE & CO., AS OWNERS.

AS LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE 2006 BONDS, REFERENCES IN THIS LIMITED OFFERING MEMORANDUM TO THE OWNERS OR HOLDERS OF THE 2006 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE 2006 BONDS.

DTC may discontinue providing its services as securities depository with respect to the 2006 Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

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

In either of the situations described in the preceding two paragraphs, definitive replacement 2006 Bonds shall be issued only upon surrender to the Bond Registrar of the 2006 Bonds of each maturity by DTC, accompanied by registration instructions for the definitive replacement 2006 Bonds for such maturity from DTC. The District shall not be liable for any delay in delivery of such instructions and conclusively may rely on and shall be protected in relying on such instruction of DTC.

ESTIMATED SOURCES AND USES OF PROCEEDS

Proceeds from the issuance and delivery of the 2006 Bonds are expected to be applied as follows:

SOURCES

Par Amount of 2006 Bonds	\$34,855,000.00
Accrued Interest	65,449.94
Original Issue Discount	<u>(43,568.75)</u>
TOTAL SOURCES:	<u>\$34,876,881.19</u>

USES

General Subaccount within 2006 Acquisition and Construction Account	\$30,350,592.89
2006 Interest Account ⁽¹⁾	1,550,353.30
2006 Reserve Account	2,297,110.00
Underwriter's Discount	522,825.00
2006 Costs of Issuance Account	<u>156,000.00</u>
TOTAL USES:	<u>\$34,876,881.19</u>

⁽¹⁾ Represents accrued interest in the amount of \$65,449.94 and capitalized interest in the amount of \$1,484,903.36 which along with interest earnings shall pay interest on the 2006 Bonds through November 1, 2007.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

DEBT SERVICE REQUIREMENTS FOR 2006 BONDS

Date	Principal	Coupon	Interest	Total
May 1, 2007			\$755,191.67	\$755,191.67
November 1, 2007			906,230.00	906,230.00
May 1, 2008	\$495,000.00	5.200%	906,230.00	1,401,230.00
November 1, 2008			893,360.00	893,360.00
May 1, 2009	520,000.00	5.200	893,360.00	1,413,360.00
November 1, 2009			879,840.00	879,840.00
May 1, 2010	550,000.00	5.200	879,840.00	1,429,840.00
November 1, 2010			865,540.00	865,540.00
May 1, 2011	580,000.00	5.200	865,540.00	1,445,540.00
November 1, 2011			850,460.00	850,460.00
May 1, 2012	610,000.00	5.200	850,460.00	1,460,460.00
November 1, 2012			834,600.00	834,600.00
May 1, 2013	640,000.00	5.200	834,600.00	1,474,600.00
November 1, 2013			817,960.00	817,960.00
May 1, 2014	675,000.00	5.200	817,960.00	1,492,960.00
November 1, 2014			800,410.00	800,410.00
May 1, 2015	710,000.00	5.200	800,410.00	1,510,410.00
November 1, 2015			781,950.00	781,950.00
May 1, 2016	750,000.00	5.200	781,950.00	1,531,950.00
November 1, 2016			762,450.00	762,450.00
May 1, 2017	790,000.00	5.200	762,450.00	1,552,450.00
November 1, 2017			741,910.00	741,910.00
May 1, 2018	835,000.00	5.200	741,910.00	1,576,910.00
November 1, 2018			720,200.00	720,200.00
May 1, 2019	875,000.00	5.200	720,200.00	1,595,200.00
November 1, 2019			697,450.00	697,450.00
May 1, 2020	925,000.00	5.200	697,450.00	1,622,450.00
November 1, 2020			673,400.00	673,400.00
May 1, 2021	975,000.00	5.200	673,400.00	1,648,400.00
November 1, 2021			648,050.00	648,050.00
May 1, 2022	1,025,000.00	5.200	648,050.00	1,673,050.00
November 1, 2022			621,400.00	621,400.00
May 1, 2023	1,080,000.00	5.200	621,400.00	1,701,400.00
November 1, 2023			593,320.00	593,320.00
May 1, 2024	1,135,000.00	5.200	593,320.00	1,728,320.00
November 1, 2024			563,810.00	563,810.00
May 1, 2025	1,200,000.00	5.200	563,810.00	1,763,810.00
November 1, 2025			532,610.00	532,610.00
May 1, 2026	1,260,000.00	5.200	532,610.00	1,792,610.00
November 1, 2026			499,850.00	499,850.00
May 1, 2027	1,330,000.00	5.200	499,850.00	1,829,850.00
November 1, 2027			465,270.00	465,270.00
May 1, 2028	1,400,000.00	5.200	465,270.00	1,865,270.00
November 1, 2028			428,870.00	428,870.00
May 1, 2029	1,475,000.00	5.200	428,870.00	1,903,870.00
November 1, 2029			390,520.00	390,520.00
May 1, 2030	1,555,000.00	5.200	390,520.00	1,945,520.00
November 1, 2030			350,090.00	350,090.00
May 1, 2031	1,635,000.00	5.200	350,090.00	1,985,090.00
November 1, 2031			307,580.00	307,580.00
May 1, 2032	1,725,000.00	5.200	307,580.00	2,032,580.00
November 1, 2032			262,730.00	262,730.00
May 1, 2033	1,815,000.00	5.200	262,730.00	2,077,730.00
November 1, 2033			215,540.00	215,540.00
May 1, 2034	1,915,000.00	5.200	215,540.00	2,130,540.00
November 1, 2034			165,750.00	165,750.00
May 1, 2035	2,015,000.00	5.200	165,750.00	2,180,750.00
November 1, 2035			113,360.00	113,360.00
May 1, 2036	2,125,000.00	5.200	113,360.00	2,238,360.00
November 1, 2036			58,110.00	58,110.00
May 1, 2037*	2,235,000.00	5.200	58,110.00	2,293,110.00
Total	\$34,855,000.00		\$35,640,431.67	\$70,495,431.67

*Final Maturity

SECURITY FOR AND SOURCE OF PAYMENT OF THE 2006 BONDS

General

The primary source of payment for the 2006 Bonds are the revenues derived by the District from the Series 2006 Assessments imposed, pursuant to the Assessment Proceedings, on each parcel of land within the District that will be specially benefited by the 2006 Project (as defined herein) as provided in the Assessment Methodology (as defined herein) attached hereto as Appendix D. The principal of, premium, if any, and interest on the 2006 Bonds are equally and ratably secured under the Indenture by a first lien upon and pledge of revenues derived by the District from the Series 2006 Assessments collected by or on behalf of the District from landowners or otherwise collected as a result of Series 2006 Assessments, including amounts received from the collection of Delinquent Assessments (the "Series 2006 Assessments" or the "2006 Pledged Revenues").

The Indenture provides that the pledge of the revenues derived by the District from the Series 2006 Assessments shall be valid and binding from and after the date of delivery of the 2006 Bonds, and the proceeds of the 2006 Bonds and Series 2006 Assessments, respectively, shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the District irrespective of whether such parties have notice thereof.

Delinquent Assessments consist of any installment of any Series 2006 Assessment which is not paid on the date on which such installment is due and payable. The Series 2006 Assessments have been levied upon land within the District specially benefited by certain infrastructure improvements that are being acquired, constructed or equipped by the District. See "THE CAPITAL IMPROVEMENT PROGRAM" herein and "APPENDIX C - ENGINEER'S REPORT" attached hereto for a brief summary of such improvements.

The Series 2006 Assessments consist of the net proceeds derived from the levy and collection of non-ad valorem "special assessments," as provided for in Sections 190.011(14) and 190.022 of the Act, against the lands located within the District that are specially benefited and subject to assessments as a result of the 2006 Project or any portion thereof, including interest and penalties on such assessments, pursuant to all applicable provisions of the Act and Chapters 170, 173 and 197, Florida Statutes (and any successor statute(s) thereto). Non-ad valorem assessments are not based on millage and can become a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. Series 2006 Assessments also consist of amounts received from any foreclosure proceeding for the enforcement of collection of the Series 2006 Assessments or from the issuance and sale of tax certificates with respect to such Series 2006 Assessments, less the fees and costs of collection thereof payable to the Tax Collector or other collection agent and less certain administrative costs payable to the Property Appraiser pursuant to the Property Appraiser and Tax Collector Agreement. It is currently

contemplated that the Series 2006 Assessments securing the 2006 Bonds, until such time as the lots subject to such Series 2006 Assessments are platted, shall be collected by an agent of the District pursuant to the Collection Agreement between it and Fishkind & Associates Inc. (the "Collection Agreement").

The 2006 Bonds will be secured by the 2006 Pledged Revenues which, as referenced above, may be collected under the uniform method of collection governed by Chapter 197 for collecting non-ad valorem assessments (the "Uniform Method"). The Property Appraiser will list on the assessment roll for each of the relevant tax years any Series 2006 Assessments, will include in the notice of proposed property taxes the dollar amount of such Series 2006 Assessments, and will include on the tax notice issued pursuant to Section 197.322, Florida Statutes, the dollar amount of such Series 2006 Assessments. If payments of Series 2006 Assessments securing the 2006 Bonds are remitted by the Tax Collector to the District, the District agrees to give such consents and to take such other steps as may be necessary to permit the Paying Agent, in its discretion, to obtain information from the Tax Collector concerning the amount and date of each such payment of Series 2006 Assessments to the District. The District will assess, levy, collect or cause to be collected and enforce the payment of Series 2006 Assessments for the payment of the 2006 Bonds in the manner prescribed by the Master Indenture and the First Supplemental Indenture, and all resolutions, ordinances or laws thereunto appertaining at times and in amounts as shall be necessary in order to pay, when due, the principal of and interest on the 2006 Bonds to which such Series 2006 Assessments are pledged; and to pay or cause to be paid the proceeds of such Series 2006 Assessments as received to the Trustee in accordance with the provisions of those documents and laws.

Concerning any Delinquent Assessments, the District covenanted in the Indenture that if the owner of any lot or parcel of land within the District shall be delinquent in the payment of any Series 2006 Assessment, then such Series 2006 Assessments shall be enforced in accordance with the provisions of Chapter 190, Florida Statutes, or collected pursuant to the provisions of Chapters 170 and 197, as applicable, Florida Statutes, including but not limited to the sale of tax certificates and tax deeds.

If any Series 2006 Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or the District shall be satisfied that any such Series 2006 Assessment is so irregular or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Series 2006 Assessment when it might have done so, the District has covenanted to either: (i) take all necessary steps to cause a new Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement; or (ii) in its sole discretion, make up the amount of such Assessment from legally available moneys, which moneys shall be deposited into the 2006 Revenue Account. In case any such subsequent Assessment shall also be annulled, the District shall obtain and make other Assessments until a valid Assessment shall be made.

The 2006 Bonds are limited obligations of the District issued under the provisions of the Act and the Indenture and do not constitute an indebtedness of the State, the City or the County and are payable solely from proceeds of the 2006 Pledged Revenues and the 2006 Pledged Funds (except for the 2006 Rebate Account and the 2006 Cost of Issuance Account) as defined in the

Indenture, and the District is not obligated to pay the 2006 Bonds except from such funds. The issuance of the 2006 Bonds shall not directly, indirectly or contingently obligate the District to levy or pledge any other funds whatsoever therefor or to make any appropriation for its payment except from such funds. The 2006 Bonds are not obligations or indebtedness of the State or any agency, authority, district or political subdivision of the State and the County, other than the District.

Master Developer and Sub-Developer Prepayment Waiver

Pursuant to the terms of the Act and the Assessment Proceedings, the owner of property subject to Series 2006 Assessments may pay the entire balance of the Series 2006 Assessments used to finance the 2006 Project remaining due within thirty (30) days after the 2006 Project has been completed and the Board has adopted a resolution accepting the 2006 Project as provided by Florida Statutes, Section 170.09, without interest. The Master Developer and the Sub-Developer will waive this right in writing prior to closing.

Additional Obligations

Other than Refunding Bonds issued in accordance with the provisions of the Master Indenture, the District shall not, while any 2006 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the 2006 Trust Estate.

COLLECTION OF SERIES 2006 ASSESSMENTS

The District intends to collect Series 2006 Assessments levied on platted lots through the Uniform Method of collection afforded by Chapter 197, Florida Statutes beginning with the tax bill issued in November, 2007. The District presently intends to, itself, directly collect the 2006 Assessments levied on unplatted lots in lieu of the Uniform Method of Collection afforded by Section 197, Florida Statutes. Following an Event of Default, the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the 2006 Bonds Outstanding may direct the District as to the collection method for the Series 2006 Assessments. In addition, and not in limitation of, the covenants contained elsewhere in the Indenture, the District covenants thereunder to comply with the terms of the proceedings heretofore adopted with respect to the Series 2006 Assessments, as described in "APPENDIX D - MASTER ASSESSMENT METHODOLOGY AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT" and to levy the Series 2006 Assessments and required payments under the "true-up" mechanism set forth in such Report, in such manner as will generate funds sufficient to pay the Debt Service Requirements on the 2006 Bonds when due.

ENFORCEMENT OF PAYMENT OF SERIES 2006 ASSESSMENTS

The Florida Statutes provide that, subject to certain conditions, the Series 2006 Assessments may be collected in the same manner as county ad valorem taxes. In addition to the sale of tax certificates as a method of enforcing the payment of the Series 2006 Assessments as contemplated by the uniform method for levy, collection and enforcement afforded by Sections

197.3631, 197.3632 and 197.3635 of the Florida Statutes, Chapter 170.10, Florida Statutes, provides that upon the failure of any property owner to pay the principal of the Series 2006 Assessment or the interest thereon, when due, the governing body of the District is authorized to commence legal proceedings for the enforcement of the payment thereof, including commencement of an action in chancery, commencement of a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or commencement of an action under Chapter 173, Florida Statutes, relating to foreclosure of municipal tax and special assessment liens. Foreclosure proceedings to enforce payment of the Series 2006 Assessments under the provisions of Chapter 173, Florida Statutes, provide that after the expiration of one year from the date any special assessment or installment thereof becomes due, the District may commence a foreclosure proceeding against the lands upon which the assessments are liens. Such a proceeding is in rem, meaning that it is brought against the land and not against the owner. The statutes relating to enforcement of county taxes provide that county taxes first become payable on November 1 of the year when assessed and constitute a lien upon the assessed land from January 1 of such year. The Series 2006 Assessments will be levied from the date of adoption by the Board of Supervisors of the District of the final assessment roll.

To the extent that landowners fail to pay such Series 2006 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 2006 Bonds. The Act provides for various methods of collection of Delinquent Assessments by reference to other provisions of the Florida Statutes. The following is a summary description of certain statutory provisions of assessment, payment and collection procedures appearing in the Florida Statutes, but is qualified in its entirety by reference to such statutes.

Sale of Tax Certificates and Tax Deeds. The District will covenant that if the owner of any lot or parcel of land shall be delinquent in the payment of any Series 2006 Assessment, then such Delinquent Assessments shall be collected pursuant to the provisions of Chapters 170 and 197, Florida Statutes, including but not limited to the sale of tax certificates and tax deeds as regards such Delinquent Assessment and the remittance of the proceeds of such sale to the District for the payment of the Series 2006 Assessment due (as referred to herein as "the Uniform Method of Collection"). The demand for such certificates is in turn dependent upon various factors, which include the interest that can be earned by ownership of such certificates and the 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 value of the land within the District may affect the demand for such certificates and the successful collection of the Series 2006 Assessments. See "BONDHOLDERS RISKS" herein.

In the event of a delinquency in the payment of any taxes and assessments on real property, the Tax Collector is required to attempt to sell tax certificates on such property to the person who pays the delinquent taxes and interest and certain costs and charges relating thereto, and accepts the lowest interest rate per annum to be borne by the certificates (not to exceed 18%). A taxpayer may avoid having a tax certificate against their property sold by paying, prior to the date that the tax certificate is sold, the delinquent taxes or assessments, together with interest and all costs and charges relating thereto. Generally, tax certificates are sold by public bid. If there are no bidders at the public sale of tax certificates, the certificate is issued to the

County in which the assessed lands are located, at the maximum rate of interest allowed (currently, 18%). The Tax Collector does not collect any money if tax certificates are issued to the County in which the assessed lands are located. Proceeds from the sale of tax certificates are required to be used to pay taxes (including Series 2006 Assessments), interest, costs and charges on the real property described in the certificate.

County held certificates may be purchased and any tax certificate may be redeemed, in whole, by any person at any time before a tax deed is issued or the property is placed on the list of lands available for sale, at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, charges and omitted taxes due. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the certificate such proceeds less service charges, and the certificate is canceled. 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. 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. 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 County advertises the property for public sale.

In any such public sale, the private holder of the tax certificate who is applying for 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, redemption of other tax certificates on the land, and the amount paid by such holder in applying for the tax deed, plus interest thereon. Holders of a tax certificate who are applying for a tax deed for homestead property are deemed to submit a minimum bid equal to the holders of a tax certificate for non-homestead property plus 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 towards the purchase price. 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, and all other amounts paid by such person in applying for a tax deed, 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), lienholders 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 interests may appear.

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 may, at any time within ninety days from the date of offering for public sale, purchase the land without further notice or advertising for a statutorily prescribed opening bid. After ninety days have passed, any person or governmental unit may purchase the land by paying the amount of the opening bid. Three years from the date of offering for public sale, unsold lands escheat to the County in which they are located and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the County commissioners.

Judicial Proceedings. In addition to the sale of tax certificates as a method of enforcing the payment of Series 2006 Assessments, Chapter 170.10, Florida Statutes, provides that upon the failure of any property owner to pay the principal of the 2004 Assessment or the interest thereon, when due, the governing body of the District is authorized to commence legal proceedings for the enforcement of the payment thereof, including commencement of an action in chancery, commencement of a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or commencement of an action under Chapter 173, Florida Statutes, relating to foreclosure of municipal tax and special assessment liens. Any foreclosure proceedings to enforce payment of the Series 2006 Assessments will in all likelihood proceed under the provisions of Chapter 173, Florida Statutes, which provides that after the expiration of one year from the date any special assessment or installment thereof becomes due, the District may commence a foreclosure proceeding against the lands upon which the assessments are liens. Such a proceeding is in rem, meaning that it is brought against the land and not against the owner in the Circuit Court where the land is located.

In general, after the District commences the suit, there is a period of notice to, and an opportunity for response by, affected persons. Ultimately a hearing will be held and, if the court decides in favor of the District, a judgment will be rendered in the amount of the Delinquent Assessments and costs of the proceeding. The judgment would also direct sale of the land subject to the Delinquent Assessments by public bid to the highest bidder, with proceeds of the sale being applied to payment of the Delinquent Assessments. If no bidder bids at least the amount of the Delinquent Assessments and applicable costs, the District may obtain title to the land.

Enforcement of the obligation to pay Series 2006 Assessments and the ability of the Tax Collector to sell tax certificates and ultimately tax deeds, or the ability to foreclose the lien created by the failure to pay Series 2006 Assessments, may not be readily available or may be limited as such enforcement is dependent upon judicial actions that are often subject to discretion and delay.

For a description of the Series 2006 Assessments and the methodology for their levy, please refer to "APPENDIX D – MASTER ASSESSMENT METHODOLOGY AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT" herein.

FUNDS AND ACCOUNTS

Pursuant to the First Supplemental Indenture, the following Funds and Accounts will be held by the Trustee:

Acquisition and Construction Fund

Within the Acquisition and Construction Fund held by the Trustee is the (a) 2006 Acquisition and Construction Account and therein a General Subaccount and a Deferred Costs Subaccount; and (b) 2006 Costs of Issuance Account.

2006 Acquisition and Construction Account. Amounts on deposit in the 2006 Acquisition and Construction Account including the subaccounts therein shall be applied to pay the Costs of the 2006 Project including Deferred Costs, upon compliance with the requirements of the requisition provisions set forth in the Master Indenture and/or as otherwise provided in the First Supplemental Indenture. Costs of the 2006 Project, other than Deferred Costs, shall be paid from the General Subaccount.

The District shall notify the Trustee in writing, from time to time, of the amount of any Deferred Costs which have accrued. The Trustee shall be entitled to conclusively rely on such certificate, and, in the absence of any such certificate, the Trustee shall conclusively presume that there are no accrued and unpaid Deferred Costs. Notwithstanding anything to the contrary contained in the Indenture, the Trustee shall not be deemed to have received such certificate until the Trustee has actually received such certificate from the District. The District shall notify the Trustee of the payment of any Deferred Costs other than from amounts made available under the First Supplemental Indenture. Anything in the Indenture to the contrary notwithstanding, so long as there are Deferred Costs due as evidenced by such certificate of the District, the Trustee shall deposit into the Deferred Costs Subaccount in the 2006 Acquisition and Construction Account the amounts to be transferred thereto pursuant to the First Supplemental Indenture which amounts shall be held separate and apart from other amounts on deposit in the 2006 Acquisition and Construction Account, including amounts on deposit in the General Subaccount. Amounts in the Deferred Costs Subaccount shall be paid over to the District, upon requisition, to be used solely by the District to pay Deferred Costs. The District shall provide written notice to the Trustee when there are no further Deferred Costs at which time the Deferred Costs Subaccount shall be closed.

Any balance remaining in the 2006 Acquisition and Construction Account after the Date of Completion of the 2006 Project and after retaining the amount, if any, of all remaining unpaid Costs of the 2006 Project set forth in the Engineers' Certificate establishing such Date of Completion, shall be transferred to and deposited in the 2006 Redemption Account and applied to the extraordinary mandatory redemption of the 2006 Bonds in the manner prescribed in the First Supplemental Indenture. Notwithstanding the foregoing, if the District shall have, prior to such Date of Completion, notified the Trustee as provided in the First Supplemental Indenture that there are Deferred Costs due and payable on the date of the transfer described in the preceding sentence, then the lesser of (i) the amount of such Deferred Costs, or (ii) the amount of such excess, shall be transferred into the Deferred Costs Subaccount in the 2006 Acquisition and

Construction Account and applied as provided for therein, and, the balance, if any, shall be applied to the extraordinary mandatory redemption of 2006 Bonds as provided in the preceding sentence.

Deferred Costs are defined as the Costs of the 2006 Project which are identified by the District to the Trustee in writing as having been advanced by the Master Developer or another entity other than the District.

2006 Costs of Issuance Account. There shall be deposited in the 2006 Costs of Issuance Account \$156,000, which shall, at the written direction of an Authorized Officer to the Trustee, be used to pay the costs of issuance relating to the 2006 Bonds. At the written direction of an Authorized Officer delivered no sooner than one hundred and eighty (180) days from the date of initial delivery of the 2006 Bonds, any amounts deposited in the 2006 Costs of Issuance Account which are not needed to pay such costs shall be transferred over and deposited into the General Account of the 2006 Acquisition and Construction Account and used for the purposes permitted therefor.

Debt Service Fund

There is established within the Debt Service Fund held by the Trustee: (i) a 2006 Sinking Fund Account and a 2006 Interest Account; and (ii) a 2006 Redemption Account and therein a Prepayment Subaccount.

Reserve Fund

Within the Reserve Fund held by the Trustee is the 2006 Reserve Account. Amounts on deposit in the 2006 Reserve Account, except as provided in the First Supplemental Indenture, shall be used only for the purpose of making payments into the 2006 Interest Account and the 2006 Sinking Fund Account to pay the 2006 Bonds, without distinction as to 2006 Bonds and without privilege or priority of one 2006 Bond over another, when due when the moneys on deposit in such Accounts and available therefor are insufficient.

Anything in the Indenture to the contrary notwithstanding, simultaneously with deposit by the Trustee of Prepayment Principal of Series 2006 Assessments into the Prepayment Subaccount, the Trustee is authorized and directed to recalculate the 2006 Reserve Account Requirement and to transfer any resulting excess on deposit in the 2006 Reserve Account first to the Deferred Costs Subaccount to be used to pay any unpaid Deferred Costs, if any, and then into the Prepayment Subaccount to be used for the extraordinary mandatory redemption of 2006 Bonds as provided for therein.

The Trustee, on or before the thirtieth day (or if such day is not a Business Day, on the Business Day next preceding such day) next preceding each Interest Payment Date, after taking into account all payments and transfers made as of such date, shall compute the value of the 2006 Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such account. The District shall immediately pay the amount of any deficiency to the Trustee, for deposit in the 2006 Reserve Account, from the first legally available sources of the District. Any surplus in the 2006 Reserve Account shall first be

deposited into the Deferred Costs Subaccount to the extent needed to pay any unpaid Deferred Costs and then shall be used for any lawful District purpose.

All earnings on investments in the 2006 Reserve Account shall, provided no deficiency exists in the 2006 Reserve Account, be deposited, to the 2006 Interest Account through November 1, 2007. After November 1, 2007, all earnings on investments in the 2006 Reserve Account shall be deposited to the Deferred Costs Subaccount to the extent there are Deferred Costs due and payable and thereafter such earnings shall be deposited to the 2006 Revenue Account. To the extent a deficiency exists in the 2006 Reserve Account, investment earnings in such account shall remain in that account. Such Accounts shall consist only of cash and 2006 Investment Obligations.

Notwithstanding the foregoing and after providing for the payment of any unpaid Deferred Costs, on the earliest date on which there is on deposit in the 2006 Reserve Account, sufficient monies, taking into account other monies available therefor, to pay and redeem all of the Outstanding 2006 Bonds, together with accrued interest and redemption premium, if any, on such 2006 Bonds to the earliest date of redemption, then the Trustee shall use the amount on deposit in the 2006 Reserve Account to pay and redeem all of the Outstanding 2006 Bonds on the earliest such date.

The District may provide, but only if it shall certify to the Trustee that following the substitution described below no Deferred Costs are currently owed and none will be owed in the future, that the difference between the amount on deposit in the 2006 Reserve Account and the 2006 Reserve Account Requirement shall be an amount covered by obtaining bond insurance issued by a reputable and recognized municipal bond insurer, by a letter of credit, by a surety bond or any combination thereof (individually or collectively, the "Reserve Account Credit Instrument"). Any such Reserve Account Credit Instrument shall be rated in one of the two highest categories by one of two nationally recognized rating agencies. Any Reserve Account Credit Instrument which is a bond insurance policy or a surety bond shall have a term extending at least to the final maturity date of the 2006 Bonds. Any Reserve Account Credit Instrument which is a letter of credit shall be an irrevocable direct pay letter of credit made in favor of the Trustee. Such letter of credit shall have a term of a minimum of at least 3 years, and shall be mandatorily drawn upon in the full amount thereof by the Trustee if the Trustee has not received adequate cash, or another Reserve Account Credit Instrument, on that date which is no later than 10 days prior to the expiration date of the letter of credit. Subject to the provisions of this paragraph, the District may withdraw any or all of the amount of money on deposit in the 2006 Reserve Account and substitute in its place a Reserve Account Credit Instrument as described above in the face amount of such withdrawal and such withdrawn moneys shall, after payment of the premium for such Reserve Account Credit Instrument and payment of any accrued and unpaid Deferred Costs, be used for any lawful purpose of the District.

Application of Prepayment Principal

All Prepayment Principal shall upon receipt by the Trustee be deposited to the Prepayment Subaccount of the 2006 Redemption Account. At the time the District deposits Prepayment Principal with the Trustee it shall notify the Trustee in writing as to the amount of

Prepayment Principal. Amounts on deposit in the Prepayment Subaccount shall be applied to the redemption of the 2006 Bonds in the manner provided in the Indenture.

Tax Covenants and Rebate Accounts

The District shall comply with the Tax Regulatory Covenants (including deposits to and payments from the 2006 Rebate Account) included as part of the closing transcript for the 2006 Bonds, as amended and supplemented from time to time in accordance with their terms.

Establishment of 2006 Revenue Account in Revenue Fund; Application of Pledged Revenues and Investment Earnings

The Trustee shall except as provided below or otherwise provided in the First Supplemental Indenture deposit the 2006 Pledged Revenues to the 2006 Revenue Account and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The 2006 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. Amounts on deposit in the 2006 Revenue Account, 2006 Interest Account, 2006 Sinking Fund Account, 2006 Redemption Account, and 2006 Reserve Account shall be used as provided in the Master Indenture except as otherwise provided in the First Supplemental Indenture.

Immediately upon receipt the District shall deposit the 2006 Pledged Revenues with the Trustee together with a written accounting setting forth the amounts of such 2006 Pledged Revenues in the following categories which shall be deposited by the Trustee into the Funds and Accounts established under the First Supplemental Indenture as follows:

- (i) Assessment Interest, which shall be deposited into the 2006 Interest Account;
- (ii) Assessment Principal, which shall be deposited into the 2006 Sinking Fund Account;
- (iii) Prepayment Principal, which shall be deposited into the Prepayment Subaccount in the 2006 Redemption Account;
- (iv) Delinquent Assessment Principal shall first be applied to restore the amount of any withdrawal, from the 2006 Reserve Account to pay the principal of 2006 Bonds to the extent that less than the 2006 Reserve Account Requirement is on deposit in the 2006 Reserve Account, and, the balance, if any, shall be deposited into the 2006 Sinking Fund Account.
- (v) Delinquent Assessment Interest, shall first be applied to restore the amount of any withdrawal from the 2006 Reserve Account to pay the interest on 2006 Bonds to the extent that less than the 2006 Reserve Account Requirement is on deposit in such 2006 Reserve Account, and, the balance, if any, deposited into the 2006 Interest Account; and
- (vi) the balance shall be deposited in the 2006 Revenue Account.

On each March 15 and September 15 (or if such March 15 or September 15 not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Prepayment Subaccount of the 2006 Redemption Account, and, if the balance therein is greater than zero, shall transfer, but only after determining that following such transfer sufficient amounts will remain on deposit in the 2006 Revenue Account to make the transfers required below, from the 2006 Revenue Account for deposit into such Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to the next integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of 2006 Bonds on the next succeeding redemption date in the maximum aggregate principal amount for which moneys are then on deposit in such Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of 2006 Bonds. Interest due in regard to such extraordinary mandatory redemption shall be paid from the 2006 Interest Account.

(d) On each May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such date), the Trustee shall transfer from amounts on deposit in the 2006 Revenue Account to the Funds and Accounts designated below, the following amounts in the following order of priority and apply such amounts as provided in the Indenture:

FIRST, to the 2006 Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all 2006 Bonds then Outstanding on such May 1 or November 1, less any amount already on deposit in the 2006 Interest Account not previously credited;

SECOND, to the 2006 Sinking Fund Account an amount equal to the Amortization Installments or principal of 2006 Bonds due on such May 1, less any amounts already on deposit in such Accounts not previously credited;

THIRD, to the 2006 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the then 2006 Reserve Account Requirement; and

FOURTH, the balance shall be retained in the 2006 Revenue Account.

On any date required by the Tax Regulatory Covenants, the District shall give the Trustee written direction, and the Trustee shall, transfer from the 2006 Revenue Account to the 2006 Rebate Account established for the 2006 Bonds in the Rebate Fund in accordance with the Master Indenture and the Tax Regulatory Covenants, the amount due and owing to the United States, which amount shall be paid, to the United States, when due, in accordance with such Tax Regulatory Covenants. To the extent insufficient moneys are on deposit in the 2006 Revenue Account to make the transfer provided for in the immediately preceding sentence the District shall deposit with the Trustee from available moneys of the District the amount of any such insufficiency.

On or after each November 2, the Trustee shall, at the written direction of the District transfer to the District the balance on deposit in the 2006 Revenue Account on such November 2 to be used for any lawful District purpose; provided, however, that on the date of such proposed

transfer the amount on deposit in the 2006 Reserve Account shall be equal to the 2006 Reserve Account Requirement, and, provided further, that the Trustee shall not have actual knowledge of an Event of Default under the Indenture relating to any of the 2006 Bonds, including the payment of Trustee's fees and expenses then due; provided, further, however, that if the District shall have notified the Trustee, in the manner provided in the First Supplemental Indenture, that there remain any outstanding and unpaid Deferred Costs, then the lesser of (i) the amount of such Deferred Costs, or (ii) the amount of such excess, shall be transferred into the Deferred Costs Subaccount in the 2006 Acquisition and Construction Account and applied as provided for therein, and, the balance if any, shall be paid to, or upon the order of, the District.

Anything in the Indenture to the contrary notwithstanding, earnings on investments in all of the Funds and Accounts held as security for the 2006 Bonds shall be invested only in 2006 Investment Obligations, and further, earnings on investments in the 2006 Acquisition and Construction Account shall be retained as realized, in such 2006 Acquisition and Construction Account and used for the purpose of such 2006 Acquisition and Construction Account. Earnings on investments in the 2006 Sinking Fund Account and the 2006 Redemption Account including any subaccounts therein shall be deposited, as realized, to the credit of the 2006 Revenue Account and used for the purpose of such 2006 Revenue Account. Until November 1, 2007, earnings on investments in the 2006 Interest Account shall be retained, as realized, in such 2006 Interest Account, and, thereafter earnings on investments in such 2006 Interest Account shall be deposited, as realized, to the credit of the 2006 Revenue Account and used for the purpose of such 2006 Revenue Account.

BONDHOLDERS' RISKS

Certain risks are inherent in an investment in obligations secured by assessments issued by a public authority or governmental body in the State. Certain of these risks are described in the preceding section entitled "ENFORCEMENT AND PAYMENT OF SERIES 2006 ASSESSMENTS," however, certain additional risks are associated with the 2006 Bonds offered hereby. This section does not purport to summarize all risks that may be associated with purchasing or owning the 2006 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 2006 Bonds.

(1) Until further development takes place on the benefited land within the District, payment of a significant portion of the Series 2006 Assessments is dependent upon their timely payment by the Sub-Developer and the Master Developer (as those terms are defined herein). At closing of the sale of the 2006 Bonds it is expected that a majority of the land within the District burdened by the Series 2006 Assessments will continue to be owned either directly or indirectly by the Sub-Developer and the Master Developer. In the event of the institution of bankruptcy or similar proceedings with respect to the Sub-Developer or the Master Developer or any other subsequent significant owner of property within the District, delays will most likely occur in the payment of Debt Service on the 2006 Bonds as such bankruptcy could negatively impact the ability of: (i) the Sub-Developer, the Master Developer and any other land owner being able to pay the Series 2006 Assessments; (ii) the District to foreclose the lien on the Series 2006

Assessments if tax certificates are not sold and (iii) the County to sell tax certificates in relation to such property (in the case of (i) or (ii) above, to the extent that any portion of the Series 2006 Assessments are being collected by the Uniform Method of Collection). In addition, the remedies available to the Beneficial Owners of the 2006 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, during a bankruptcy of the Sub-Developer or the Master Developer, the remedies specified by federal, state and local law and in the Indenture and the 2006 Bonds, including, without limitation, enforcement of the obligation to pay the Series 2006 Assessments may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the 2006 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 respecting the 2006 Bonds could have a material adverse impact on the repayment prospects of the Beneficial Owners thereof.

(2) The principal security for the payment of the principal of and interest on the 2006 Bonds is the timely collection of the Series 2006 Assessments. The Series 2006 Assessments do not constitute a personal indebtedness of the owners of the land subject thereto, but are secured only by a lien on such land. The Sub-Developer and the Master Developer expect to proceed in their normal course of business to develop lots and construct homes to sell to retail buyers to be served by the 2006 Project. There is no assurance that the subsequent owners of this land will be able to pay the Series 2006 Assessments or that they will pay such Series 2006 Assessments even though financially able to do so. Beyond legal delays that could result from bankruptcy, the ability of the County to sell tax certificates will be dependent upon various factors, including the interest rate which can be earned by ownership of such certificates and the value of the land which is the subject of such certificates and which may be subject to sale at the demand of the certificate holder after two years. The determination of the benefits to be received by the land within the District as a result of implementation and development of the 2006 Project is not indicative of the realizable or market value of the land, which value may actually be higher or lower than the assessment of benefits. In other words, the value of the land could potentially be ultimately less than the special assessment debt associated with it. To the extent that the realizable or market value of the land is lower than the assessment of benefits, the ability of the County to sell tax certificates relating to such land may be adversely affected. Such adverse effect could render the District unable to collect Delinquent Assessments, if any, and could negatively impact the ability of the District to make the full or punctual payment of Debt Service on the 2006 Bonds. The payment of the annual Series 2006 Assessments and the ability of the Tax Collector to sell tax certificates or the District to foreclose the lien of the unpaid taxes, including the Series 2006 Assessments, may be further limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by the laws of the State relating to court foreclosure. Bankruptcy of a property owner will most likely also result in a delay by the Tax Collector or the District in prosecuting court foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of the principal of and interest on the 2006 Bonds.

(3) The proposed Development may be affected by changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Sub-Developer. In addition, the proposed Development is subject to comprehensive federal, state, and local regulations and future changes to such regulations. Approval is required from various public agencies in connection with, among other things, the design, nature and extent of the 2006 Project and the Development and construction of the 2006 Project and the Development in accordance with applicable zoning, land use and environmental regulations. Although no delays are anticipated, failure to obtain any such approvals in a timely manner could delay or adversely affect the Development, which may negatively impact the Sub-Developer's or the Master Developer's desire or ability to develop the Development as contemplated. See "APPENDIX C - ENGINEER'S REPORT" attached hereto for a discussion of permits and approvals. Also see: "THE MASTER DEVELOPMENT, THE DEVELOPMENT AND VILLAGEWALK – Master Development Approvals" herein.

(4) The willingness and/or ability of an owner of land within the District to pay the Series 2006 Assessments could be affected by the existence of other taxes and assessments imposed upon the land by the District or by the County, or by other public entities which may be affected by the value of the land subjected to such taxation and assessment. Under the Uniform Method, County, municipal, school, special district taxes and assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the Series 2006 Assessments if collected pursuant to the Uniform Method, are payable at one time. As referenced above, if a taxpayer does not make complete payment, he or she cannot designate specific line items on the tax bill as deemed paid in full. In such case, the Tax Collector does not accept such partial payment. Therefore, any failure to pay any one line item, regardless of whether it is the Series 2006 Assessments, would cause the Series 2006 Assessments not to be collected to that extent, which could have a significant adverse impact on the District's ability to make full or punctual payment of Debt Service on the 2006 Bonds. Public entities whose boundaries overlap those of the District, such as the City, the County and the County school district, could, without the consent of the owners of the land within the District, impose additional taxes or assessments on the property within the District. The District has no control over the amount of taxes or assessments levied by governmental entities other than the District. The lien of the Series 2006 Assessments is, however, of equal dignity with the liens for State and County and certain taxes upon land. As referenced herein, the District may also impose additional assessments which could encumber the property burdened by the Series 2006 Assessments.

(5) There is no assurance that a liquid secondary market will exist for the 2006 Bonds in the event an Owner thereof determines to solicit purchasers of the 2006 Bonds. Even if a liquid secondary market exists, as with any marketable securities, there can be no assurance as to the price for which the 2006 Bonds may be sold. Such price may be lower than that paid by the current Owner of the 2006 Bonds, depending on the progress of the Development, existing real estate and financial market conditions and other factors.

(6) The Engineer has certified that the 2006 Bond proceeds available for the 2006 Project will be sufficient to finance the completion of the 2006 Project as set forth in "APPENDIX C - ENGINEER'S REPORT" attached hereto. If, however, such funds were not

sufficient it is unlikely that the District would have other funds to complete such 2006 Project. The Landowner has agreed to fund any cost overruns pursuant to the Completion Agreement, however, that obligation is unsecured.

(7) Owners should note that several mortgage lenders have, in the past, raised legal challenges to the primacy of the liens similar to those of the Series 2006 Assessments in relation to the liens of mortgages burdening the same real property; to the best knowledge of the District (without investigation), in all such cases to date, the applicable courts have held that the assessment liens (like those of the Series 2006 Assessments) are superior to those of the commercial mortgage lenders. With the exception of mortgages on units sold, all mortgagees holding liens on the subject land in this transaction have executed documents acknowledging the statutory superiority of the Series 2006 Assessments. Additionally, the Sub-Developer and the Master Developer will certify that there are no mortgages encumbering the land within the Development secured by the Series 2006 Assessments which have not acknowledged the statutory superiority of the lien of the Series 2006 Assessments, with the exception of mortgages on units sold by the Sub-Developer or the Master Developer.

(8) The interest rate borne by the 2006 Bonds is, in general, higher than interest rates borne by other bonds of political subdivisions that do not involve the same degree of risk as investment in the 2006 Bonds. These higher interest rates are intended to compensate investors in the 2006 Bonds for the risk inherent in a purchase of the 2006 Bonds. However, such higher interest rates, in and of themselves, increase the amount of Series 2006 Assessments that the District must levy in order to provide for payments of debt service on the 2006 Bonds, and, in turn, may increase the burden upon owners of lands within the District.

(9) Various proposals are mentioned from time to time by members of the Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. Certain of these proposals, if implemented, could have the effect of diminishing the value of obligations of states and their political subdivisions, such as the 2006 Bonds, by eliminating or changing the tax-exempt status of interest on certain of such bonds. Whether any of such proposals will ultimately become law, and if so, what effect such proposals could have upon the value of bonds such as the 2006 Bonds, cannot be predicted. The Indenture does not provide for any adjustment to the interest rates borne by the 2006 Bonds in the event of a change in the tax-exempt status of the 2006 Bonds.

(10) The District is required to comply with statutory procedures in levying the Series 2006 Assessments. Failure of the District to follow these procedures could result in the Series 2006 Assessments not being levied or potential future challenges to such levy. See "SECURITY FOR AND SOURCE OF PAYMENT FOR THE 2006 BONDS" herein

(11) Prospective Bondholders should note that although the Indenture contains a 2006 Reserve Account Requirement for the 2006 Reserve Account, and a corresponding obligation on the part of the District to replenish the 2006 Reserve Account to the 2006 Reserve Account Requirement, if in fact funds are disbursed from such account, the District does not have a designated revenue source for replenishing that fund. Moreover, the District will not be

permitted to re-assess real property then burdened by the 2006 Assessments in order to provide for the replenishment of the Reserve Fund.

(12) While the District has represented to the Underwriter that it has selected its manager, financial advisor, counsel, engineer, corporate trustee and other professionals with the appropriate due diligence and care, and while the foregoing professionals have each represented in their respective areas as having the requisite expertise to accurately and timely perform the duties assigned to them in such roles, the District and the Underwriter do not guaranty any portion of the performance of these professionals. Failure on the part of any one of these professionals to perform their obligations could result in a delay in payment on the 2006 Bonds, and in the worst possible situation, the non-payment of the 2006 Bonds.

This section does not purport to summarize all risks that may be associated with purchasing or owning the 2006 Bonds and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety (inclusive of Appendices) for a more complete description of investment considerations relating to the 2006 Bonds.

THE DISTRICT

Legal Powers and Authority

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

The Act provides that community development districts have the power to issue general obligation, revenue and assessment bonds in any combination to pay all or part of the cost of infrastructure improvements authorized under the Act. The Act further provides that community development districts have the power (i) to levy and assess taxes, including Series 2006 Assessments, on all taxable real and tangible personal property within their boundaries to pay the principal of and interest on bonds issued and (ii) to provide for any sinking or other funds established in connection with any such bond issues. Pursuant to the Act, such Series 2006 Assessments shall be assessed, levied and collected in the same manner and time as county taxes.

Among other provisions, the Act gives the District's Board of Supervisors the right: (i) to hold, control, and acquire by donation, purchase, condemnation or dispose of any public easements, dedications to public use, platted reservations for public purposes or any reservations for those purposes authorized by the Act and to make use of such easements, dedications, or reservations for any of the purposes authorized by the Act; (ii) to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain stormwater management and control, water supply, sewer and wastewater management systems, or any combination thereof and to construct and operate connecting intercepting or outlet sewers and

sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue or other byproducts of such system, or sewer system; (iii) to borrow money and issue the bonds, certificates, warrants, or other evidence of the District; and (iv) to exercise all of the powers necessary, convenient, incidental or proper in connection with any of the powers, duties or purposes authorized by the Act.

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

The Act exempts all property of the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any Owner of bonds of the District to pursue any remedy for enforcement of any lien or pledge of the District in connection with bonds, including the 2006 Bonds.

Board of Supervisors

The Act provides for a five member Board to serve as the governing body of the District. Members of the Board ("Supervisors") must be residents of the State and citizens of the United States of America. Initially, the Supervisors are appointed pursuant to the Act, until an election is advertised. Following advertisement, the Supervisors are elected on an at-large basis by the owners of the property within the District. Ownership of land within the District initially entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number). Each 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.

The landowners in the District elect two Supervisors to four-year terms and three Supervisors to two-year terms at bi-annual (i.e., once every two years) elections. After the first election of the Board, the next election by landowners will be the first Tuesday in the applicable November. Thereafter, the elections will take place every two years on a date in November established by the Board. Until six years after the initial appointment of Supervisors and the year when the District 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 a resident of the District and the State and a citizen of the United States of America. At the election where Supervisors are first elected by qualified electors, two Supervisors must be qualified electors and be elected by qualified electors, both to four-year terms. The other Supervisor will be elected by landowners to a four-year term and is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and be elected by qualified electors to serve staggered terms of four years.

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 of the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

The Act provides that it shall not be an impermissible conflict of interest under State law governing public officials for a Supervisor to be a stockholder, officer or employee of a landowner. The current members of the Board, their terms of office and occupations are set forth below:

<u>Name</u>	<u>Title</u>	<u>Term Expirations</u>
Tom Youth*	Chairman	November 2010
Eric Allain*	Vice Chairman	November 2008
Scott Blanchard*	Assistant Secretary	November 2008
Pat Marks*	Assistant Secretary	November 2008
Rob Adams*	Assistant Secretary	November 2010

*Employee of the Landowner or an affiliate thereof.

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

The District Manager and Other Consultants

The Act authorizes the Board to hire a district manager as the chief administrative official of the District. The Act provides that such district manager shall have charge and supervision of the works of the District and shall be responsible for (i) preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, (ii) maintaining and operating the equipment owned by the District, and (iii) performing such other duties as may be prescribed by the Board.

Rizzetta & Company, Inc. ("Rizzetta") has been retained as the firm to provide district management services for the District. Rizzetta's primary focus since 1989 has been to provide establishment, financial advisory and management services to community development districts. The District Manager is actively involved in the management of more than ninety (90) special districts throughout the State, including community development districts, that have collectively issued in excess of \$2.4 billion of bonds in more than 175 separate financings. The District Manager's office is located at 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Hopping Green & Sams, P.A., Tallahassee, Florida, as District Counsel; Donald W. McIntosh Associates, Inc. as District

Engineer; Akerman Senterfitt, Orlando, Florida, as Bond Counsel; and Fishkind & Associates Inc., as Financial Advisor and Collection Agent.

THE 2006 PROJECT

The District Engineer has estimated the total cost of the District's CIP at approximately \$33.5 million which includes public infrastructure necessary to develop the lands within the District and more specifically, roadways, utilities, stormwater management, landscape and irrigation, trenching for and under-grounding of a duct bank for electric power and associated professional fees for engineering, permitting and design. The 2006 Bonds are being issued to fund a portion of the construction and/or acquisition of the District's CIP (the "2006 Project").

2006 SPECIAL ASSESSMENT METHODOLOGY – LIMITATION ON LIENED REAL PROPERTY

As described in greater detail in "APPENDIX D - MASTER ASSESSMENT METHODOLOGY AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT" attached hereto, that portion of the District's CIP which comprises the 2006 Project benefits substantially all of the real property within the District, however, since an accurate calculation of the benefit accruing to real property within the District cannot be ascertained until the land uses planned for such land are determined, the assessment methodology adopted by the District provides that Special Assessments (such as the Series 2006 Assessments) are imposed upon land as it is platted. Remaining unallocated debt from issuance of the 2006 Bonds will be distributed on a per-acre basis over all unplatted gross assessable acreage in the District. As further parcels of land within the District are platted, the District will continue to refine the allocation of debt evidenced by the 2006 Bonds. As a result, the Special Assessments are neither fixed nor are they determinable with certainty on any portion of the unplatted gross assessable acreage in the District prior to a plat of same. The Series 2006 Special Assessments will be imposed upon all assessable land within the District whether or not platted. The assessable land in the District is currently owned or developed by DiVosta Homes, L.P., a Delaware limited partnership (the "Sub-Developer" or "DiVosta") ("land developed by the Sub-Developer" shall mean all of the land within VillageWalk, as defined below, inclusive of land (i) previously sold by the Sub-Developer to a purchaser, (ii) subject to a contract of sale to a purchaser, or (iii) currently owned by the Sub-Developer), and land either currently owned by, or developed by, Lake Nona Land Company, LLC, a Florida limited liability company (the "Landowner" or "LNLC"), a wholly owned subsidiary of the Master Developer, as defined below. The Series 2006 Assessments will therefore create a current lien on the assessable land owned by or developed by the Sub-Developer and on the assessable land owned or developed by the Landowner, as described in greater detail herein and in the appendices hereto. See "THE MASTER DEVELOPMENT, THE DEVELOPMENT AND VILLAGEWALK", "VillageWalk at Lake Nona" and "Remaining Land in the Development" and "APPENDIX D - MASTER ASSESSMENT METHODOLOGY AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT."

Interlocal Agreement between the City and the District

The City and the District have entered into an Interlocal Agreement dated as of January 15, 2002, as amended (the "City Interlocal") wherein the City and the District among other things, have agreed to certain terms regarding (i) District powers concerning roads, water management, recreational facilities, schools and utilities; and (ii) limitations on maximum levels of certain annual Capital Assessments (as defined in the City Interlocal) on a lot (a lot is defined in the City Interlocal as any portion of the real property within the boundaries of the District subdivided into a single-family residential unit) and improvements. The City Interlocal sets forth price ranges and corresponding maximum annual Capital Assessments for such price ranges for a lot and improvements. Those price ranges start as low as \$100,000 to \$149,999, for which a maximum annual Capital Assessment is set at \$475, and go as high as \$350,000 to \$400,000, for which a maximum annual Capital Assessment is set at \$1,200. The City Interlocal does not impose a limit on annual Capital Assessments on any parcel with a price range (lot plus improvements) in excess of \$400,000. Please see "APPENDIX D - MASTER ASSESSMENT METHODOLOGY AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT" attached hereto.

The City Interlocal provides for additional or increased Capital Assessments beyond these levels with agreement from the City to such increase.

THE MASTER DEVELOPMENT, THE DEVELOPMENT AND VILLAGEWALK

The following information appearing below under this caption "THE MASTER DEVELOPMENT, THE DEVELOPMENT AND VILLAGEWALK", as well as the information appearing below under the caption "THE MASTER DEVELOPER, AND THE SUB-DEVELOPER" has been furnished by the Master Developer and the Sub-Developer, as applicable, for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has not been independently verified by the District or its counsel, or the Underwriter or its counsel, and no person other than the Master Developer and the Sub-Developer makes any representation or warranty as to the accuracy or completeness of such information supplied by them. Notwithstanding anything to the contrary in the preceding sentence, the Master Developer shall have no liability for information included herein which is provided by or pertains to the Sub-Developer or VillageWalk. The Sub-Developer shall have no liability for information included herein which is provided by or pertains to the Master Developer, the Master Development or the Remaining Land.

General

The Myrtle Creek Improvement District (the "District" or "Myrtle Creek") is one of three improvement districts, including the Boggy Creek Improvement District and the Greenway Improvement District, which together comprise a portion of the master-planned community known as Lake Nona (the "Master Development"). The Master Development is an approximate 7,000-acre mixed-use development located within the City of Orlando, Florida (the "City") contemplated for development as a mixed-use project comprised of residential, retail, office,

commercial, industrial and various other uses. The Master Development is generally located to the South of Dowden Road, to the East of Boggy Creek Road, to the West of Narcoossee Road, and north of the Osceola County line. The Master Development is approximately 10 minutes from the Orlando International Airport and 30 minutes from downtown Orlando.

Other than the land owned or being developed by sub-developers such as the Sub-Developer, the Master Development is being developed by Lake Nona Property Holdings, LLC, a Florida limited liability company (the "Master Developer" or "LNPH"), whose ultimate beneficial ownership resides in the Tavistock Group, Inc. ("Tavistock"). LNPH purchased lands within the Master Development in the mid-1990s with cash for an estimated acquisition price of \$28 million. The Master Developer acts as a master developer and land planner, and does not participate in any vertical for-sale construction. Instead, the Master Developer, through its subsidiaries, sells parcels to residential and commercial sub-developers. The Sub-Developer purchased one such parcel which is referenced below as VillageWalk, from a subsidiary of the Master Developer.

Master Development Approvals

The Master Development is being developed pursuant to a Development of Regional Impact/Planned Development ("DRI/PD") approved by the City and the State. The DRI/PD presently allows for the following development, subject to the requirements, terms and conditions for development contained in the DRI/PD development order (the "Development Order") and the related City PD ordinance (the "PD Ordinance"):

Residential	9,000 units
Retail	950,000 s.f.
Hotel / Resort Villas	2,250 units
Office	935,000 s.f.
Industrial (Airport Support)	4,870,000 s.f.

The DRI/PD does allow for conversion of land uses provided that the proposed conversion retains the mixed-use characteristics of the DRI/PD. The proposed land use conversion must be consistent with the DRI/PD Conversion and Trip Equivalency Matrix and must meet certain minimum and maximum development thresholds. See "Village Walk at Lake Nona" and "Remaining Land in Development" below for additional information with respect to development approvals.

The District

Lands within the District are located within a portion of the Master Development and consist of approximately 1,087 acres, of which 1,042 are developable. The Master Developer currently plans for lands within the District to be developed into mixed-uses including 605 single-family detached units, 644 single-family attached units, 326 townhomes, 44 condominiums, 1,070 multi-family units, 200 hotel rooms, 103,200 square feet of retail space, 66,000 square feet of office/clubhouse space and the potential for one 18-hole golf course (the "Development"), subject to the requirements, terms and conditions, for development contained in

the Development Order and the PD Ordinance. In addition, an elementary school site has been designated in the Development, but is subject to relocation by the Master Developer to another portion of the Master Development not within the District. The majority of the lands within the District (other than VillageWalk) are owned by the Landowner.

Equity in Development

The Master Developer and its subsidiaries have invested \$27,432,000 to date in improvements within the District, a portion of which will be acquired by the District with the proceeds of the 2006 Bonds. In addition, the value of the Landowner's land in the District is \$42,426,000 based upon the County's Tax Appraiser's determination of value. There is no mortgage indebtedness on the land owned by the Landowner or Master Developer.

The Sub-Developer owns the land within the District referred to as VillageWalk which is described below. The Sub-Developer acquired the land which will comprise VillageWalk in 2004 in cash for an estimated purchase price of \$34,000,000. As of October 31, 2006, the Sub-Developer has invested \$26,900,000 in improvements, exclusive of homes, within VillageWalk. There is no indebtedness on the land owned by the Sub-Developer in the District.

District Infrastructure Plan

The Consulting Engineer has estimated that the cost of all master infrastructure improvements included in the District's capital improvement program will be \$33,500,000. Major components of the infrastructure improvements include roadways, potable water, sanitary sewer, reclaimed water, stormwater management, a duct bank for electrical power distribution and landscape and irrigation. For a detailed description of the District's capital improvement program, please see "APPENDIX C – ENGINEER'S REPORT" attached hereto ("Engineer's Report").

In November of 2004, the Boggy Creek Improvement District, the Greenway Improvement District and the Myrtle Creek Improvement District (collectively, the "Improvement Districts") entered into an interlocal agreement (the "Interlocal Agreement") pertaining to the funding and construction of an interchange located at the Central Florida GreeneWay between Narcoossee Road and Boggy Creek Road ("Interchange") and the Lake Nona Central East/West Connector Roadway ("Connector"). Pursuant to the Interlocal Agreement, the Boggy Creek Improvement District was designated to be the entity to construct, acquire or otherwise provide all or a portion of the Interchange and the Connector. Pursuant to the First Amendment to the Interlocal Agreement, Myrtle Creek's approximate allocation of the Interchange cost is \$10,647,000, or 31%. In addition, Myrtle Creek is responsible for 100% of the costs of the Connector located within the boundaries of the District.

The Connector located within the boundaries of the District is currently complete and the road from the Connector to the OUC water plant site and the regional fire station included in the Engineer's Report is substantially complete. The Interchange is also substantially complete with the exception of hardscape. The stormwater facilities, potable water, sanitary sewer, reclaimed water facilities and the electrical duct bank in the current District CIP (and as described in the

Engineer's Report) are also complete. The current District CIP also includes an entrance feature at the intersection of Narcoossee Road and the Connector Road as well as an additional berm along a portion of the Connector Road, neither of which have been commenced. It is currently anticipated that the entrance feature (which does not include traffic signalization) will be commenced in approximately twelve months, and that once commenced, it should be completed within four to six months. The additional berm along a portion of the Connector Road is anticipated to be commenced in January 2007, subject to the availability of permits, and once commenced, such construction is anticipated to be completed in 90 days.

Costs to date for the current District capital improvement program have been funded by the Master Developer and its subsidiaries. With the issuance of the proceeds of the 2006 Bonds, the District will be financing \$33,500,000 of the cost of improvements in the current District CIP, which will include repayment of \$28,515,886 to the Master Developer of the funds it and its subsidiaries have funded on the District's behalf for the current District CIP. Pursuant to that certain Agreement for Contributions in Lieu of Assessments and Completion of Improvements, the Landowner has agreed that if the 2006 Bonds are insufficient to complete the District's CIP, then the Landowner will fund the additional costs to complete the current District CIP or cause such improvements to be completed.

VillageWalk at Lake Nona

As referenced above, to date, approximately 489 acres within the District have been sold to the Sub-Developer for the first phase of development within the District, known as VillageWalk at Lake Nona ("VillageWalk"). VillageWalk is planned to include 1,416 residential units (1,090 single-family units and 326 townhome units), a Residential Center consisting of 5,000 square feet of retail and service uses and 13,000 square feet of community uses. The community uses contemplated include a heated resort-style swimming pool, lighted tennis courts, fitness center, lap pool, and neighborhood walking paths.

The four residential product types currently planned for VillageWalk are the Oakmont and Carlyle single-family detached homes, the Capri III duplex, and the Cayman townhome. The information shown in the table below is subject to change based on market and other factors.

<u>Product Type</u>	<u>Floor Plan</u>	<u>Units Planned</u>	<u>Average Lot Size</u>	<u>Average Square Feet</u>	<u>Starting Home/Lot Price</u>
SF-Detached	Carlyle	111	60x130	2,506	\$423,900
SF-Detached	Oakmont	335	50x130	2,000	\$369,900
SF-Attached	Capri III	644	36x130	1,526	\$269,900
SF-Attached	Cayman	326	26x120	1,720	\$290,900

The primary amenity of the community is a lake system that contains an extensive network of pathways connecting to every part of the community. The "riverwalk," is a system comprised of 12-foot wide concrete paths with 23 pedestrian bridges that enable walkers and cyclists to conveniently navigate around the entire community, including the centrally located Residential Center.

Of the 1,416 units described above, as of October 31, 2006, the Sub-Developer is under contract to sell 126 units to end-users, and has closed on the sale of 151 units to end-users. The contracts for sale are subject to various contingencies and closings of the units are subject to these contingencies.

The horizontal development for the Residential Center described above has been permitted. The remainder of VillageWalk is being permitted in four phases. The Sub-Developer has received all appropriate governmental and regulatory permits related to the horizontal development (infrastructure) of Phase I of VillageWalk to be comprised of 638 units (this horizontal development is under construction) and Phase 2 of VillageWalk to be comprised of 231 units (the permits for this horizontal development are ready for issuance pending receipt of fees). Applications for permits for horizontal development of Phase 3 of VillageWalk to be comprised of 154 units are in review with the permitting agencies. Applications for the permits for horizontal development of Phase 4 of VillageWalk to be comprised of 393 units have not yet been submitted to the appropriate governmental authorities. The Sub-Developer expects to receive any remaining permits necessary for horizontal development of VillageWalk which have not been received or applied for. In addition, the Sub-Developer expects to receive any remaining permits necessary for vertical development of the remaining 1,139 units for which it does not currently have permits.

Prospective purchasers should refer to "APPENDIX D - MASTER ASSESSMENT METHODOLOGY AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT" for a description of Series 2006 Special Assessments that will encumber VillageWalk.

Projected Absorption for VillageWalk

The Sub-Developer projects that residential units within VillageWalk will be contracted for sale over an approximately 6-year period as set forth in the following table:

<u>Product Type</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Total</u>
SF-Medium	22	75	60	60	60	58	335
SF-Large	14	22	20	20	20	15	111
SF-Attached	28	60	140	140	140	136	644
Townhome	0	80	80	80	80	6	326
TOTAL	64	237	300	300	300	215	1,416

The homebuilding industry in Florida is currently undergoing significant slowing of new home sales and new home closings, as well as an increased rate of cancellation of new home purchase contracts, as compared to recent years. Although the projected absorption rate in the preceding sentence is based upon estimates and assumptions made by the Sub-Developer, and although considered reasonable by the Sub-Developer utilizing historical data, and taking into account current market conditions, it is inherently uncertain and 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 Sub-Developer. In particular, historical data will likely not be indicative of future market conditions. The Sub-Developer cannot predict with

certainty the duration of the slowing of new home sales and deliveries, whether significant additional slowing of new homes sales and deliveries will occur, and the extent to which the slowdown will impact the development of VillageWalk. As a result, there can be no assurance that the absorption rate will occur or be realized in the manner set forth in the first sentence in this paragraph. See also "BONDHOLDER'S RISKS" herein.

Remaining Land in the Development

The portion of the Development (other than VillageWalk) which is developable ("Remaining Land") is currently owned by the Landowner and is currently planned for 159 single family-large residential units, 44 condominium residential units, 1,070 multi-family residential units, 50,000 square feet of office/clubhouse space, 100,000 square feet of retail space, one 18-hole golf course and 200 hotel rooms. The Master Developer has recently applied for an amendment to the DRI/PD for the Master Development, which is in the review process of the City of Orlando, the East Central Florida Regional Planning Council and the State of Florida Department of Community Affairs at this time. It is not expected that, if and when finally approved, this amendment will result in a material change to the development program outlined above.

While the Master Developer is not actively marketing the Remaining Land at this time, the Master Developer is in the early stages of planning certain residential use parcels in the Remaining Land. There have also been recent announcements relative to portions of the Master Development outside of the District which may positively affect development opportunities for the Remaining Land in the future. The University of Central Florida recently received approval to establish a medical school and has announced that it will locate the UCF Healthcare Campus in the southern portion of the Master Development which will include space for a biomedical science research laboratory, medical college instructional facilities, faculty offices, and space for library holdings and services. In addition, the Burnham Institute for Medical Research, a nonprofit internationally recognized research organization focused on basic biomedical research in the fields of cancer, neurosciences and aging, and infectious and inflammatory diseases recently announced its plan to locate its biomedical research institution and campus within the Master Development. Both the UCF Healthcare Campus and the Burnham Institute biomedical research institution and campus are planned to be located outside of the District in the southern portion of the Master Development.

Due to the general nature of development plans for the Remaining Land, the development approvals and permits for the Remaining Land have not advanced beyond the general entitlements contained in the current Development Order and PD Ordinance. In order to proceed with development of any portion of the Remaining Land, the developing party will be required to comply with all requirements, terms and conditions of the Development Order and PD Ordinance, which includes, among other things, that sufficient trips are available to enable such development to occur. The number of trips available for use by the Master Development varies at any time, based upon the allocation by the Master Developer of trips to property in the Master Development and the status of actions required to be taken by the Master Developer to obtain additional trips as set forth in the Development Order. Trips are generally not allocated to a parcel in the Master Development until specific development plans are known and until

development is foreseeable. The Master Developer is currently in the process of complying with the Development Order requirements in order to obtain the next phase of trips for the Master Development. Development of any parcel in the Remaining Land also requires, among other things, that a Specific Parcel Master Plan (as described in Chapter 68 of the City Code entitled Southeast Orlando Sector Plan Development Guidelines and Standards) be approved by the City, that a plat of the parcel be approved by the City and that all relevant permits and approvals for development of such parcel be obtained.

Marketing

Lake Nona Marketing, LLC, a Florida limited liability company (the "Marketing Agent") manages a global marketing program for the Master Development. The Master Developer will benefit from this marketing program when it begins to actively market the Remaining Land. In addition, if and when additional development plans are developed for all or a portion of the Remaining Land, a specific marketing plan will be developed for that property. The Master Developer also will use the services of an affiliate for the marketing of its commercial property located within the Remaining Land, once a plan for its development is determined.

As a supplement to the Sub-Developer's marketing program, the Sub-Developer has contracted with the Marketing Agent to participate in the program with respect to its VillageWalk project, and under the contract, has agreed to pay the Marketing Agent a fee based on the gross sales price. The Marketing Agent's marketing and advertising program includes the following elements:

- (a) advertising media for local newspaper, magazine and billboard advertising;
- (b) collateral materials, such as pocket folders, neighborhood site plans and brochures;
- (c) a central information center to include lifestyle displays, a topographic table and other interactive tools, and a display panel for the Sub-Developer;
- (d) community events and promotions designed to promote the Master Development and its neighborhoods to the marketplace;
- (e) a community website with neighborhood pages and links to the Sub-Developer; and
- (f) a local broker program.

VillageWalk is intended to be a primary home market. The Sub-Developer's target market includes dual-income families, mature families with children, empty nesters and retirees, and move-up buyers. The Sub-Developer has its own marketing program for VillageWalk which consists of advertising VillageWalk on local radio stations, in the Orlando Sentinel, Palm Beach Post and Sun Sentinel, in a local real estate periodical and through billboard advertising. The Sub-Developer also promotes itself through its content-rich website. In addition, the Sub-Developer opened four model homes during the second quarter of 2006.

Fees and Assessments

All landowners within the District are or will be in the future subject to annual ad valorem real property taxes, special assessments for debt service and operation and maintenance of the District, and, in some instances, homeowner's association or property owner's association fees. Due to the general development plans at this time for the Remaining Land, annual ad valorem real property taxes and special assessments for debt service and operation and maintenance of the District cannot be estimated in a meaningful way without more detailed use and taxable value information. In addition, while the debt service component of assessments paid to the District will be a fixed annual amount as to platted portions of the Remaining Land, the operation and maintenance assessments of the District will be subject to fluctuation based upon the budget the District adopts in any given year. It is also not known at this time whether there will be a homeowner's association or property owner's association applicable to all or portions of the Remaining Land, and therefore no projection is capable of being made for fees that might be payable to such an association, if it should be formed.

The current approximate millage rate for the area of the County where the District is located is 19.1540 mills. An approximation for the real property ad valorem taxes for a home in VillageWalk, assuming a \$350,000 taxable value with a \$25,000 homestead exemption (\$325,000 taxable value), would result in annual ad-valorem real property tax in the approximate amount of \$6,225.05.

Homeowners in VillageWalk will be subject to an annual Homeowner's Association ("HOA") fee that ranges between \$3,000 and \$3,360. All land within VillageWalk will be subject to annual assessments levied for the retirement of the 2006 Bonds, once issued. All land within VillageWalk will also be subject to annual operation and maintenance assessments for the operation and maintenance of the District, which is currently anticipated to average \$250 per home. While the debt service component of assessments paid to the District will be a fixed annual amount as to platted portions of VillageWalk, the operation and maintenance assessments of the District will be subject to fluctuation based upon the budget the District adopts in any given year.

The estimated cost of living in the District to the typical homeowner in VillageWalk (excluding their mortgage payments) is as follows:

**\$350,000 Home/Lot Package in VillageWalk
Estimated Annual Taxes, Assessments and Fees**

Ad Valorem Property Taxes	\$ 6,225.05 ⁽¹⁾
2006 Assessments	1,200.00 ⁽²⁾
Maintenance/Operating Special Assessments	250.00 ⁽³⁾
Homeowner's Association Fee	\$3,000-\$3,360 ⁽⁴⁾
Total	\$10,675.05 - \$11,035.05

- (1) Source: Orange County Property Appraiser
- (2) Source: District
- (3) Source: District - approximate anticipated current average
- (4) Source: The Sub-Developer

Competition

The information appearing below is a brief description of the communities currently being developed within a five mile radius of the Development that the Sub-Developer and Master Developer believe pose primary competition to the Development.

Beacon Park. This community is located west of the Development, on Boggy Creek Road, just North of SR417. DR Horton is developing and building homes in the community. Beacon Park consists of 1,460 total units (278 townhomes on 24' lots, 916 single-family homes on 50' lots, and 916 future homesites (lot size to be determined)). The community features a clubhouse with a pool, and multiple community parks. Prices range from the low \$200's for the townhome product, and from the low \$300's for the single-family product. The community has closed 272 homes through the third quarter of 2006. Construction on the site began in the third quarter 2004.

Eagle Creek. This large community is located on Narcoossee Road, about two miles south of SR417. Eagle Creek is being developed by Emerson, and features home product by KB Homes, Park Square Homes, Greater Homes, Brentwood Custom Homes, and Jones Homes USA. Eagle Creek consists of a total of 2,658 units (595 future townhomes, 1,083 single-family homes on 50' lots, 160 single-family homes on 60' lots, 211 single-family homes on 70' lots, and 500 future golf villas). The community is gated, and features include: a golf course, planned swimming center, clubhouse, tennis courts, walking trails, and an onsite school. Prices range from the high \$300's for the single family product on 50' lots, to over \$1 million for the custom homes on 70' lots. The community has closed 362 homes through the third quarter of 2006. Construction on the site began in the first quarter 2004.

East Park. This community is located on Narcoossee Road, on the corner of Narcoossee Road and Moss Park Road. The community features homes built by DR Horton, Engle Homes and Mercedes Homes. East Park consists of a total of 742 homes (428 single-family homes on 50' lots, 128 single-family homes on 70' lots, and 186 future townhomes). East Park features community amenities such as: walking trails, tennis courts, and multiple parks. Prices at the community range from the low \$300's for the single family product on 50' lots, and the mid-

\$400's for the single family product on 70' lots. The community has closed 482 homes through the third quarter of 2006. Construction on the community began in the first quarter 2003.

Moss Park. This community is located East of Narcoossee Road, on Moss Park Road. The community features homes built by Beazer Homes. Moss Park consists of 2,129 total units (648 single-family homes on 50' lots, 66 single-family homes on 100' lots, 248 townhomes, and 1,582 future units (lot size to be determined)). Moss Park features a clubhouse, trails, tennis courts and multiple parks. Prices at the community range from the mid-\$200's for townhomes, to the low \$400's for the single-family home product on 100' lots. The community has closed 200 homes through the third quarter of 2006. Construction on the community began in third quarter 2005.

Northlake Park at Lake Nona. The main entrance to this community is located on Narcoossee Road, approximately one and one-half miles south of SR528 (the Beachline). The community is anchored by the Northlake Park Elementary School, a joint use facility shared by Orange County Public Schools, and the YMCA. Northlake Park features multiple pocket parks, walking trails, and access to Lake Nona. The residents, through their HOA, also have access to the YMCA facilities, which feature a gymnasium, exercise room, and a large pool facility. There are a total of 1,244 units planned for the community. Park Square Homes is the only active builder in the community. They are selling the Morningside Neighborhood, and the gated Waters Edge neighborhood. They offer townhomes on 21' lots from the \$260's, and single-family homes on 50' lots from the \$350's. A total of 522 homes in the community were closed as of the third quarter of 2006. An additional 127 homes are under construction. Construction on the community commenced in the third quarter of 1999.

Schools

The school district boundaries currently designated by Orange County Public Schools ("OCPS") place the children of residents of the Development at the following schools: Northlake Park Elementary School, Odyssey Middle School and Oak Ridge High School. These schools are subject to change based upon such factors as growth, the capital improvement program of OCPS and OCPS's determination of district boundaries for schools from time to time. OCPS has approved a proposal to advance the construction of a high school (currently anticipated to be located on Narcoossee Road east of the Master Development) and a middle school (currently anticipated to be located in the southern portion of the Master Development). In the event these schools are advanced for construction as proposed, then the school district boundaries for Oak Ridge High School and Odyssey Middle School could change, however, OCPS will make all determinations as to any impact these proposed schools may have on existing district boundaries for attendance at Oak Ridge High School and Odyssey Middle School.

THE MASTER DEVELOPER AND SUB-DEVELOPER

Master Developer

As referenced above, the Remaining Land is being developed by the Master Developer, a subsidiary of Tavistock. Tavistock is a private investment company founded over 30 years ago by Mr. Joseph Lewis to manage a portion of the Lewis family trusts. Since then, the company has grown to encompass a broad portfolio of assets around the world. Some of Tavistock's holdings include private residential properties, commercial real estate development, life sciences, sports teams and entertainment, manufacturing and distribution, oil and gas, financial services and restaurants.

In addition to master planned communities, Tavistock is a developer and manager of private luxury communities and country clubs, including Lake Nona Golf & Country Club and Isleworth Country Club, each in Florida, and Old Fort Bay in the Bahamas.

Additional information regarding Lake Nona and its operations can be found on its website at www.lakenona.com. Additional information regarding Tavistock and its operations can be found on its website at www.tavistock.com.

Sub-Developer

As referenced above, VillageWalk is being developed by the Sub-Developer. The Sub-Developer is wholly owned, through various subsidiaries, by Pulte Homes, Inc. ("Pulte"), one of the largest homebuilders in the United States and through Pulte's Del Webb brand, one of the country's leading builders of active adult communities. For more than 44 years, DiVosta has built more than 25,000 homes and is one of the largest homebuilders in the State. DiVosta is building a wide variety of product types all over the State including Orlando, Sarasota, Bonita Springs, Naples, Jupiter, Palm Bay, Vero Beach and Port St. Lucie.

Pulte is a Michigan-based publicly traded company (NYSE symbol "PHM") organized in 1950 and incorporated in 1957. Pulte, through its various subsidiaries is primarily engaged in the homebuilding business and currently builds and sells houses in 53 markets and 27 states throughout the United States. In addition to its homebuilding activity in the United States, Pulte also builds homes in, Puerto Rico. Since its formation, Pulte has delivered more than 450,000 homes.

Pulte is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The file number of Pulte with the SEC is No-I-9804. The registration statement and these other SEC filings are available to you at the SEC's website at <http://www.sec.gov>. You may read and copy any filed document at the SEC's public reference rooms in Washington, D.C. at 100 F Street, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. You also may inspect our SEC filings at the New York Stock Exchange, the exchange on which our common shares are listed, at 20 Broad Street, 7th Floor, New York, NY 10005. The most recent Annual Report on Form 10-K of Pulte on file with the SEC and any

other documents and reports filed with the SEC by Pulte subsequent to the date of such Annual Report (including Form 10-Q and Form 10K) through and including the end of the "underwriting period" (as defined in SEC Rule 15c2-12) are hereby incorporated herein by reference.

All documents subsequently filed by Pulte pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

Please visit Pulte's website (www.pulte.com) for historical information, news and other financial reports. While the information contained herein regarding Pulte has been obtained from SEC filings and Pulte's website, potential investors should review the SEC filings and Pulte's website themselves to assure they have the most recent information on Pulte.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements which must be met subsequent to the issuance and delivery of the 2006 Bonds for interest thereon to be and remain excludable from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the 2006 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the 2006 Bonds. Those requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the 2006 Bonds and other amounts are to be invested and require, under certain circumstances, that certain excess investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The District has covenanted in the Indenture to comply with each such requirement.

In the opinion of Bond Counsel, assuming continuous compliance by the District with the Code and the tax covenants of the District, under existing statutes, regulations, published rulings and judicial decisions, and subject to the conditions described below, interest on the 2006 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, although such interest is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations.

Prospective purchasers of the 2006 Bonds should be aware that ownership of the 2006 Bonds may result in other federal tax consequences to certain taxpayers.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications 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 2006 Bonds are and will remain obligations the interest on which is excludable from gross income for federal income tax purposes.

Bond Counsel's opinions are based on existing law, which is subject to change. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the IRS or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinions.

Failure by the District to comply subsequent to the issuance of the 2006 Bonds with certain requirements of the Code regarding the use, expenditure and investment of 2006 Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States may cause interest on the 2006 Bonds to become included in gross income for federal income tax purposes retroactive to their date of issue. The District has covenanted in the Indenture to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the 2006 Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

In the opinion of Bond Counsel, interest on the 2006 Bonds is exempt from taxation under the existing laws of the State of Florida, except as to estate taxes and taxes imposed under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined in said Chapter 220.

Interest on the 2006 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the 2006 Bonds should consult their tax advisors as to the income tax status of interest on the 2006 Bonds, in their particular state or local jurisdictions.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the 2006 Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar in nature to the 2006 Bonds. From time to time, legislative proposals may be introduced which could have an effect on both the federal tax consequences resulting from the ownership of the 2006 Bonds and their market value. No assurance can be given that any such legislative proposals, if enacted, would not apply to, or would not have an adverse effect upon, the 2006 Bonds.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the 2006 Bonds may affect the tax status of interest on the 2006 Bonds. Moreover, except as stated above, Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the 2006 Bonds. Prospective purchasers of the 2006 Bonds are advised to consult their own tax advisors as to the applicability of other federal tax consequences.

Tax Treatment of Original Issue Discount

Under the Code, the difference between the stated redemption price at maturity of the 2006 Bonds (the "Discount Bonds") and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which a substantial amount of the Discount Bonds of the same maturity was sold is "original issue discount." Under Section 1288 of the Internal Revenue Code of 1986, as amended, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (i) the issue price of such Discount Bonds plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (iii) any interest payable on such Discount Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes as provided above, and will increase the owner's tax basis in such Discount Bond. The federal income tax consequences of the purchase, ownership and sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from above. Owners of such Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

AGREEMENT BY THE STATE

Under the Act, the State pledges to the holders of any obligations issued thereunder, including the 2006 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 2006 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 2006 Bonds are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State, and constitute securities which may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required for voluntary statutory deposits.

SUITABILITY FOR INVESTMENT

In accordance with applicable provisions of State law, the 2006 Bonds may be sold by the District only to "accredited investors" as such term is used in the rules of the Florida Department of Financial Services. No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum. Additional information will be made available to each prospective investor, including the benefit of a site visit to the District, and the opportunity to ask questions of the Master Developer and the Sub-Developer, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the 2006 Bonds. Prospective investors are encouraged to request such additional information, visit the District and ask such questions. Such requests should be directed to the Underwriter at: 200 South Orange Avenue, Suite 1900, Orlando, Florida 32801, Telephone: (407) 481-9182, Attn: Douglas J. Sealy, Managing Director.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Rule 69W-400.003, Rules of Government Securities under Section 517.051(1), Florida Statutes, promulgated by the Florida Department of Financial Services, Office of Financial Regulation, Division of Securities and Finance ("Rule 69W-400.003"), requires the District to disclose each and every default as to the payment of principal and interest with respect to obligations issued or guaranteed by the District after December 31, 1975. Rule 69W-400.003 further provides, however, that if the District, in good faith, believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted. The District is not and has not since December 31, 1975 been in default as to principal and interest on its bonds or other debt obligations.

CONTINUING DISCLOSURE

Once bonds are issued, Florida law requires that financial statements of the District be audited by an independent certified public accountant at least once a year. The current fiscal year of the District commences October 1 and the audited financial statements are generally expected to be available within 365 days after the end of each fiscal year. The Act further provides that the District's budget for the following fiscal year be adopted prior to October 1 of each year. Meetings of the District's Board of Supervisors are open to the public, and an adopted schedule of meetings for the year is published at the beginning of each calendar year. Notice of meetings are published and agendas are available prior to each meeting.

The specific nature of the information to be contained in the Annual Report, as well as the circumstances under which other material events are reported, is contained in the Forms of Continuing Disclosure Agreements set forth in "APPENDIX E - FORMS OF CONTINUING DISCLOSURE AGREEMENTS" attached hereto. Failure to comply with the requirement of the Continuing Disclosure Agreement will not result in an Event of Default under the Indenture. The covenants contained in the Indenture and the Continuing Disclosure Agreement have been made in order to assist the Underwriter in complying with the Securities Exchange Commission

Rule 15c2-12(b)(5) (the "Rule"). The District has not failed, in any material respect, to comply with any continuing disclosure undertakings entered into pursuant to the Rule.

It is the current policy of the District to make the information referred to above available to requesting Owners or potential investors in the 2006 Bonds of the District. The District reserves the right to change this policy to comply with law, the requirements of the Securities and Exchange Commission or for any other reason in its sole discretion. Owners or potential investors requesting information should contact the District office c/o Rizzetta & Company, Inc., 3434 Colwell Avenue, Suite 200, Tampa, FL 33614, and its telephone number is (813) 933-5571, Attn: Pete Williams.

ENFORCEABILITY OF REMEDIES

The remedies available to the Owners of the 2006 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 2006 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the 2006 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

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the 2006 Bonds, or in any way contesting or affecting the validity of the 2006 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 2006 Bonds, or the existence or powers of the District.

RATING

No application for a rating has been made to any rating agency.

UNDERWRITING

Prager, Sealy & Co., LLC (the "Underwriter") has agreed pursuant to a contract with the District, subject to certain conditions, to purchase the 2006 Bonds from the District at a purchase price of \$34,354,056.19 (consisting of \$34,855,000 par amount of the Series 2006 Bonds, less the Underwriter's discount in the amount of \$522,825.00, less original issue discount in the amount of \$43,568.75, plus accrued interest from December 1, 2006 to the date of delivery of and payment therefore in the amount of \$65,449.94). The Underwriter's obligations are subject

to certain conditions precedent and the Underwriter will be obligated to purchase all of the 2006 Bonds if they are purchased. The 2006 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.

EXPERTS

The references herein to Donald W. McIntosh Associates, Inc., as the District Engineer and the inclusion of "APPENDIX C - ENGINEER'S REPORT" attached hereto, have been approved by said firm. The Engineer's Report should be read in its entirety for complete information with respect to the subjects discussed therein. Fishkind & Associates, Inc. has prepared the Master Assessment Methodology Report and the Supplemental Assessment Methodology Report (the "Assessment Methodology") set forth in Appendix "D" hereto and such appendix should be read in its entirety for complete information with respect to the subjects discussed therein.

LEGAL MATTERS

Certain legal matters related to the authorization, sale and delivery of the 2006 Bonds are subject to the approval of Akerman, Senterfitt, Orlando, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Hopping Green & Sams, P.A., Tallahassee, Florida, and for the Master Developer by its counsel, Broad and Cassel, Orlando, Florida. Certain legal matters will be passed upon for the Underwriter by its counsel, Greenberg Traurig, P.A., Orlando, Florida.

VALIDATION

The 2006 Bonds were validated by the Circuit Court of the Ninth Judicial Circuit of the State in and for Orange County, Florida in a Final Judgment Validating Bonds rendered on March 6, 2006. The appeal period from this judgment has expired with no appeal being taken.

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 2006 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 has been prepared in connection with the sale of the 2006 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 Owner or Beneficial Owners of any of the 2006 Bonds.

This Limited Offering Memorandum has been duly authorized, executed and delivered by the District.

MYRTLE CREEK IMPROVEMENT DISTRICT

By: /s/ Tom Youth
Tom Youth
Chairman, Board of Supervisors

APPENDIX A

**FORM OF MASTER INDENTURE AND FIRST SUPPLEMENTAL TRUST
INDENTURE**

[THIS PAGE INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

MASTER TRUST INDENTURE
 BETWEEN
 MYRTLE CREEK IMPROVEMENT DISTRICT
 AND
 U.S. BANK NATIONAL ASSOCIATION
 as Trustee

DATED AS OF DECEMBER 1, 2006

{OR943170:3}

ARTICLE VI CONCERNING THE TRUSTEE32

Section 601. Acceptance of Trust32

Section 602. No Responsibility for Recitals32

Section 603. Trustee May Act Through Agents; Answerable Only for Willful
 Misconduct or Negligence32

Section 604. Compensation and Indemnity32

Section 605. No Duty to Renew Insurance32

Section 606. Notice of Default; Right to Investigate32

Section 607. Obligation to Act33

Section 608. Reliance by Trustee33

Section 609. Trustee May Deal in Bonds33

Section 610. Construction of Ambiguous Provision33

Section 611. Resignation of Trustee33

Section 612. Removal of Trustee34

Section 613. Appointment of Successor Trustee34

Section 614. Qualification of Successor Trustee35

Section 615. Instruments of Succession35

Section 616. Merger of Trustee35

Section 617. Resignation of Paying Agent or Bond Registrar35

Section 618. Removal of Paying Agent or Bond Registrar35

Section 619. Appointment of Successor Paying Agent or Bond Registrar36

Section 620. Qualifications of Successor Paying Agent or Bond Registrar36

Section 621. Acceptance of Duties by Successor Paying Agent or Bond
 Registrar36

Section 622. Successor by Merger or Consolidation36

ARTICLE VII FUNDS CONSTITUTE TRUST FUNDS37

Section 701. Trust Funds37

ARTICLE VIII COVENANTS AND AGREEMENTS OF THE DISTRICT37

Section 801. Payment of Bonds37

Section 802. Extension of Payment of Bonds37

Section 803. Further Assurance38

Section 804. Power to Issue Bonds and Create a Lien38

Section 805. Power to Undertake Series Projects and to Collect Pledged
 Revenues38

Section 806. Sale of Series Projects38

Section 807. Completion and Maintenance of Series Projects39

Section 808. Accounts and Reports. Reports Pursuant to Uniform Special
 District Accountability Act of 198939

Section 809. Arbitrage and Other Tax Covenants39

Section 810. Enforcement of Payment of Assessments39

Section 811. Method of Collection of Assessments and Benefit Special
 Assessments40

Section 812. Delinquent Assessments40

Section 813. Deposit of Proceeds from Sale of Tax Certificates40

{OR943170:3}

Page

ARTICLE I DEFINITIONS3

Section 101. Meaning of Words and Terms3

Section 102. Rules of Construction14

ARTICLE II FORM, EXECUTION, DELIVERY AND DESIGNATION OF BONDS14

Section 201. Issuance of Bonds14

Section 202. Details of Bonds14

Section 203. Execution and Form of Bonds15

Section 204. Negotiability, Registration and Transfer of Bonds15

Section 205. Ownership of Bonds16

Section 206. Special Obligations16

Section 207. Authorization of Bonds16

Section 208. Temporary Bonds17

Section 209. Mutilated, Destroyed or Lost Bonds18

Section 210. Pari Passu Obligations Under Credit Agreements18

Section 211. Bond Anticipation Notes18

Section 212. Tax Status of Bonds19

Section 213. Qualification for The Depository Trust Company19

ARTICLE III REDEMPTION OF BONDS19

Section 301. Redemption Generally19

Section 302. Notice of Redemption; Procedure for Selection20

Section 303. Effect of Calling for Redemption21

Section 304. Cancellation21

ARTICLE IV ACQUISITION AND CONSTRUCTION FUND21

Section 401. Acquisition and Construction Fund21

Section 402. Payments From Acquisition and Construction Fund21

Section 403. Cost of Project21

Section 404. Disposition of Balances in Acquisition and Construction Fund22

ARTICLE V ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF23

Section 501. Lien23

Section 502. Establishment of Funds and Accounts23

Section 503. Acquisition and Construction Fund24

Section 504. Revenue Fund and Series Revenue Accounts25

Section 505. Debt Service Fund and Series Debt Service Accounts25

Section 506. Optional Redemption27

Section 507. Rebate Fund and Series Rebate Accounts28

Section 508. Investment of Funds and Accounts29

Section 509. Deficiencies and Surpluses in Funds30

Section 510. Investment Income31

Section 511. Cancellation of the Bonds31

Section 814. Sale of Tax Deed or Foreclosure of Assessment or Benefit Special
 Assessment Lien40

Section 815. Other Obligations Payable from Assessments or Benefit Special
 Assessments41

Section 816. Re-Assessments41

Section 817. General41

Section 818. Construction to be on District Lands42

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES42

Section 901. Extension of Interest Payment42

Section 902. Events of Default42

Section 903. Acceleration of Maturities of Bonds of a Series43

Section 904. Enforcement of Remedies43

Section 905. Pro Rata Application of Funds Among Owners of a Series of
 Bonds44

Section 906. Effect of Discontinuance of Proceedings46

Section 907. Restriction on Individual Owner Actions46

Section 908. No Remedy Exclusive46

Section 909. Delay Not a Waiver46

Section 910. Right to Enforce Payment of Bonds46

Section 911. No Cross Default Among Series47

Section 912. Indemnification47

ARTICLE X EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF
 OWNERSHIP OF BONDS47

Section 1001. Execution of Instruments by Owners and Proof of Ownership of
 Bonds47

ARTICLE XI SUPPLEMENTAL INDENTURES47

Section 1101. Supplemental Indentures Without Owners' Consent47

Section 1102. Supplemental Indentures With Owner Consent48

Section 1103. Opinion of Bond Counsel With Respect to Supplemental Indenture50

Section 1104. Supplemental Indenture Part of Indenture50

Section 1105. Insurer or Issuer of a Credit or Liquidity Facility as Owner of
 Bonds50

ARTICLE XII DEFEASANCE51

Section 1201. Defeasance and Discharge of the Lien of this Master Indenture and
 Supplemental Indentures51

Section 1202. Moneys Held in Trust54

ARTICLE XIII MISCELLANEOUS PROVISIONS54

Section 1301. Effect of Covenants54

Section 1302. Manner of Giving Notice to the District and the Trustee55

Section 1303. Manner of Giving Notice to the Owners56

Section 1304. Successorship of District Officers56

Section 1305. Inconsistent Provisions56

{OR943170:3}

{OR943170:3}

Section 1306. Further Acts56
Section 1307. Headings Not Part of Indenture56
Section 1308. Effect of Partial Invalidity; Applicable Law56
Section 1309. Attorney’s Fees56
Section 1310. Counterparts56
Section 1311. Effective Date56

MASTER TRUST INDENTURE

THIS IS A MASTER TRUST INDENTURE, dated as of December 1, 2006, by and between **MYRTLE CREEK IMPROVEMENT DISTRICT**, a local unit of special-purpose government organized and existing under the laws of the State of Florida (the “District”), and **U.S. BANK NATIONAL ASSOCIATION**, a Georgia state bank, authorized to accept and execute trusts of the character herein set out within the State of Florida, as trustee (the “Trustee”), having the authority to accept trusts of the type herein set forth.

WHEREAS, the District is a community development district duly organized and existing under the provisions of Chapter 190, Florida Statutes, as amended (the “Act”), for the purpose, among other things, of financing and managing the acquisition, construction, maintenance, and operation of the major infrastructure within and without the boundaries of the District; and

WHEREAS, the District has the power and authority under the Act to issue special assessment bonds and revenue bonds and to use the proceeds thereof to finance the cost of acquiring and constructing assessable improvements (as defined in the Act) and projects, and, by virtue of Section 190.022 of the Act, to levy and collect special assessments therefore as provided in Chapter 170, Florida Statutes, as amended and to levy and collect user charges and fees therefore as provided in Section 190.011, Florida Statutes, as amended; and

WHEREAS, the District has the power and authority under and by virtue of Section 190.021 of the Act to levy and collect Benefit Special Assessments (hereinafter defined); and

WHEREAS, the District has found and determined and does hereby find and determine, that acquisition and construction of the Series Projects (hereafter defined) is and will be necessary and desirable in serving the District’s goal of properly managing the acquisition, construction, and operation of portions of the infrastructure within and without the boundaries of the District as permitted by the Act; and

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

NOW, THEREFORE, THIS MASTER TRUST INDENTURE WITNESSETH:

GRANTING CLAUSES

That the District, in consideration of the premises and acceptance by the Trustee of the trusts hereby created and the purchase and acceptance of the Bonds (hereafter defined) by the Owners (hereafter defined), and of the sum of ten dollars (\$10.00), lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of this Master Indenture, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds of a Series (hereafter defined) issued hereunder according to their tenor and effect

EXHIBIT “A” Form of Requisition

{OR943170;3}

iv

{OR943170;3}

and to secure the performance and observance by the District of all of the covenants expressed or implied herein, in the Supplemental Indenture authorizing the issuance of such Series of Bonds and in the Bonds of such Series, does hereby assign and grant a security interest in the following (herein called the “Trust Estate”) to the Trustee and its successors in trust, and assigns forever, for the securing of the performance of the obligations of the District herein set forth: (i) the Pledged Revenues (hereinafter defined) and Pledged Funds (hereinafter defined); and (ii) any and all property of every kind or description which may from time to time hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, granted or delivered to, or deposited with, the Trustee as security for any Series of Bonds issued pursuant to this Master Indenture by the District or anyone on its behalf or with its consent, or which pursuant to any of the provisions hereof or of the Supplemental Indenture securing such Series of Bonds may come into the possession or control of the Trustee or of a lawfully appointed receiver, as such additional security, and the Trustee is hereby authorized to receive any and all such property as and for security for the payment of such Series of Bonds and the interest and premium, if any, thereon, and to hold and apply all such property subject to the terms hereof, it being expressly understood and agreed that except as otherwise provided herein or in a Supplemental Indenture the Trust Estate established and held hereunder for Bonds of a Series shall be held separate and in trust solely for the benefit of the Owners of the Bonds of such Series and for no other Series;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or held or hereafter acquired, forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth (a) for the equal and proportionate benefit and security of all present and future Owners of the Bonds of a Series, without preference of any Bond of such Series over any other Bond of such Series, (b) for enforcement of the payment of the Bonds of a Series, in accordance with their terms and the terms of this Master Indenture and the Supplemental Indenture authorizing the issuance of such Series of Bonds, and all other sums payable hereunder, under the Supplemental Indenture authorizing such Series of Bonds or on the Bonds of such Series, and (c) for the enforcement of and compliance with the obligations, covenants and conditions of this Master Indenture except as otherwise expressly provided herein, as if all the Bonds at any time Outstanding (hereafter defined) had been authenticated, executed and delivered simultaneously with the execution and delivery of this Master Indenture, all as herein set forth.

IT IS HEREBY COVENANTED, DECLARED AND AGREED (a) that this Master Indenture creates a continuing lien equally and ratably to secure the payment in full of the principal of, premium, if any, and interest on all Bonds of a Series which may from time to time be Outstanding hereunder, except as otherwise expressly provided herein, (b) that the Trust Estate shall immediately be subject to the lien of this pledge and assignment without any physical delivery thereof or further act, (c) that the lien of this pledge and assignment shall be a first lien and shall be valid and binding against all parties having any claims of any kind in tort, contract or otherwise against the District, irrespective of whether such parties have notice thereof, and (d) that the Bonds of a Series are to be issued, authenticated and delivered, and that the Trust Estate is to be held, dealt with, and disposed of by the Trustee, upon and subject to the terms, covenants, conditions, uses, agreements and trusts set forth in this Master Indenture and the Supplemental Indenture authorizing the issuance of the Bonds of such Series and the District

{OR943170;3}

2

covenants and agrees with the Trustee, for the equal and proportionate benefit of the respective Owners from time to time of the Bonds of each respective Series, as follows:

**ARTICLE I
DEFINITIONS**

Section 101. Meaning of Words and Terms. The following words and terms used in this Master Indenture shall have the following meanings, unless some other meaning is plainly intended:

“**Accountant**” shall mean the independent certified public accountant or independent certified public accounting firm retained by the District to perform the duties of the Accountant under this Master Indenture.

“**Accountant’s Certificate**” shall mean an opinion signed by an independent certified public accountant or firm of certified public accountants (which may be the Accountant) from time to time selected by the District.

“**Accounts**” shall mean all accounts created pursuant to Section 502 hereof except the Series Rebate Account within the Rebate Fund and the Series Costs of Issuance Account.

“**Acquisition and Construction Fund**” shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

“**Act**” shall mean Chapter 190, Florida Statutes, as amended.

“**Additional Series Project**” shall mean the acquisition and/or construction of any additions, extensions, improvements and betterments to and reconstructions of a Series Project to be financed, in whole or in part, from the proceeds of any Subordinate Debt.

“**Amortization Installments**” shall mean the moneys required to be deposited in the Series Redemption Account within the Debt Service Fund for the purpose of redeeming and paying when due any Term Bonds, the specific amounts and dates of such deposits to be set forth in a Supplemental Indenture.

“**Assessments**” shall mean all special assessments levied for an assessable project and levied and collected by or on behalf of the District pursuant to the provisions of the Act, together with the interest specified by resolution adopted by the Governing Body, the interest specified in Chapter 170 Florida Statutes, as amended from time to time, if any such interest is collected by or on behalf of the District, and any applicable penalties collected by or on behalf of the District, together with any and all amounts received by the District from the sale of tax certificates or otherwise from the collection of Delinquent Assessments and which are referred to as such and pledged to a Series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such Series of Bonds.

“**Authorized Denomination**” shall, except as provided in any Supplemental Indenture relating to a Series of Bonds, mean the denomination of \$5,000 or any integral multiple thereof.

{OR943170;3}

3

“**Authorized Officer**” shall mean any person authorized by the District in a writing directed to the Trustee to perform the act or sign the document in question.

“**Benefit Special Assessments**” shall mean assessments levied and collected in accordance with Section 190.021(2), Florida Statutes, as amended from time to time, together with any and all amounts received by the District from the sale of tax certificates or otherwise from the collection of Benefit Special Assessments which are not paid in full when due and which are referred to as such and pledged to a Series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such Series of Bonds.

“**Bond Counsel**” shall mean Akerman Senterfitt or any other attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the District.

“**Bond Registrar**” or “**Registrar**” shall mean the bank or trust company designated as such by Supplemental Indenture with respect to a Series of Bonds for the purpose of maintaining the registry of the District reflecting the names, addresses, and other identifying information of Owners of Bonds of such Series.

“**Bond Year**” shall mean, unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, the period commencing on the first (1st) day of May in each year and ending on the last day of April of the following year.

“**Bonds**” shall mean the Outstanding Bonds of all Series.

“**Business Day**” shall mean any day excluding Saturday, Sunday or any other day on which banks in the cities in which the designated corporate trust office of the Trustee or the Paying Agent are located are authorized or required by law or other governmental action to close and on which the Trustee or Paying Agent, or both, is closed.

“**Capitalized Interest**” shall mean, with respect to the interest due or to be due on a Series of Bonds prior to, during and for a period not exceeding one (1) year after the completion of a Series Project to be funded by such Series, all or part of such interest which will be paid, or is expected to be paid, from the proceeds of such Series.

“**Capitalized Interest Account**” shall mean any Capitalized Interest Account to be established within the Debt Service Fund by the Supplemental Indenture with respect to any Series of Bonds issued under this Master Indenture, as authorized pursuant to this Master Indenture.

“**Chairman**” shall mean the Chair of the Governing Body or his or her designee or the person succeeding to his or her principal functions.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended, or any successor provisions thereto and the regulations promulgated thereunder or under the Internal Revenue Code of 1954, as amended, if applicable, or any successor provisions thereto.

(OR943170;3)

4

“**District**” shall mean Myrtle Creek Improvement District, a community development district created pursuant to the Act or any successor thereto which succeeds to the obligations of the District hereunder.

“**Engineers’ Certificate**” shall mean a certificate of the Consulting Engineers or of such other engineer or firm of engineers having a favorable repute for skill and experience in the engineering matters with respect to which such certification is required.

“**Federal Securities**” shall mean, to the extent permitted by law for investment as contemplated in this Master Indenture and any Supplemental Indenture, (i) Government Obligations, (ii) any Tax Exempt Obligations which are fully secured as to principal and interest by an irrevocable pledge of Government Obligations, which Government Obligations are segregated in trust and pledged for the benefit of the holders of the Tax Exempt Obligations, (iii) certificates of ownership of the principal or interest of Government Obligations, which Government Obligations are held in trust and (iv) investment agreements at least one hundred percent (100%) collateralized by obligations described in clauses (i), (ii) or (iii) above.

“**Fiscal Year**” shall mean the fiscal year of the District in effect from time to time, which shall initially mean the period commencing on the first day of October of any year and ending on the last day of September of the following year.

“**Funds**” shall mean all funds created hereunder, except the Rebate Fund, created pursuant to Section 502 hereof.

“**Governing Body**” shall mean the Board of Supervisors of the District.

“**Government Obligations**” shall mean direct obligations of, or obligations the payment of which is unconditionally guaranteed by, the United States of America.

“**Impact Fees**” shall mean the fees imposed by the District on new users connecting to a system or project of the District which represent a pro rata share of the costs of the system or project which are attributable to the increased demand such additional connections or use create upon the system.

“**Indenture**” shall mean this Master Indenture, as amended and supplemented from time to time by a Supplemental Indenture or indentures, and, shall mean when used with respect to a Series of Bonds issued hereunder, this Master Indenture, as amended and supplemented by the Supplemental Indenture relating to such Series of Bonds.

“**Insurer**” shall mean the issuer of any municipal bond insurance policy insuring the timely payment of the principal of and interest on Bonds or any Series of Bonds.

“**Interest Payment Date**” shall mean the dates specified in a Supplemental Indenture with respect to a Series of Bonds upon which the interest of and/or principal on Bonds of such Series shall be due and payable in each Bond Year.

“**Investment Obligations**” shall mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District;

(OR943170;3)

6

“**Connection Fees**” shall mean all fees and charges assessed by the District to users for the actual costs of connecting to a utility system of the District, but shall not include any Impact Fees.

“**Consulting Engineers**” shall mean any engineering firm or corporation having a favorable repute for skill and experience employed by the District in connection with any Series Project.

“**Cost**” as applied to a Series Project or Additional Series Project, shall include the cost of acquisition and construction thereof and all obligations and expenses relating thereto including, but not limited to, those items of cost which are set forth in Section 403 hereof.

“**Credit or Liquidity Facility**” shall mean a letter of credit, a municipal bond insurance policy, a surety bond or other similar agreement issued by a banking institution or other entity satisfactory to the District and providing for the payment of the principal of, interest on or purchase price of a Series of Bonds or any alternate or substitute Credit or Liquidity Facility if then in effect.

“**Current Interest Bonds**” shall mean Bonds of a Series the interest on which is payable at least annually.

“**Date of Completion**” with respect to a Series Project or Additional Series Project shall mean: (i) the date upon which such Project and all components thereof have been acquired or constructed and are capable of performing the functions for which they were intended, as evidenced by a certificate of the Consulting Engineer filed with the Trustee and the District; or (ii) the date on which the District determines, upon the recommendation of or consultation with the Consulting Engineer, that it cannot complete such Project in a sound and economical manner within a reasonable period of time as evidenced by a certificate of the Consulting Engineer of the District filed with the Trustee and the District; provided that in each case such certificate of the Consulting Engineer shall set forth the amount of all Costs of such Project which has theretofore been incurred, but which on the Date of Completion is or will be unpaid or unreimbursed.

“**Debt Service**” shall mean collectively the principal (including Amortization Installments), interest, and redemption premium, if any, payable with respect to the Bonds.

“**Debt Service Fund**” shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

“**Delinquent Assessments**” shall mean, collectively, any and all installments of any Assessments or Benefit Assessments which are not paid on the date on which such installments are due and payable.

“**Depository**” shall mean any bank or trust company duly authorized by law to engage in the banking business and designated by the District as a depository of moneys subject to the provisions of this Master Indenture.

(OR943170;3)

5

- (i) United States Government Obligations;
- (ii) obligations of the Government National Mortgage Association (including participation certificates issued by such Association);
- (iii) obligations of the Federal National Mortgage Association (including participation certificates issued by such Association);
- (iv) obligations of Federal Home Loan Banks;
- (v) deposits, Federal funds or bankers’ acceptances (with term to maturity of 270 days or less) of any bank which has an unsecured, uninsured and unguaranteed obligation rated in one of the top two (2) rating categories by both Moody’s and S&P;
- (vi) commercial paper rated in the top two rating category by both Moody’s and S&P;
- (vii) obligations of any state of the United States or political subdivision thereof or constituted authority thereof the interest on which is exempt from federal income taxation under Section 103 of the Code and rated in one of the top two (2) rating categories by both Moody’s and S&P;
- (viii) both (A) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category by both Moody’s and S&P, and (B) shares of money market mutual funds that invest only in United States Government Obligations and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody’s and S&P;
- (ix) repurchase agreements relating to securities described in clauses (i), (ii) and (iii) above, with a bank, trust company, insurance company, financial services company or other similar organization whose unsecured, uninsured and unguaranteed long term debt (or that of its parent if the parent has fully guaranteed its subsidiary’s obligations) is, at the time the repurchase agreement is entered into, rated at least “AA” (without regard to gradation) by S&P and “Aa” (without regard to gradation) by Moody’s. All repurchase agreements shall be with (a) a registered broker/dealer subject to the Securities Investors Protection Corporation jurisdiction, or (b) any bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$50,000,000.
- (x) any other investment approved in writing by the Owners of a majority in aggregate principal amount of the Bonds; and
- (xi) bonds, notes and other debt obligations of any corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia, if such obligations are rated in one of the three (3) highest

(OR943170;3)

7

ratings by both Moody's and S&P or in one of the two (2) highest categories by either S&P or Moody's; and

(xii) investment agreements with a bank, insurance company or other financial institution, or the subsidiary of a bank, insurance company or other financial institution if the parent guarantees the investment agreement, which bank, insurance company, financial institution or parent has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in the highest short-term rating category by Moody's or S&P (if the term of such agreement does not exceed 365 days), or has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in one of the three highest rating categories by Moody's or S&P (provided that the term of such agreement is not less than 366 days nor more than twenty-four (24) months) or has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in one of the two highest rating categories by Moody's or S&P (if the term of such agreement is more than twenty-four (24) months) or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation of the aforesaid ratings, provided:

(A) interest is paid at least semiannually at a fixed rate (subject to adjustments for yield restrictions required by the Code) during the entire term of the agreement, consistent with the Interest Payment Dates;

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

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

(D) the Trustee receives an opinion of counsel that such agreement is an enforceable obligation of such insurance company, bank, financial institution or parent;

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

(xiv) short term government bond funds; and

(xv) any other securities or other investments that are legal investments for funds of the District under the laws of the State of Florida.

Under all circumstances, the Trustee shall be entitled to request and to receive from the District a certificate of an Authorized Officer setting forth that any investment directed by the District is permitted under the Indenture.

"**Letter of Credit Agreement**" shall mean any financing agreement relating to a Credit Facility for so long as such agreement will be in effect.

(OR943170.3)

8

of such notice as provided in Article III hereof or in the Supplemental Indenture relating to the Bonds of any Series;

(iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to this Master Indenture and the Supplemental Indenture with respect to Bonds of a Series; and

(iv) Bonds paid or deemed to have been paid as provided in this Master Indenture or in a Supplemental Indenture with respect to Bonds of a Series, including Bonds with respect to which payment or provision for payment has been made in accordance with Article XII hereof.

In addition, Bonds actually known by the Trustee to be held by or for the District will not be deemed to be Outstanding for the purposes and within the purview of Article IX and Article XI of this Master Indenture.

"**Owner**" or "**Owners**" shall mean the registered owners from time to time of Bonds.

"**Paying Agent**" shall mean the bank or trust company designated by Supplemental Indenture with respect to a Series of Bonds as the place where Debt Service shall be payable with respect to such Series of Bonds and which accepts the duties of Paying Agent under this Master Indenture and under such Supplemental Indenture.

"**Pledged Funds**" shall mean all of the Series Pledged Funds.

"**Pledged Revenues**" shall mean all of the Series Pledged Revenues.

"**Prepayments**" shall mean any Assessments or Benefit Assessments, or portions thereof, which shall be paid to the District prior to the time such amounts become due. Prepayments shall not include any interest paid on such Assessments or Benefit Assessments.

"**Principal and Interest Requirement**" shall mean with respect to a Series of Bonds, the respective amounts which are required in each Bond Year to provide:

(i) for paying the interest on all Bonds of such Series then Outstanding which is payable in such Bond Year;

(ii) for paying the principal of such Series then Outstanding which is payable in such Bond Year; and

(iii) the Amortization Installments on the Term Bonds of such Series of Bonds, if any, payable in such Bond Year.

"**Property Appraiser**" shall mean the Property Appraiser of Orange County, Florida, or the person succeeding to his or her principal functions.

(OR943170.3)

10

"**Liquidity Agreement**" shall mean any financing agreement relating to a Liquidity Facility for so long as such agreement will be in effect.

"**Master Indenture**" shall mean this Master Trust Indenture, as amended and supplemented from time to time in accordance with the provisions hereof.

"**Maximum Annual Debt Service Requirement**" shall mean, at any given time of determination, the greatest amount of principal, interest and Amortization Installments coming due in any current or future Bond Year with regard to the Series of Bonds for which such calculation is made; provided, the amount of interest coming due in any Bond Year shall be reduced to the extent moneys derived from the proceeds of Bonds are used to pay interest in such Bond Year. With respect to Variable Rate Bonds, the interest rate used to calculate the Maximum Annual Debt Service Requirement, other than for purposes of the Series Reserve Account Requirement, shall be assumed to be one hundred ten percent (110%) of the greater of (a) the daily average interest on such Variable Rate Bonds during the twelve months ending with the month preceding the date of calculation or (b) the most recent effective interest rate on such Variable Rate Bonds prior to the date of calculation. If such Variable Rate Bonds were not outstanding for a full twelve months ending with the month immediately preceding the date of calculation, the rate described in clause (b) of the immediately preceding sentence shall be used. If Bonds are Option Bonds, the date or dates of tender shall be disregarded, unless actually tendered and not remarketed, and the stated maturity dates thereof shall be used for purposes of this calculation. For purposes of this definition all amounts payable on a Capital Appreciation Bond shall be considered a principal payment due in the year it becomes due.

"**Moody's**" shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, "Moody's" will be deemed to refer to any other nationally recognized securities rating agency designated by the District by written notice to the Trustee.

"**Option Bonds**" shall mean Current Interest Bonds, which may be either Serial or Term Bonds, which by their terms may be tendered by and at the option of the Owner for purchase prior to the stated maturity thereof.

"**Outstanding**" when used with reference to Bonds, shall mean, as of a particular date, all Bonds theretofore authenticated and delivered under this Master Indenture, except:

(i) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(ii) Bonds (or portions of Bonds) for the payment or redemption of which moneys, equal to the principal amount or redemption price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held in trust under this Master Indenture or Supplemental Indenture with respect to Bonds of any Series and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given or provision shall have been made for the giving

(OR943170.3)

9

"**Rebate Amount**" shall mean the amount, if any, required to be rebated to the United States pursuant to Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations and rulings thereunder.

"**Rebate Analyst**" shall mean the person or firm selected by the District to calculate the Rebate Amount, which person or firm shall either be a firm of attorneys or independent certified public accountants or consultants with expertise in the calculation of the Rebate Amount.

"**Rebate Fund**" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"**Record Date**" shall mean the fifteenth (15th) day of the calendar month next preceding any Debt Service payment date or, in the case of any proposed redemption of Bonds, the fifth (5th) day next preceding the date of mailing of notice of such redemption, or if either of the foregoing days is not a Business Day, then the Business Day immediately preceding such day.

"**Redemption Price**" shall mean the principal of, premium, if any, and interest accrued to the date fixed for redemption of any Bond called for redemption pursuant to the provisions thereof, hereof and of the Supplemental Indenture pursuant to which such Bond is issued.

"**Refunding Bonds**" shall mean Bonds issued pursuant to provisions of this Master Indenture, the proceeds of which are used to refund one or more Series of Outstanding Bonds.

"**Reserve Fund**" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"**Revenue Fund**" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"**S&P**" shall mean Standard & Poor's Rating Group, a division of The McGraw Hill Companies, a corporation organized and existing under the laws of the State of New York, its successors and its assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, "S&P" will be deemed to refer to any other nationally recognized securities rating agency designated by the District by written notice to the Trustee.

"**Secretary**" shall mean the Secretary or any Assistant Secretary to the Governing Body, or his or her designee or the person succeeding to his or her principal functions.

"**Serial Bonds**" shall mean Bonds (other than Term Bonds) that mature in annual or semi-annual installments.

"**Series**" shall mean all of the Bonds authenticated and delivered on original issuance of a stipulated aggregate principal amount in a simultaneous transaction under and pursuant to the same Supplemental Indenture and any Bonds thereafter authenticated and delivered in lieu of or in substitution therefor pursuant to this Master Indenture and such Supplemental Indenture regardless of variations in maturity, interest rate or other provisions; provided, however, two or

(OR943170.3)

11

more Series of Bonds may be issued simultaneously under the same Supplemental Indenture if designated as separate Series of Bonds by the District upon original issuance.

“**Series Acquisition and Construction Account**” shall mean the account within the Acquisition and Construction Fund with respect to each Series of Bonds so designated in, and created pursuant to Supplemental Indenture.

“**Series Interest Account**” shall mean the account with respect to a Series of Bonds established within the Debt Service Fund so designated in, and created pursuant to, Section 502 hereof.

“**Series Pledged Funds**” shall mean all amounts on deposit from time to time in the Funds and Accounts and designated in the Supplemental Indenture relating to such Series of Bonds as pledged to the payment of such Series of Bonds; provided, however, such term shall not include any amounts on deposit in a Series Rebate Account in the Rebate Fund.

“**Series Pledged Revenues**” shall mean the revenues designated as such by Supplemental Indenture and which shall constitute the security for and source of payment of a Series of Bonds and may consist of Assessments, Benefit Special Assessments, Impact Fees, Connection Fees or other user fees or other revenues or combinations thereof imposed or levied by the District in accordance with the Act.

“**Series Principal Account**” shall mean the account with respect to a Series of Bonds established within the Debt Service Fund so designated in, and created pursuant to, Section 502 hereof.

“**Series Project**” or “**Series Projects**” shall mean the acquisition, construction, equipping and/or improvement of capital projects to be located within or without the District all in accordance with the provisions of the Act, to be financed with all or a part of the proceeds of a Series of Bonds as shall be described in the Supplemental Indenture authorizing such Series of Bonds.

“**Series Rebate Account**” shall mean the account in the Rebate Fund with respect to a Series of Bonds so designated in, and created pursuant to Supplemental Indenture.

“**Series Redemption Account**” shall mean the account with respect to a Series of Bonds established within the Debt Service Fund so designated in, and created pursuant to, Section 502 hereof.

“**Series Reserve Account**” shall mean the Reserve Account for the Series of Bonds established in the Reserve Fund by Supplemental Indenture in an amount equal to the Series Reserve Account Requirement for such Series of Bonds.

“**Series Reserve Account Requirement**” shall mean the amount of money or other security which may be in the form of a reserve account insurance policy, a surety bond, or letter of credit or other security as may be required or provided by the terms of a Supplemental Indenture to be deposited in or credited to a Series Reserve Account for each Series of Bonds; provided, however, that unless otherwise provided in the Supplemental Indenture relating to a

(OR943170.3)

12

“**Trustee**” shall mean U.S. Bank National Association, a national banking association authorized to accept and execute trusts of the character herein set out within the State of Florida, and any successor trustee appointed or serving pursuant to Article VI hereof.

“**United States Government Obligations**” means direct obligations of, or obligations the timely payment of the principal of and interest on which is fully guaranteed by, the United States of America.

“**Variable Rate Bonds**” shall mean Current Interest Bonds, which may be either Series Bonds or Term Bonds, issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the entire term thereof at the date of issue, which Bonds may also be Option Bonds.

Section 102. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words “Bond,” “Owner,” “person,” “Paying Agent,” and “Bond Registrar” shall include the plural as well as the singular number and the word “person” shall mean any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof. All references to Florida Statutes or other provisions of Florida law shall be deemed to include any and all amendments thereto.

ARTICLE II FORM, EXECUTION, DELIVERY AND DESIGNATION OF BONDS

Section 201. Issuance of Bonds. For the purpose of providing funds for paying all or part of the Cost of a Series Project, Bonds of a Series, without limitation as to aggregate principal amount, may be issued under this Master Indenture subject to the conditions hereinafter provided in Section 207 of this Article. Debt Service on each Series of Bonds shall be payable solely from the Pledged Revenues and Pledged Funds pledged to such Series of Bonds in the Supplemental Indenture authorizing the issuance of such Series of Bonds and, as may be provided in such Supplemental Indenture. All of the provisions of this Master Indenture shall be for the benefit and security of the present and future Owners of such Series of Bonds so issued, without preference, priority or distinction, as to lien or otherwise, of any one Bond of such Series over any other Bond of such Series. The District may also issue from time to time, Refunding Bonds of a Series under and pursuant to the terms of the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 202. Details of Bonds. Bonds of a Series shall be in such denominations, numbered consecutively, shall bear interest from their date until their payment at rates not exceeding the maximum rate permitted by law, shall be dated, shall be stated to mature in such year or years in accordance with the Act, and shall be subject to redemption prior to their respective maturities, subject to the limitations hereinafter provided, as provided for in the Supplemental Indenture authorizing the issuance of such Series of Bonds. Bonds of a Series may be Current Interest Bonds, Variable Rate Bonds, Option Bonds or any combination thereof and may be secured by a Credit and/or Liquidity Facility, all as shall be provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds. Bonds of a Series (or a part of a

(OR943170.3)

14

Series of Bonds, as of any date of calculation for a particular Series Reserve Account, the “Series Reserve Account Requirement” for Bonds of a Series shall be an amount equal to the least of: (A) Maximum Annual Debt Service Requirement for all Outstanding Bonds of such Series, (B) 125% of the average annual debt service for all Outstanding Bonds of such Series, or (C) ten percent (10%) of the Outstanding principal amount of Bonds of such Series.

“**Series Revenue Account**” shall mean the Revenue Account for a Series of Bonds established in the Revenue Fund by Supplemental Indenture for such Series of Bonds.

“**Subordinate Debt**” shall mean indebtedness secured hereby or by any Supplemental Indenture which is by its terms expressly subordinate and inferior to Bonds as to both lien and right of payment.

“**Supplemental Indenture**” shall mean an indenture supplemental hereto authorizing the issuance of a Series of Bonds hereunder and establishing the terms thereof and the security therefor and shall also mean any indenture supplementary hereto entered into for the purpose of amending the terms and provisions hereof with respect to all Bonds in accordance with Article XI hereof.

“**Taxable Bonds**” shall mean Bonds of a Series which are not Tax Exempt Bonds.

“**Tax Collector**” shall mean the Tax Collector of Orange County, Florida, or the person succeeding to his or her principal functions.

“**Tax Exempt Bonds**” shall mean Bonds of a Series the interest on which, in the opinion of Bond Counsel on the date of original issuance thereof, is excludable from gross income for federal income tax purposes.

“**Tax Exempt Obligations**” shall mean any bond, note or other obligation issued by any person, the interest on which is excludable from gross income for federal income tax purposes.

“**Tax Regulatory Covenants**” shall mean the Tax Regulatory Covenants of the District delivered in connection with the issuance of a Series of Tax Exempt Bonds, setting forth the covenants of the District necessary for the preservation of the excludability of interest thereon from gross income for federal income tax purposes, as such covenants shall be amended from time to time upon written instructions from Bond Counsel.

“**Term Bonds**” shall mean Bonds that mature on one date and that are subject to mandatory redemption from Amortization Installments.

“**Time Deposits**” shall mean time deposits, certificates of deposit or similar arrangements with any bank or trust company, including the Trustee or an affiliate thereof, which is a member of the Federal Deposit Insurance Corporation and any Federal or State of Florida savings and loan association and, the deposits of which are secured or insured in the manner required by Florida or federal law.

“**Trust Estate**” shall have the meaning ascribed to such term in the granting clauses hereof, including, but not limited to, the Pledged Revenues and Pledged Funds.

(OR943170.3)

13

Series) may be in book-entry form at the option of the District as shall be provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Debt Service shall be payable in any coin or currency of the United States of America which, at the date of payment thereof, is legal tender for the payment of public and private debts. Interest shall be paid to the registered Owner of Bonds at the close of business on the Record Date for such interest; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (i) of Section 902 hereof, the payment of interest and principal or Redemption Price or Amortization Installments pursuant hereto shall be made by the Paying Agent to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of a Bond. Any payment of principal, Maturity Amount or Redemption Price shall be made only upon presentation of the Bond at the designated corporate trust office of the Paying Agent. Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner if such Owner requests such method of payment by written notice delivered to the Paying Agent prior to the Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner owns not less than \$1,000,000 in aggregate principal amount of the Bonds or all of the then Outstanding Bonds). Unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, interest on a Series of Bonds will be computed on the basis of a 360-day year of twelve (12), thirty (30)-day months.

Section 203. Execution and Form of Bonds. The Bonds shall be signed by, or bear the facsimile signature of, the Chairman or vice chairman of the governing body, shall be attested and countersigned by, or bear the facsimile countersignature of, the Secretary, and the certificate of authentication appearing on the face of the Bonds shall be manually signed by, the Trustee. The official seal of the District shall be imprinted or impressed on the Bonds. In case any officer whose signature or a facsimile of whose signature appears on any Bond shall cease to be such officer before the delivery of such Bond, such signature or such facsimile shall nevertheless be valid for all purposes the same as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such Bond shall be proper officers to execute such Bond although at the date of such Bond such persons may not have been such officers. The Bonds, and the provisions for registration and transfer to be endorsed on such Bonds, shall be substantially in the form set forth in a Supplemental Indenture. The Trustee may appoint one or more authenticating agents.

Section 204. Negotiability, Registration and Transfer of Bonds. The District shall cause books for the registration and for the transfer of the Bonds as provided in this Master Indenture to be kept by the Bond Registrar. All Bonds shall be registered as to both principal and interest. Any Bond may be transferred only upon an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, such transfer to be made on such books and endorsed on the Bond by the Bond Registrar. No charge shall be made to any Owner for registration and transfer as hereinabove provided, but any Owner requesting any such registration or transfer shall pay any tax or other governmental charge required to be paid with respect thereto. The Bond Registrar shall not be required to transfer any Bond during the period between the Record Date and the Interest

(OR943170.3)

15

Payment Date next succeeding the Record Date of such Bond, during the period between the Record Date for the mailing of a notice of redemption and the date of such mailing, nor after such Bond has been selected for redemption. The Bonds shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, and each successive Owner, in accepting any of the Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida.

Section 205. Ownership of Bonds. The person in whose name any Bond shall be registered shall be deemed the absolute owner thereof for all purposes, and payment of Debt Service shall be made only to or upon the order of the registered owner thereof or his attorney or legal representative as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. The Trustee, the District, the Bond Registrar and the Paying Agent may deem and treat the registered owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and neither the Trustee, the District, the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary.

Section 206. Special Obligations. Each Series of Bonds shall be a special obligation of the District. Neither the Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the District or Orange County, Florida within the meaning of the Constitution and laws of Florida. The Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the District or Orange County, Florida or a lien upon any property of the District or Orange County, Florida other than as provided herein or in the Supplemental Indenture authorizing the issuance of such Series of Bonds. No Owner or any other person shall ever have the right to compel the exercise of any ad valorem taxing power of the District or Orange County, Florida or any other public authority or governmental body to pay Debt Service or to pay any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds. Rather, Debt Service and any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds, shall be payable solely from, and shall be secured solely by, the Series Pledged Revenues and the Series Pledged Funds pledged to such Series of Bonds, all as provided herein and in such Supplemental Indenture.

Section 207. Authorization of Bonds. There shall be issued from time to time in Series, under and secured by this Master Indenture, Bonds without limitation as to aggregate principal amount for the purposes of: (i) paying all or part of the Cost of a Project or Projects or refunding an Outstanding Series of Bonds or any portion thereof; (ii) depositing the Series Reserve Account Requirement to the Series Reserve Account for such Series of Bonds; (iii) paying the costs and expenses of issuing such Series of Bonds; and (iv) undertaking other acts permitted by the Act.

Each Series of Bonds, upon initial issuance thereof, shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of the following:

(OR943170.3)

16

without expense to the Owner, definitive Bonds of the same Series and in the same aggregate principal amount, maturing on the same date and bearing interest or yield to maturity at the same rate as the temporary Bond surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits of this Master Indenture and any Supplemental Indenture as the definitive Bonds to be issued hereunder.

Section 209. Mutilated, Destroyed or Lost Bonds. If any Bonds become mutilated or destroyed or lost, the District may cause to be executed, and the District may cause to be delivered, a new Bond in substitution therefor and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed or lost, upon payment by the Owner of the reasonable expenses and charges of the District and the Trustee in connection therewith and, in the case of a Bond destroyed or lost, upon the Owner filing with the Trustee evidence satisfactory to it that such Bond was destroyed or lost, and of his or her ownership thereof, and furnishing the District and the Trustee with indemnity satisfactory to them.

Section 210. Pari Passu Obligations Under Credit Agreements. As may be provided for or required in any Supplemental Indenture, the District may incur financial obligations under a Letter of Credit Agreement or a Liquidity Agreement payable pari passu with respect to the lien on the Trust Estate pledged to a Series of Bonds issued under this Master Indenture and a Supplemental Indenture, without meeting any financial test or requirement set forth in this Master Indenture or the corresponding Supplemental Indenture, but only if the Letter of Credit Agreement or Liquidity Agreement supports a related Series of Bonds then being issued which does meet such tests or requirements.

Section 211. Bond Anticipation Notes. Whenever the District shall authorize the issuance of a Series of Bonds, the District may by resolution authorize the issuance of Bond Anticipation Notes in anticipation of the sale of such authorized Series of Bonds in a principal amount not exceeding the principal amount of such Series. The aggregate principal amount of Bonds of such Series and all other Bonds previously authenticated and delivered to pay the Cost of the Series Project or Projects for which the proceeds of the Bond Anticipation Notes will be applied shall not exceed such Cost. The interest on such Bond Anticipation Notes may be payable out of the related Series Interest Account to the extent provided in the resolution of the District authorizing such Bond Anticipation Notes or as provided in the applicable Supplemental Indenture. The principal of and interest on such Bond Anticipation Notes and renewals thereof shall be payable from any moneys of the District available therefor or from the proceeds of the sale of the Series of Bonds in anticipation of which such Bond Anticipation Notes are issued. The proceeds of sale of Bond Anticipation Notes shall be applied to the purposes for which the Bonds anticipated by such Bond Anticipation Notes are authorized and shall be deposited in the appropriate Fund or Account established by the Indenture for such purposes; provided, however, that the resolution or resolutions authorizing such Bond Anticipation Notes may provide for the payment of interest on such Bond Anticipation Notes from the proceeds of sale of such Bond Anticipation Notes and for the deposit, in the related Series Interest Account. In the event that the District adopts a resolution authorizing the issuance of Bond Anticipation Notes, the District will promptly furnish to the Trustee a copy of such resolution, certified by an Authorized Officer, together with such information with respect to such Bond Anticipation Notes as the Trustee may reasonably request, including, without limitation, information as to the paying agent or agents for such Bond Anticipation Notes. The Trustee shall have no duties or obligations to

(OR943170.3)

18

(i) an executed and attested original or certified copy of this Master Indenture; and

(ii) an executed and attested original or certified copy of the Supplemental Indenture fixing the amount of and security for the Series of Bonds authorized to be issued thereby and establishing, among other things, the dates on, and the amounts in, which such Series of Bonds will mature (provided that the final maturity date of such Series of Bonds shall be not later than permitted by the Act with respect to such Series of Bonds), designating the Paying Agent and Bond Registrar, fixing the Amortization Installments, if any, for the Term Bonds of such Series, awarding the Series of Bonds, specifying the interest rates or the method for calculating such interest rates with respect to such Series of Bonds, specifying the redemption provisions and prices thereupon, specifying other details of such Series of Bonds, and directing the delivery of such Series of Bonds to or upon the order of the initial purchaser thereof upon payment of the purchase price therefor set forth in such Supplemental Indenture;

When the documents mentioned in subsections (i) through (ii) above shall have been received, and when the Bonds of such Series shall have been executed and authenticated as required by this Master Indenture, such Series of Bonds shall be delivered to, or upon the order of, the District, but only upon payment to the Trustee of the purchase price of such Series of Bonds, together with accrued interest, if any, thereon as set forth in a certificate of delivery and payment executed by the Chairman or Vice Chairman of the Board of Supervisors of the District.

The proceeds (including accrued interest and any premium) of each Series of Bonds shall be applied as soon as practicable upon delivery thereof to the Trustee as follows:

(i) the amount received as accrued interest on the Bonds, if any, shall be deposited to the credit of the Series Interest Account and Capitalized Interest, if any, shall be deposited to the credit of the Series Interest Account or as otherwise provided in the Supplemental Indenture.

(ii) an amount equal to the Series Reserve Account Requirement or the initial cost of satisfying the Series Reserve Account Requirement if not satisfied by the deposit of cash, shall be deposited to the credit of the Series Reserve Account; and

(iii) the balance shall be deposited and applied as provided for in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 208. Temporary Bonds. Pending delivery of definitive Bonds, there may be executed, authenticated, and delivered to the Owners thereof, in lieu of definitive Bonds and subject to the same limitations and conditions except as to identifying numbers, temporary printed, engraved, lithographed or typewritten Bonds in Authorized Denominations, substantially of the tenor set forth in the Bond form to be set forth in the Supplemental Indenture authorizing such Series of Bonds. The District shall cause definitive Bonds to be prepared and to be executed, endorsed, registered, and delivered to the Trustee, and the Trustee, upon presentation to it of any temporary Bond, shall cancel the same or cause the same to be cancelled and cause to be authenticated and delivered, in exchange therefor, at the place designated by the Owner,

(OR943170.3)

17

the holders of such Bond Anticipation Notes unless specifically so authorized by the resolution of the District authorizing the issuance of such Bond Anticipation Notes and agreed to by the Trustee.

Section 212. Tax Status of Bonds. Any Series of Bonds issued under this Master Indenture either: (i) may be issued as Tax Exempt Bonds or (ii) may be issued as Taxable Bonds. The intended tax status of any Series of Bonds to be issued may be referenced in any Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 213. Qualification for The Depository Trust Company. To the extent provided in a Supplemental Indenture or authorized and directed by a Resolution of the District authorizing the issuance of a Series of Bonds, the Trustee shall be authorized to enter into agreements with The Depository Trust Company, New York, New York ("DTC") and other depository trust companies, including, but not limited to, agreements necessary for wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC, and other depository trust companies in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC and other depository trust companies (or any of their designees identified to the Trustee) by overnight delivery, courier service, telegram, telecopy or other similar means of communication.

ARTICLE III REDEMPTION OF BONDS

Section 301. Redemption Generally. The Bonds of any Series shall be subject to redemption, at such times, in the manner and at such prices, as may be provided by the Supplemental Indenture authorizing the issuance of such Series of Bonds. The District shall provide written notice to the Trustee of any optional redemption on or before the forty-fifth (45th) day next preceding the date to be fixed for such optional redemption.

Unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, if less than all of the Bonds of any one maturity of a Series shall be called for redemption, the particular Bonds of such a Series to be redeemed shall be selected by lot in such reasonable manner as the Bond Registrar in its discretion may determine. The portion of any Series of Bonds to be redeemed shall be in an Authorized Denomination and, in selecting the Bonds of such Series to be redeemed, the Bond Registrar shall treat each such Bond as representing that number of Bonds of such Series which is obtained by dividing the principal amount of such Bond by the smallest Authorized Denomination for Bonds of such Series (such amount being hereafter referred to as the "unit of principal amount").

If it is determined that one or more, but not all, of the units of principal amount represented by any such Bond is to be called for redemption, then upon notice of intention to redeem such unit or units of principal amount as provided below, the registered Owner of such Bond, upon surrender of such Bond to the Paying Agent for payment to such registered Owner of the redemption price of the unit or units of principal amount called for redemption, shall be entitled to receive a new Bond or Bonds of such Series in the aggregate principal amount of the unredeemed balance of the principal amount of such Bond. New Bonds of such Series representing the unredeemed balance of the principal amount shall be issued to the Owner

(OR943170.3)

19

thereof without any charge therefor. If the Owner of any Bond of a denomination greater than the unit of principal amount to be redeemed shall fail to present such Bond to the Paying Agent for payment in exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption and shall no longer be Outstanding.

The District may purchase a Bond or Bonds of a Series in the open market in accordance with Section 506(ii) hereof with any funds legally available therefor and any such Bonds so purchased shall be credited to the amounts otherwise required to be deposited for the payment of Bonds of such Series as provided in Section 506(ii) hereof or as otherwise provided in the Supplemental Indenture relating to such Series.

Section 302. Notice of Redemption; Procedure for Selection. The District shall establish each redemption date, other than in the case of a mandatory redemption, in which case the Trustee shall establish the redemption date, and the District or the Trustee, as the case may be, shall notify the Bond Registrar in writing of such redemption date on or before the forty-fifth (45th) day next preceding the date fixed for redemption, which notice shall set forth the terms of the redemption and the aggregate principal amount of Bonds so to be redeemed. Except as provided below, notice of redemption shall be given by the Bond Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption by first-class mail, postage prepaid, to any Paying Agent for the Bonds to be redeemed and to the registered Owner of each Bond to be redeemed, at the address of such registered Owner on the registration books maintained by the Bond Registrar (and, for any Owner of \$1,000,000 or more in the principal amount of Bonds, to one additional address if written request therefor is provided to the Bond Registrar prior to the Record Date); and a second notice of redemption shall be sent by registered or certified mail at such address to any Owner who has not submitted his Bond to the Paying Agent for payment on or before the date sixty (60) days following the date fixed for redemption of such Bond, in each case stating: (i) the numbers of the Bonds to be redeemed, by giving the individual certificate number of each Bond to be redeemed (or stating that all Bonds between two stated certificate numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption); (ii) the CUSIP numbers of all Bonds being redeemed; (iii) in the case of a partial redemption of Bonds, the principal amount of each Bond being redeemed, (iv) the date of issue of each Bond as originally issued and the complete official name of the Bonds including the series designation; (v) the rate or rates of interest borne by each Bond being redeemed; (vi) the maturity date of each Bond being redeemed; (vii) the place or places where amounts due upon such redemption will be payable; and (viii) the notice date, redemption date, and redemption price. The notice shall require that such Bonds be surrendered at the designated corporate trust office of the Paying Agent for redemption at the redemption price and shall state that further interest on such Bonds will not accrue from and after the redemption date. CUSIP number identification with appropriate dollar amounts for each CUSIP number also shall accompany all redemption payments.

Any required notice of redemption also shall be sent by registered mail, overnight delivery service, teletype or other secure means, postage prepaid, to any Owner of \$1,000,000 or more in aggregate principal amount of Bonds to be redeemed, to certain municipal registered Securities Depositories which are known to the Bond Registrar to be holding Bonds thirty-two (32) days prior to the redemption date and to at least two of the National Information Services

(OR943170.3)

20

that disseminate securities redemption notices, when possible, at least thirty (30) days prior to the redemption date; provided that neither failure to send or receive any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

Failure to give notice by mailing to the Owner of any Bond designated for redemption or to any depository or information service shall not affect the validity of the proceedings for the redemption of any other Bond.

Section 303. Effect of Calling for Redemption. On the date designated for redemption of any Bonds, notice having been filed and mailed in the manner provided above, the Bonds called for redemption shall be due and payable at the Redemption Price provided for the redemption of such Bonds on such date and, moneys for payment of the Redemption Price being held in a separate account by the Paying Agent in trust for the Owners of the Bonds to be redeemed, interest on the Bonds called for redemption shall cease to be entitled to any benefit under this Master Indenture, and the Owners of such Bonds shall have no rights in respect thereof, except to receive payment of the Redemption Price thereof, and interest, if any, accrued thereon to the redemption date, and such Bonds shall no longer be deemed to be Outstanding.

Section 304. Cancellation. Bonds called for redemption shall be cancelled upon the surrender thereof.

ARTICLE IV ACQUISITION AND CONSTRUCTION FUND

Section 401. Acquisition and Construction Fund. There is created and established by Section 502 hereof a fund designated as the "Acquisition and Construction Fund" which shall be held by the Trustee and to the credit of the Series Acquisition and Construction Accounts there shall be deposited the amounts specified in the Supplemental Indenture relating to such Series of Bonds.

Section 402. Payments From Acquisition and Construction Fund. Payment of the Cost of constructing and acquiring the Series Project shall be made from the Acquisition and Construction Fund as herein provided. All such payments shall be subject to the provisions and restrictions set forth in this Article and in Article V hereof, and the District covenants that it will not request any sums to be paid from the Acquisition and Construction Fund except in accordance with such provisions and restrictions. Moneys in the Acquisition and Construction Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more officers or employees of the Trustee legally authorized to sign such items or by wire transfer to an account specified by the payee upon satisfaction of the conditions for disbursement set forth in Section 503(ii) hereof.

Section 403. Cost of Project. For the purposes of this Master Indenture, the Cost of the Series Project shall include, without intending thereby to limit or to restrict or expand any prior definition of such cost under the Act, other applicable provisions of Florida law, or this Master Indenture, the following:

(OR943170.3)

21

(i) **Expenses of Bond Issuance.** All expenses and fees relating to the issuance of the Bonds, including, but not limited to, initial Credit and Liquidity Facility fees and costs, attorneys' fees, underwriting fees and discounts, the Trustee's acceptance fees, expenses and Trustee's counsel fees, rating agency fees, fees of financial advisors, engineer's fees, administrative expenses of the District, the costs of preparing audits and engineering reports, the costs of preparing reports, surveys, and studies, and the costs of printing the Bonds and preliminary and final disclosure documents.

(ii) **Accrued and Capitalized Interest.** Any interest accruing on the Bonds from their date through the first Interest Payment Date received from the proceeds of the Bonds (to be deposited into the related Series Interest Account) and Capitalized Interest (to be deposited into the related Series Interest Account or Capitalized Interest Account) as may be authorized or provided for by a Supplemental Indenture related to a Series of Bonds.

(iii) **Acquisition Expenses.** The costs of acquiring, by purchase or condemnation, all of the land, structures, improvements, rights-of-way, franchise, easements, plans and specifications and similar items and other interests in property, whether real or personal, tangible or intangible, which themselves constitute the Project or which are necessary or convenient to acquire and construct the Project and payments, contributions, dedications and any other exactions required as a condition to receive any government approval or permit necessary to accomplish any District purpose.

(iv) **Construction Expense.** All costs incurred for labor and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition and construction of the Project.

(v) **Other Professional Fees and Miscellaneous Expenses.** All legal, architectural, engineering, survey, and consulting fees, as well as all financing charges, taxes, insurance premiums, and miscellaneous expenses, not specifically referred to in this Master Indenture that are incurred in connection with the acquisition and construction of the Project.

(vi) **Refinancing Costs.** All costs described in (i) through (v) above or otherwise permitted by the Act associated with refinancing or repaying any loan or other debt obligation, of the District.

Section 404. Disposition of Balances in Acquisition and Construction Fund. On the Date of Completion of a Series Project, the balance in the related Series Acquisition and Construction Account not reserved for the payment of any remaining part of the Cost of the Series Project shall be transferred by the Trustee to the credit of the Series Redemption Account or as otherwise provided in the Supplemental Indenture, and used for the purposes set forth for such Account or as otherwise provided in the Supplemental Indenture relating to such Series of Bonds.

(OR943170.3)

22

A-7

ARTICLE V ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 501. Lien. There is hereby irrevocably pledged for the payment of the Bonds of each Series issued hereunder, subject only to the provisions of this Master Indenture and any Supplemental Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Master Indenture and any such Supplemental Indenture with respect to each Series of Bonds, the Trust Estate; provided, however, that unless otherwise specifically provided herein or in a Supplemental Indenture relating to a Series of Bonds with respect to the Trust Estate securing such Series of Bonds, the Pledged Funds and Pledged Revenues securing a Series of Bonds shall secure only such Series of Bonds and shall not secure any other Bonds or Series of Bonds.

The foregoing pledge shall be valid and binding from and after the date of initial delivery of the Bonds and the proceeds of sale of the Bonds and all the moneys, securities and funds set forth in this Section 501 shall immediately be subject to the lien of the foregoing pledge, which lien is hereby created, without any physical delivery thereof or further act. Such lien shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the District or the Trustee, irrespective of whether such parties have notice thereof. Such lien shall be prior and superior to all other liens now existing or hereafter created.

Section 502. Establishment of Funds and Accounts. The following funds and accounts are hereby authorized and may be established pursuant to a Supplemental Indenture and shall be held by the Trustee:

(i) Acquisition and Construction Fund, and, within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Acquisition and Construction Account and a Series Costs of Issuance Account for each Series of Bonds issued hereunder;

(ii) Revenue Fund, and, within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Revenue Account for each Series issued hereunder;

(iii) Debt Service Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds,

(a) a Series Interest Account,

(b) a Series Principal Account,

(c) a Series Sinking Fund Account,

(d) a Series Redemption Account and therein a Prepayment Subaccount and an Optional Redemption Subaccount, and

(e) a Capitalized Interest Account

(OR943170.3)

23

(iv) Reserve Fund, and, within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Reserve Account for each such Series of Bonds issued hereunder; and

(v) Rebate Fund, and, within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Rebate Account for each such Series of Tax Exempt Bonds issued hereunder.

Notwithstanding the foregoing, the Supplemental Indenture authorizing any Series of Bonds may establish such other Series Accounts or dispense with the Series Accounts set forth above as shall be deemed advisable by the District in connection with such Series of Bonds.

Section 503. Acquisition and Construction Fund.

(i) **Deposits.** The District shall pay to the Trustee, for deposit into the related Acquisition and Construction Account in the Acquisition and Construction Fund, as promptly as practicable, the following amounts received by it:

(a) the amount set forth in the Supplemental Indenture relating to such Series of Bonds;

(b) payments made to the District from the sale, lease or other disposition of the Series Project or any portion thereof;

(c) any insurance proceeds with respect to the loss or destruction of the Series Project or any portion thereof; and

(d) such other amounts as may be provided in a Supplemental Indenture.

Amounts in such Account shall be applied to the Cost of the Series Project; provided, however, that if any amounts remain in the Series Acquisition and Construction Account after the Date of Completion, and if such amounts are not reserved for payment of any remaining part of the Cost of the Series Project, such amounts shall be applied in the manner set forth in Section 404 above.

(ii) **Disbursements.** Unless otherwise provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds, payments from a Series Acquisition and Construction Account shall be paid in accordance with the provisions of this subsection (ii). Before any such payment shall be made, the District shall file with the Trustee a requisition in the form of **Exhibit "A"** hereto, signed by an Authorized Officer and, except for payments of Cost of Issuance or capitalized interest, a certification of the Consulting Engineer also in the form of **Exhibit "A"** hereto.

Upon receipt of each such requisition and accompanying certificate the Trustee shall promptly withdraw from the Series Acquisition and Construction Account and pay to the person, firm or corporation named in such requisition the amount designated in such requisition. The Trustee shall have no duty to investigate the accuracy or validity of

(OR943170.3)

24

with other amounts, if any, then on deposit therein, will equal the Maturity Amount payable with respect to the Capital Appreciation Bonds of such Series maturing on such Interest Payment Date;

(e) to the credit of the Series Reserve Account, an amount, if any, which, together with the amount then on deposit therein, will equal the Series Reserve Account Requirement; and

(f) to the credit of the Series Rebate Account the Rebate Amount, if any, designated in writing to the Trustee and required to be deposited therein pursuant to the Supplemental Indenture related to a Series of Tax Exempt Bonds.

Notwithstanding the foregoing, so long as there are moneys on deposit in the related Series Capitalized Interest Account on the date required for any transfer into the Series Interest Account as set forth above, the Trustee shall, prior to making any transfer into the related Series Interest Account from the related Series Revenue Account, transfer to the related Series Interest Account from the related Series Capitalized Interest Account, the lesser of the interest on such Series of Bonds coming due on the next succeeding Interest Payment Date or the amount remaining on deposit in the related Series Capitalized Interest Account.

(ii) **Disposition of Remaining Amounts on Deposit in Series Revenue Account.** The District shall authorize the withdrawal, from time to time, from the Series Revenue Account of an amount sufficient to pay the fees and charges of the Trustee, Bond Registrar, and Paying Agent, when due. Subject to the provisions of Section 604 hereof, regarding any compensation due the Trustee, if (i) the amount on deposit in the Series Interest Account, Series Principal Account, and Series Redemption Account in each Bond Year equals the interest payable on the Bonds of such Series in such Bond Year, the principal amount of Serial Bonds payable in such Bond Year, the Maturity Amount of all Capital Appreciation Bonds due in such Bond Year, the Amortization Installment required to be paid into the Series Sinking Fund Account in such Bond Year, and the required amount is on deposit in the Series Reserve Account and (ii) any amounts remain in the Series Revenue Account, then, such amounts shall, at the written direction of the District, be applied to pay the commissions, fees, costs and any other charges of the Tax Collector and the Property Appraiser, or, if such commissions, fees, costs, or other charges have been paid by the District, then to reimburse the District for such payment upon written request of an Authorized Officer. If, after such amounts have been withdrawn, paid and provided for as provided above, any amounts remain in the Series Revenue Account, such amounts shall be disbursed to the District on written request of an Authorized Officer and applied to pay the operating and administrative costs and expenses of the District. After making the payments provided for in this subsection (ii), the balance, if any, remaining in the Series Revenue Account shall be retained therein, or, at the written direction of an Authorized Officer to the Trustee, transferred into the Series Redemption Account, or used for any lawful purpose of the District.

(iii) **Series Reserve Account.** Moneys held for the credit of a Series Reserve Account shall, except as otherwise provided in a Supplemental Indenture, be used for the

(OR943170.3)

26

the items delivered pursuant to this Section 503(ii) or the expenditure of any funds withdrawn pursuant to the provisions hereof.

(iii) **Inspection.** All requisitions and certificates received by the Trustee pursuant to this Article shall be retained in the possession of the Trustee, subject at all reasonable times to the inspection of the District, the Consulting Engineer, the Owner of any Bonds of the related Series, and the agents and representatives thereof.

(iv) **Completion of Series Project.** On the Date of Completion, the balance in the Acquisition and Construction Account not reserved by the District for the payment of any remaining part of the Cost of acquiring or constructing the Series Project shall be applied in accordance with the provisions of Section 404 hereof.

Section 504. Revenue Fund and Series Revenue Accounts. The District hereby covenants and agrees that it will use its best efforts to assess, impose, establish and collect the Pledged Revenues with respect to each Series of Bonds in amounts and at times sufficient to pay, when due, the principal of, premium, if any, and interest on such Series of Bonds. The District hereby covenants and agrees to immediately deposit upon receipt all such Pledged Revenues (except Prepayments), into the related Series Revenue Account and to immediately deposit all Prepayments, when received, into the Prepayment Subaccount of the related Series Redemption Account, unless otherwise provided for in the Supplemental Indenture relating to a Series of Bonds.

Section 505. Debt Service Fund and Series Debt Service Accounts.

(i) **Principal, Maturity Amount, Interest and Amortization Installments.** On the Business Day preceding each Interest Payment Date on the Bonds, the Trustee shall withdraw from the Series Revenue Account and, from the amount so withdrawn, shall make the following deposits in the following order of priority:

(a) to the credit of the related Series Interest Account, an amount which, together with other amounts, if any, then on deposit therein will equal the amount of interest payable on the Bonds of such Series on such Interest Payment Date;

(b) to the related Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein will equal the principal amount, if any, payable with respect to Serial Bonds of such Series on such Interest Payment Date;

(c) in each Bond Year in which Term Bonds of such Series are subject to mandatory redemption from Amortization Installments, to the related Series Sinking Fund Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the Amortization Installment payable on the Term Bonds of such Series on such Interest Payment Date; and

(d) in each Bond Year in which Capital Appreciation Bonds of such Series mature to the related Series Principal Account, an amount which, together

(OR943170.3)

25

purpose of paying interest or principal or Amortization Installment or Maturity Amount on the Bonds of the related Series whenever amounts on deposit in the Series Debt Service Account shall be insufficient for such purpose.

(iv) **Series Principal, Sinking Fund and Interest Accounts.** Moneys held for the credit of a Series Principal Account, a Series Sinking Fund Account and Series Interest Account shall be withdrawn therefrom by the Trustee and transferred by the Trustee to the Paying Agent in amounts and at times sufficient to pay, when due, the interest on the Bonds of such Series, the principal of Serial Bonds of such Series, the Maturity Amount of Capital Appreciation Bonds of such Series, and to redeem Term Bonds of such Series that are subject to mandatory redemption from Amortization Installments, as the case may be.

(v) **Series Redemption Account.** Moneys identified in writing by an Authorized Officer to the Trustee as Prepayments shall be deposited in a Series Redemption Account and shall, unless otherwise provided in the Supplemental Indenture relating to such Series of Bonds, be used by the Trustee to redeem Bonds of such Series on the earliest date on which such Bonds are permitted to be called without payment of premium by the terms hereof (including extraordinary or extraordinary mandatory redemption) and of the Supplemental Indenture relating to such Series of Bonds. Such redemption shall be made pursuant to the provisions of Article III. The District shall pay all expenses incurred by the Trustee and Paying Agent in connection with such redemption. Moneys other than from Prepayments shall be held and applied in a Series Redemption Account as provided in Section 506(i) hereof.

(vi) **Payment to the District.** When no Bonds of a Series remain Outstanding, and after all expenses and charges herein and in the related Supplemental Indenture required to be paid have been paid as certified to the Trustee in writing by an Authorized Officer, and after all amounts due and owing to the Trustee have been paid in full, the Trustee shall pay any balance in the Series Accounts for such Series of Bonds to the District upon the written direction of an Authorized Officer, free and clear of any lien and pledge created by this Master Indenture; provided, however, that if an Event of Default has occurred and is continuing in the payment of the principal or Maturity Amount of, or interest or premium on the Bonds of any other Series, the Trustee shall pay over and apply any such excess pro rata (based upon the ratio of the aggregate principal amount of such Series to the aggregate principal amount of all Series Outstanding and for which such an Event of Default has occurred and is continuing) to each other Series of Bonds for which such an Event of Default has occurred and is continuing.

Section 506. Optional Redemption.

(i) **Excess Amounts in Series Redemption Account.** The Trustee shall call for redemption on each Interest Payment Date on which Bonds are subject to optional redemption, from moneys on deposit in an optional redemption subaccount of a Series Redemption Account such amount of Authorized Denominations of Bonds of such Series then subject to optional redemption as, with the redemption premium, if any, will exhaust such amount as nearly as may be practicable. Such redemption shall be made pursuant to

(OR943170.3)

27

the provisions of Article III. The District shall pay all expenses incurred by the Trustee and Paying Agent in connection with such redemption.

(ii) **Purchase of Bonds of a Series.** The District may purchase Bonds of a Series then Outstanding at any time, whether or not such Bonds shall then be subject to redemption, at the most advantageous price obtainable with reasonable diligence, having regard to maturity, option to redeem, rate and price, such price not to exceed the highest Redemption Price for the Bond so purchased to the Owners of such Bonds under the provisions of this Master Indenture and the Supplemental Indenture pursuant to which such Series of Bonds was issued if such Bonds were called for redemption on such date. Before making each such purchase, the District shall file with the Trustee a statement in writing directing the Trustee to pay the purchase price of the Bonds of such Series so purchased upon their delivery and cancellation (but solely from the sources hereinafter mentioned), which statement shall set forth a description of such Bonds, the purchase price to be paid therefor, the name of the seller and the place of delivery of the Bonds. The Trustee shall pay the interest accrued on such Bonds to the date of delivery thereof from the related Series Interest Account, and the principal portion of the purchase price of Serial Bonds from the related Series Principal Account, and the principal portion of the purchase price of Term Bonds from the related Series Sinking Fund Account but no such purchase shall be made after the Record Date in any Bond Year in which Bonds have been called for redemption. To the extent that insufficient moneys are on deposit in a related Series Interest Account to pay the accrued interest portion of the purchase price of any Bonds or in a related Series Principal Account or related Series Sinking Fund Account to pay the principal amount of the purchase price of any Serial Bond or Term Bond, respectively, the Trustee shall transfer into such Accounts from the related Series Revenue Account sufficient moneys to pay such respective amounts, but only upon delivery of written instructions from an Authorized Officer to the Trustee accompanied by a certificate of an Authorized Officer: (i) stating that sufficient moneys are on deposit in the Revenue Account together with amounts in the applicable accounts provided for above to pay the purchase price of such Bonds; (ii) setting forth the amounts and maturities of Bonds of such Series which are to be purchased from such amounts; and (iii) containing cash flows which demonstrate that, after giving effect to the purchase of Bonds in the amounts and maturities set forth in clause (ii) above, the Pledged Revenues to be received by the District in the current and each succeeding Bond Year will be sufficient to pay the principal, Maturity Amount and Amortization Installments of and interest on all Bonds of such Series.

Section 507. Rebate Fund and Series Rebate Accounts.

(i) **Creation.** There is hereby created and established a Rebate Fund, and within the Rebate Fund a Series Rebate Account for each Series of Tax Exempt Bonds. Moneys deposited and held in the Rebate Fund shall not be subject to the pledge of this Master Indenture.

(ii) **Payment to United States.** The District shall pay to the Trustee the Rebate Amount required to be paid to the United States at the times, in the manner and as calculated in accordance with the Supplemental Indenture related to a Series of Tax

Exempt Bonds. Such amount shall be deposited to the Series Rebate Account. The Trustee shall have no responsibility for computation of the Rebate Amount and instead the District shall cause the Rebate Amount to be calculated by the Rebate Analyst and shall cause the Rebate Analyst to deliver such computation to the Trustee as provided in the Supplemental Indenture related to a Series of Tax Exempt Bonds but at least ten (10) days before the date of any required payment of the Rebate Amount to the Internal Revenue Service. The fees of, and expenses incurred by, the Rebate Analyst in computing the Rebate Amount shall be paid by the District, which amount shall be treated as an administrative and operating expense of the District payable or reimbursable from the Series Revenue Account in accordance with Section 505(ii) hereof.

(iii) **Deficiencies.** If the Trustee does not have on deposit in the Series Rebate Account sufficient amounts to make the payments required by this Section, the District shall pay, from any legally available source, the amount of any such deficiency to the United States as in paragraph (ii) above provided.

Section 508. Investment of Funds and Accounts. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, moneys held for the credit of the Series Accounts shall be invested as hereinafter in this Section 508 provided.

(i) **Series Acquisition and Construction Account, Revenue Account and Debt Service Account.** Moneys held for the credit of a Series Acquisition and Construction Account, the Series Revenue Account, and the Series Debt Service Account shall, as nearly as may be practicable, be continuously invested and reinvested by the Trustee in Investment Obligations as directed in writing by an Authorized Officer, which Investment Obligations shall mature, or shall be subject to redemption by the holder thereof at the option of such holder, not later than the respective dates, as estimated by an Authorized Officer, when moneys held for the credit of each such Series Account will be required for the purposes intended.

(ii) **Series Reserve Account.** Moneys held for the credit of a Series Reserve Account shall be continuously invested and reinvested by the Trustee in Investment Obligations as directed in writing by an Authorized Officer.

(iii) **Investment Obligations as a Part of Funds and Accounts.** Investment Obligations purchased as an investment of moneys in any Fund or Account shall be deemed at all times to be a part of such Fund or Account, and the interest accruing thereon and profit realized from such investment shall be credited as provided in Section 510 hereof. Any loss resulting from such investment shall be charged to such Fund or Account. The foregoing notwithstanding, for purposes of investment and to the extent permitted by law, amounts on deposit in any Fund or Account may be commingled for purposes of investment, provided adequate care is taken to account for such amounts in accordance with the prior sentence. The Trustee may, upon the written direction of an Authorized Officer, transfer investments within such Funds or Accounts without being required to sell such investments. The Trustee shall sell at the best price obtainable or present for redemption any obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment or transfer from any such Fund or

(OR943170:3)

28

(OR943170:3)

29

Account. The Trustee shall not be liable or responsible for any loss resulting from any such investment or for failure to make an investment (except failure to make an investment in Investment Obligations in accordance with the written direction of an Authorized Officer) or for failure to achieve the maximum possible earnings or sale price on investments. The Trustee shall have no obligation to invest funds absent written direction from the District.

(iv) **Valuation.** In computing the value of the assets of any Fund or Account, investments and earnings thereon shall be deemed a part thereof. The Trustee, except as otherwise provided in the Supplemental Indenture applicable to a Series of Bonds, shall value the assets in each of the Funds and Accounts established hereunder as of the close of business on the last Business Day of each Bond Year, 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 hereunder, with the exception of a Series Reserve Account, obligations in which money in such Fund or Account shall have been invested shall be valued at the market value or the 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. For the purpose of determining the amount on deposit to the credit of a Series Reserve Account, obligations in which money in such Account shall have been invested shall be valued at par, if purchased at par, or at amortized cost, if purchased at other than par, plus, in each case, accrued interest. Amortized cost, when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of days remaining to maturity on such obligation at the date of such purchase and by multiplying the amount thus calculated by the number of days having passed since such purchase; and (1) in the case of an obligation purchased at a premium by deducting the product thus obtained from the purchase price, and (2) in the case of an obligation purchased at a discount by adding the product thus obtained to the purchase price.

Section 509. Deficiencies and Surpluses in Funds. For purposes of this Section: (a) a "deficiency" shall mean, in the case of a Series Reserve Account, that the amount on deposit therein is less than the Series Reserve Account Requirement (but only after the Bond Year in which the amount on deposit therein first equals the Series Reserve Account Requirement), and (b) a "surplus" shall mean, in the case of a Series Reserve Account, that the amount on deposit therein is in excess of the Series Reserve Account Requirement.

At the time of any withdrawal from a Series Reserve Account that results in a deficiency therein, the Trustee shall promptly notify the District of the amount of any such deficiency and the Trustee shall withdraw the amount of such deficiency from the related Series Revenue Account, and, if amounts on deposit therein are insufficient therefore, the District shall pay the amount of such deficiency to the Trustee, for deposit in such Series Reserve Account, from the first legally available sources of the District.

(OR943170:3)

30

The Trustee, as of the close of business on the last Business Day in each Bond Year, after taking into account all payments and transfers made as of such date, shall compute, in the manner set forth in Section 508(iv), the value of the Series Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such Series Reserve Account. The District shall immediately pay the amount of any deficiency to the Trustee, for deposit in the Series Reserve Account, from any legally available sources of the District. The Trustee, as soon as practicable after such computation, shall deposit any surplus, at the direction of an Authorized Officer, to the credit of the Series Redemption Account or the Series Principal Account or as otherwise provided in the applicable Supplemental Indenture.

Section 510. Investment Income. Unless provided otherwise in a Supplemental Indenture, earnings on investments in a Series Acquisition and Construction Account, a Series Interest Account and a Series Revenue Account shall be deposited, as realized, to the credit of such Series Account and used for the purpose of such Account. Unless provided in a Supplemental Indenture, earnings on investments in a Series Principal Account and Redemption Account shall be deposited, as realized, to the credit of such Series Interest Account and used for the purpose of such Account.

Earnings on investments in a Series Reserve Account shall unless otherwise therein provided in a Supplemental Indenture be disposed of as follows:

(i) if there was no deficiency (as defined in Section 509 above) in the Series Reserve Account as of the most recent date on which amounts on deposit in the Series Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series Reserve Account since such date, then earnings on investments in the Series Reserve Account shall be deposited, as realized, in the Series Revenue Account or as otherwise provided in a Supplemental Indenture;

(ii) if as of the last date on which amounts on deposit in the Series Reserve Account were valued by the Trustee there was a deficiency (as defined in Section 509 above) in the Series Reserve Account, or if after such date withdrawals have been made from the Series Reserve Account and have created such a deficiency, then earnings on investments in the Series Reserve Account shall be deposited to the credit of the Series Reserve Account until the amount on deposit therein equals the Series Reserve Account Requirement and thereafter shall be deposited to the Series Revenue Account or as otherwise provided in a Supplemental Indenture.

Section 511. Cancellation of the Bonds. All Bonds paid, redeemed or purchased, either at or before maturity, shall be cancelled upon the payment, redemption or purchase of such Bonds. All Bonds cancelled under any of the provisions of this Master Indenture shall be destroyed by the Paying Agent, which shall execute a certificate in duplicate describing the Bonds so destroyed. One executed certificate shall be filed with the Trustee and the other executed certificate shall be retained by the Paying Agent.

(OR943170:3)

31

**ARTICLE VI
CONCERNING THE TRUSTEE**

Section 601. Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the parties hereto and the Owners agree.

Section 602. No Responsibility for Recitals. The recitals, statements and representations in this Master Indenture, in any Supplemental Indenture or in the Bonds, save only the Trustee's authentication certificate, if any, upon the Bonds, have been made by the District and not by the Trustee; and the Trustee shall be under no responsibility for the correctness thereof.

Section 603. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Negligence. The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of counsel concerning all questions hereunder; and the Trustee shall not be answerable for the default or misconduct of any attorney, agent or employee selected by it with reasonable care. In performance of its duties hereunder, the Trustee may rely on the advice of counsel and shall not be held liable for actions taken in reliance on the advice of counsel. The Trustee shall not be answerable for the exercise of any discretion or power under this Master Indenture or any Supplemental Indenture nor for anything whatever in connection with the trust hereunder, except only its own negligence or willful misconduct.

Section 604. Compensation and Indemnity. The District shall pay the Trustee reasonable compensation for its services hereunder and under any Supplemental Indenture, and also all its reasonable expenses and disbursements, including the reasonable fees and expenses of Trustee's counsel, and to the extent permitted by law shall indemnify the Trustee and hold the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder except with respect to its own negligence or misconduct. As security for the foregoing, the District hereby grants to the Trustee a security interest in and to the amounts on deposit in all Series Funds and Accounts (other than the Rebate Fund), thereby, in effect, granting the Trustee a first charge against these moneys following an Event of Default for its fees and expenses (including legal counsel and default administration costs and expenses), subordinate and inferior to the security interest granted to the Owners of the Bonds from time to time secured thereby, but nevertheless payable in the order of priority as set forth in Section 905(i) upon the occurrence of an Event of Default. The rights of the Trustee under this Section 604 shall survive termination of this Indenture or as to a Trustee, its resignation or removal.

Section 605. No Duty to Renew Insurance. The Trustee shall be under no duty to effect or to renew any insurance policy nor shall it incur any liability for the failure of the District to require or effect or renew insurance or to report or file claims of loss there under.

Section 606. Notice of Default; Right to Investigate. The Trustee shall give written notice, as soon as practicable, by first-class mail to registered Owners of Bonds of all defaults of which the Trustee has actual knowledge, unless such defaults have been remedied (the term "defaults" for purposes of this Section being defined to include the events specified as "Events of

Default" in Section 902 hereof, but not including any notice or periods of grace provided for therein). The Trustee will be deemed to have actual knowledge of any payment default under this Master Indenture or under any Supplemental Indenture and, after receipt of written notice thereof by a Credit Facility issuer, or a Liquidity Facility issuer, of a default under its respective reimbursement agreement, but shall not be deemed to have actual knowledge of any other default unless notified in writing of such default by the Owners of at least 25% in aggregate principal amount of the Outstanding Bonds. The Trustee may, but shall not be required to, at any time require of the District full information as to the performance of any covenant hereunder; and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the District, an investigation into the affairs of the District.

Section 607. Obligation to Act. Before taking any action under this Master Indenture (other than actions under Articles II (except section 209 thereof), III, IV and V and Sections 606, 903 and 905 hereof, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability resulting from its own negligence or willful misconduct in connection with any such action.

Section 608. Reliance by Trustee. The Trustee may act on any requisition, resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, or other paper or document or telephone message which it in good faith believes to be genuine and to have been passed, signed or given by the proper persons or to have been prepared and furnished pursuant to any of the provisions of this Master Indenture or any Supplemental Indenture; and the Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement.

Section 609. Trustee May Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Owners may be entitled to take with like effect as if the Trustee were not a party to this Master Indenture or any Supplemental Indenture. The Trustee may also engage in or be interested in any financial or other transaction with the District.

Section 610. Construction of Ambiguous Provision. The Trustee may construe any ambiguous or inconsistent provisions of this Master Indenture or any Supplemental Indenture and any construction by the Trustee shall be binding upon the Owners. The Trustee shall give prompt written notice to the District of any intention to make such construal.

Section 611. Resignation of Trustee. The Trustee may resign and be discharged of the trusts created by this Master Indenture by written resignation filed with the Secretary of the District not less than sixty (60) days before the date when such resignation is to take effect; provided that notice of such resignation shall be sent by first-class mail to each Owner as its name and address appears on the Bond Register and to any Paying Agent, Bond Registrar, any Credit Facility issuer, and any Liquidity Facility issuer, at least sixty (60) days before the resignation is to take effect. Such resignation shall take effect on the day specified in the Trustee's notice of resignation unless a successor Trustee is previously appointed, in which event the resignation shall take effect immediately on the appointment of such successor; provided,

(OR943170:3)

32

(OR943170:3)

33

however, that notwithstanding the foregoing such resignation shall not take effect until a successor Trustee has been appointed. If a successor Trustee has not been appointed within sixty (60) days after the Trustee has given its notice of resignation, the Trustee may petition any court of competent jurisdiction for the appointment of a temporary successor Trustee to serve as Trustee until a successor Trustee has been duly appointed.

Section 612. Removal of Trustee. Any Trustee hereunder may be removed at any time by an instrument appointing a successor to the Trustee so removed, executed by the Owners of a majority in aggregate principal amount of all Bonds then Outstanding whether or not an Event of Default has occurred hereunder and is continuing or upon order of the District and filed with the Trustee and the District provided that no Event of Default has occurred hereunder and is continuing.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Master Indenture or any Supplemental Indenture with respect to the duties and obligations of the Trustee, by any court of competent jurisdiction upon the application of the District provided that no Event of Default has occurred hereunder and is continuing or upon the application of the Owners of not less than twenty percent (20%) in aggregate principal amount of the Bonds then Outstanding.

Section 613. Appointment of Successor Trustee. If the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the District shall appoint a successor and shall mail notice of such appointment, including the name and address of the applicable corporate trust office of the successor Trustee, by first-class mail to each Owner as its name and address appears on the Bond Register, and to the Paying Agent, Bond Registrar, any Credit Facility issuer and any Liquidity Facility issuer; provided, however, that the District shall not appoint a successor Trustee unless no Event of Default has occurred hereunder and is continuing and unless the District shall have received the prior written consent, which consent shall not be unreasonably withheld, the Owners of not less than a majority in principal amount of the Outstanding Bonds and any Credit Facility issuer and any Liquidity Facility issuer, to the appointment of such successor Trustee. If an Event of Default has occurred hereunder and is continuing and the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and a successor Trustee may be appointed by any court of competent jurisdiction upon the application of the Owners of not less than twenty percent (20%) in aggregate principal amount of the Bonds then Outstanding. In the event that the successor Trustee is appointed by a court upon the application of the Owners of not less than twenty percent (20%) in aggregate principal amount of the Bonds then Outstanding, such successor Trustee shall mail notice of its appointment, including the name and address of the applicable corporate trust office of the successor Trustee, by first-class mail to each Owner as its name and address appears on the Bond Register, and to the Paying Agent, Bond Registrar, any Credit Facility issuer and any Liquidity Facility issuer.

Section 614. Qualification of Successor Trustee. A successor Trustee shall be a bank or trust company with trust powers, having a combined net capital and surplus of at least \$50,000,000, but in no event shall the successor Trustee ever be the Credit Facility issuer or Liquidity Facility issuer.

Section 615. Instruments of Succession. Any successor Trustee shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder; and thereupon such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named Trustee herein, except for predecessor trustee's right under Section 604 hereof. The Trustee ceasing to act hereunder shall, after deducting any amounts owed to it, pay over to the successor Trustee all moneys held by it hereunder; and, the Trustee ceasing to act and the District shall execute and deliver an instrument or instruments transferring to the successor Trustee all the estates, properties, rights, powers and trusts hereunder of the Trustee ceasing to act. The successor Trustee shall mail notice of its appointment, including the name and address of the applicable corporate trust office of the successor Trustee, by first-class mail to each Owner as its name and address appears on the Bond Register, and to the Paying Agent, Bond Registrar, any Credit Facility issuer and any Liquidity Facility issuer, unless such notice has previously been given.

Section 616. Merger of Trustee. Any corporation into which any Trustee hereunder may be merged or converted or with which it may be consolidated or into which substantially all of its corporate trust assets shall be sold or otherwise conveyed, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, shall be the successor Trustee under this Master Indenture, without the execution or filing of any paper or any further act on the part of the parties thereto, anything herein to the contrary notwithstanding; provided, however, that any such successor corporation continuing to act as Trustee hereunder shall meet the requirements of Section 614 hereof, and if such corporation does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article VI.

Section 617. Resignation of Paying Agent or Bond Registrar. The Paying Agent or Bond Registrar may resign and be discharged of the duties created by this Master Indenture by executing an instrument in writing resigning such duties and specifying the date when such resignation shall take effect, and filing the same with the District and the Trustee not less than sixty (60) days before the date specified in such instrument when such resignation shall take effect, and by giving written notice of such resignation mailed not less than sixty (60) days prior to such resignation date to each Owner as its name and address appear on the registration books of the District maintained by the Bond Registrar. Such resignation shall take effect on the date specified in such notice, unless a successor Paying Agent or Bond Registrar is previously appointed in which event such resignation shall take effect immediately upon the appointment of such successor Paying Agent or Bond Registrar. If the successor Paying Agent or Bond Registrar shall not have been appointed within a period of sixty (60) days following the giving of notice, then the Trustee may appoint a successor Paying Agent or Bond Registrar as provided in Section 619 hereof.

Section 618. Removal of Paying Agent or Bond Registrar. The Paying Agent or Bond Registrar may be removed at any time prior to any Event of Default by the District by

(OR943170:3)

34

(OR943170:3)

35

filing with the Paying Agent or Bond Registrar to be removed, and with the Trustee, an instrument or instruments in writing executed by an Authorized Officer appointing a successor. Such removal shall be effective thirty (30) days (or such longer period as may be set forth in such instrument) after delivery of the instrument; provided, however, that no such removal shall be effective until the successor Paying Agent or Bond Registrar appointed hereunder shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder.

Section 619. Appointment of Successor Paying Agent or Bond Registrar. In case at any time the Paying Agent or Bond Registrar shall be removed, or be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy, or for any other reason, then a vacancy shall forthwith and ipso facto exist in the office of the Paying Agent or Bond Registrar, as the case may be, and a successor shall be appointed by the District; and in case at any time the Paying Agent or Bond Registrar shall resign, then a successor shall be appointed by the District. Upon any such appointment, the District shall give written notice of such appointment to the predecessor Paying Agent or Bond Registrar, the successor Paying Agent or Bond Registrar, the Trustee and all Owners. Any new Paying Agent or Bond Registrar so appointed shall immediately and without further act supersede the predecessor Paying Agent or Bond Registrar.

Section 620. Qualifications of Successor Paying Agent or Bond Registrar. Every successor Paying Agent or Bond Registrar (i) shall be a commercial bank or trust company (a) duly organized under the laws of the United States or any state or territory thereof, (b) authorized by law to perform all the duties imposed upon it by this Master Indenture and (c) capable of meeting its obligations hereunder, and (ii) shall have a combined net capital and surplus of at least \$50,000,000.

Section 621. Acceptance of Duties by Successor Paying Agent or Bond Registrar. Any successor Paying Agent or Bond Registrar appointed hereunder shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder, and thereupon such successor Paying Agent or Bond Registrar, without any further act, deed or conveyance, shall become duly vested with all the estates, property, rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named Paying Agent or Bond Registrar herein. Upon request of such Paying Agent or Bond Registrar, such predecessor Paying Agent or Bond Registrar and the District shall execute and deliver an instrument transferring to such successor Paying Agent or Bond Registrar all the estates, property, rights and powers hereunder of such predecessor Paying Agent or Bond Registrar and such predecessor Paying Agent or Bond Registrar shall pay over and deliver to the successor Paying Agent or Bond Registrar all moneys and other assets at the time held by it hereunder.

Section 622. Successor by Merger or Consolidation. Any corporation into which any Paying Agent or Bond Registrar hereunder may be merged or converted or with which it may be consolidated or into which substantially all of its assets shall be sold or otherwise conveyed, or any corporation resulting from any merger or consolidation to which any Paying Agent or Bond Registrar hereunder shall be a party, shall be the successor Paying Agent or Bond Registrar under this Master Indenture without the execution or filing of any paper or any further act on the part of the parties hereto, anything in this Master Indenture to the contrary notwithstanding.

(OR943170:3)

36

Section 803. Further Assurance. At any and all times the District shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the District may become bound to pledge or assign after the date of execution of this Master Indenture.

Section 804. Power to Issue Bonds and Create a Lien. The District hereby represents to the Trustee and to the Owners that it is and will be duly authorized under all applicable laws to issue the Bonds of each Series, to execute this Master Indenture, to adopt Supplemental Indentures, and to pledge its moneys, securities and funds in the manner and to the extent provided herein. Except as provided herein, the District hereby represents that such moneys, securities and funds of the District are and will be free and clear of any pledge, lien, charge or encumbrance thereon and all action on the part of the District to that end has been and will be duly and validly taken. The Bonds of each Series, this Master Indenture and any Supplemental Indenture are and will be the valid and legally enforceable obligations of the District, enforceable in accordance with their terms except to the extent that enforcement thereof may be subject to bankruptcy and other similar laws affecting creditors' rights generally. The District shall at all times, to the extent permitted by law, defend, preserve and protect the pledge and lien created by this Master Indenture and all the rights of the Owners hereunder against all claims and demands of all other persons whomsoever.

Section 805. Power to Undertake Series Projects and to Collect Pledged Revenues. The District has or will have upon the date of issuance of each Series of Bonds, and will have so long as any Bonds are Outstanding, good right and lawful power: (i) to undertake the Series Projects, or it will take such action on its part required which it deems reasonable in order to obtain licenses, orders, permits or other authorizations, if any, from any agency or regulatory body having lawful jurisdiction which must be obtained in order to undertake such Series Project; and (ii) to fix, levy and collect or cause to be collected the and any and all Pledged Revenues.

Section 806. Sale of Series Projects. The District covenants that, until such time as there are no Bonds of a Series Outstanding, it will not sell, lease or otherwise dispose of or encumber the related Series Project or any part thereof other than as provided herein. The District may, however, from time to time, sell any machinery, fixtures, apparatus, tools, instruments, or other movable property acquired by the District in connection with a Series Project, or any materials used in connection therewith, if the District shall determine that such articles are no longer needed or are no longer useful in connection with the acquisition, construction, operation or maintenance of a Series Project, and the proceeds thereof may be applied to the replacement of the properties so sold or disposed of and, if not so applied, shall be deposited to the credit of the related Series Acquisition and Construction Account or, after the Date of Completion of the Series Project, shall be deposited to the credit of the related Series Principal Account. The District may from time to time sell or lease such other property forming part of a Series Project which it may determine is not needed or serves no useful purpose in connection with the maintenance and operation of such Series Project, if the Consulting Engineers shall in writing approve such sale or lease; the proceeds of any such sale shall be

(OR943170:3)

38

ARTICLE VII FUNDS CONSTITUTE TRUST FUNDS

Section 701. Trust Funds. All amounts on deposit in Series Funds or Accounts for the benefit of a Series of Bonds shall:

(i) be used only for the purposes and in the manner herein and in the Supplemental Indenture relating to such Series of Bonds provided and, pending such application, be held by the Trustee in trust for the benefit of the Owners of such Series of Bonds;

(ii) be irrevocably pledged to the payment of such Series of Bonds, except for amounts on deposit in the Series Rebate Account in the Rebate Fund;

(iii) be held and accounted for separate and apart from all other Funds and Accounts, including Series Accounts of other Series of Bonds, and other funds and accounts of the Trustee and the District;

(iv) until applied for the purposes provided herein, be subject to a first lien in favor of the Owners of such Series of Bonds and any pari passu obligations to issuers of Credit or Liquidity Facilities with respect to such Series of Bonds, which lien is hereby created, prior and superior to all other liens now existing or hereafter created, and, to a second lien in favor of the Trustee, as security for the reasonable compensation for the services of the Trustee hereunder, and also all its reasonable expenses and disbursements, including the reasonable fees and expenses of Trustee's counsel, subordinate and inferior to the security interest granted to the Owners of such Series of Bonds and any pari passu obligations to issuers of Credit or Liquidity Facilities with respect to such Series of Bonds, but nevertheless payable in the order of priority as set forth in Section 905 hereof upon the occurrence of an Event of Default; and

(v) shall not be subject to lien or attachment by any creditor of the Trustee or any creditor of the District or any other Series of Bonds other than the Owners of such Series of Bonds and the issuers of Credit or Liquidity Facilities with respect to such Series of Bonds.

ARTICLE VIII COVENANTS AND AGREEMENTS OF THE DISTRICT

Section 801. Payment of Bonds. The District shall duly and punctually pay or cause to be paid, but only from the Trust Estate with respect to each Series of Bonds, Debt Service on the dates, at the places, and in the amounts stated herein, in any Supplemental Indenture, and in the Bonds of such Series.

Section 802. Extension of Payment of Bonds. Except as provided in Section 901 hereof, the District shall not directly or indirectly extend the time for payment of the interest on any Bonds. The time for payment of Bonds of any Series shall be the time prescribed in the Supplemental Indenture relating to such Series of Bonds.

(OR943170:3)

37

disposed of as hereinabove provided for the proceeds of the sale or disposal of movable property. The proceeds of any lease as described above shall be deposited to the credit of the related Series Revenue Account.

Notwithstanding the foregoing, the District may: (i) dispose of all or any part of a Series Project, other than a Series Project the revenues to be derived from the operation of which are pledged to a Series of Bonds, by gift or dedication thereof to Orange County, Florida, or to the State or any agency or instrumentality of either of the foregoing; and/or (ii) impose, declare or grant title, easements, licenses, leases to or interests in the Series Project or a portion or portions thereof in order to create ingress and egress or other rights and public and private utility easements as the District may deem necessary or desirable for the development, use and occupancy of the property within the District; and/or (iii) impose or declare covenants, conditions and restrictions pertaining to the use, occupancy and operation of the Series Projects.

Section 807. Completion and Maintenance of Series Projects. The District shall complete the acquisition and construction of a Series Project with all practical dispatch and in a sound and economical manner. So long as any Series Project is owned by the District, the District shall maintain, preserve and keep the same or cause the same to be maintained, preserved and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the operation thereof may be properly and advantageously conducted.

Section 808. Accounts and Reports. Reports Pursuant to Uniform Special District Accountability Act of 1989. The District covenants and agrees that it will comply with the provisions of Chapter 189.401 et seq., Florida Statutes, as amended, the Uniform Special District Accountability Act of 1989, to the extent applicable to the District, including any reporting requirements contained therein which are applicable to the District.

Section 809. Arbitrage and Other Tax Covenants. The District hereby covenants that it will not take any action, and will not fail to take any action, which action or failure would cause any Tax Exempt Bonds to become "arbitrage bonds" as defined in Section 148 of the Internal Revenue Code of 1986. The District further covenants that it will take all such actions after delivery of any Tax Exempt Bonds as may be required in order for interest on such Tax Exempt Bonds to remain excludable from gross income (as defined in Section 61 of the Internal Revenue Code of 1986) of the Owners. Without limiting the generality of the foregoing, the District hereby covenants that it will to the extent not remitted by the Trustee from funds held in the Rebate Account, remit to the United States the Rebate Amount at the time and place required by this Master Indenture and any Supplemental Indenture, including any Tax Regulatory Covenants contained therein. The District further covenants that, so long as the Bonds remain outstanding, it will take no action that will cause the Bonds to be "private activity bonds" and that it will perform all obligations required by law to assure that interest on the Bonds remains excludable from gross income for federal income tax purposes.

Section 810. Enforcement of Payment of Assessments. The District will assess, levy, collect or cause to be collected and enforce the payment of Assessments and/or any other sources which constitute Pledged Revenues for the payment of any Series of Bonds in the manner

(OR943170:3)

39

prescribed by this Master Indenture, any Supplemental Indenture and all resolutions, ordinances or laws thereunto appertaining at times and in amounts as shall be necessary in order to pay, when due, the principal of and interest on the Series of Bonds to which such Pledged Revenues are pledged; and to pay or cause to be paid the proceeds of such Assessments as received to the Trustee in accordance with the provisions hereof.

Section 811. Method of Collection of Assessments and Benefit Special Assessments. The District shall levy and collect Assessments and Benefit Special Assessments in accordance with applicable Florida law.

Section 812. Delinquent Assessments. If the owner of any lot or parcel of land shall be delinquent in the payment of any Assessment or Benefit Special Assessment, pledged to a Series of Bonds, then such Assessment or Benefit Special Assessment, shall be enforced in accordance with the provisions of Chapter 190, Florida Statutes, or collected pursuant to the provisions of Chapters 170 and 197, Florida Statutes, including but not limited to the sale of tax certificates and tax deed as regards such Delinquent Assessment. In the event the provisions of Chapter 197, Florida Statutes, are inapplicable, then upon the delinquency of any Assessment or Benefit Special Assessment, the District, may, but is not obligated to, declare the entire unpaid balance of such Assessment or Benefit Special Assessment, to be in default and, at its own expense, cause such delinquent property to be foreclosed in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, and Sections 190.026 and 170.10, Florida Statutes, or otherwise as provided by law. The District further covenants to furnish, at its expense, to any Owner of Bonds of the related Series so requesting, sixty (60) days after the due date of each annual installment, a list of all Delinquent Assessments together with a copy of the District's annual audit, and a list of foreclosure actions currently in progress and the current status of such Delinquent Assessments.

Section 813. Deposit of Proceeds from Sale of Tax Certificates. If any tax certificates relating to Delinquent Assessments which are pledged to a Series of Bonds are sold by the Tax Collector pursuant to the provisions of Chapter 197, Florida Statutes, or if any such tax certificates are not sold but are later redeemed, the proceeds of such sale or redemption (to the extent that such proceeds relate to the Assessments), less any commission or other charges retained by the Tax Collector, shall, if paid by the Tax Collector to the District, be paid by the District to the Trustee not later than one (1) Business Day following receipt of such proceeds by the District and shall be deposited by the Trustee to the credit of the related Series Revenue Account.

Section 814. Sale of Tax Deed or Foreclosure of Assessment or Benefit Special Assessment Lien. If any property shall be offered for sale for the nonpayment of any Assessment, which is pledged to a Series of Bonds, and no person or persons shall purchase such property for an amount equal to the full amount due on the Assessment or Benefit Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), or if property shall then be purchased by the District for an amount equal to the balance due on the Assessment or Benefit Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive in its corporate name title to the property for the benefit of the Owners of the Series of Bonds to which such Assessments or Benefit Special Assessments were pledged. The District, either through its own

actions, or actions the District causes to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the related Series Revenue Account. Not less than ten (10) days prior to the filing of any foreclosure action as herein provided, the District shall cause written notice thereof to be mailed to any designated agents of the Owners of the related Series of Bonds. Not less than thirty (30) days prior to the proposed sale of any lot or tract of land acquired by foreclosure by the District, it shall give written notice thereof to such representatives. The District, either through its own actions, or actions the District causes to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of the related Series of Bonds within thirty (30) days after the receipt of the request therefore signed by the Trustee or the Owners of at least fifty percent (50%) in aggregate principal amount of the Outstanding Bonds of such Series.

Section 815. Other Obligations Payable from Assessments or Benefit Special Assessments. The District will not issue or incur any obligations payable from the proceeds of Assessments securing a Series of Bonds nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge upon such Assessments or Benefit Special Assessments other than the lien of any Subordinate Debt except for fees, commissions, costs, and other charges payable to the Property Appraiser or to the Tax Collector pursuant to Florida law. The District may, however, impose and levy assessments or ad valorem taxes payable on a parity with the Assessments securing a Series of Bonds.

Section 816. Re-Assessments. If any Assessment or Benefit Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or the District shall be satisfied that any such Assessment or Benefit Special Assessment is so irregular or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Assessment or Benefit Special Assessment when it might have done so, the District shall either: (i) take all necessary steps to cause a new Assessment or Benefit Special Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement; or (ii) in its sole discretion, make up the amount of such Assessment or Benefit Special Assessment from legally available moneys, which moneys shall be deposited into the related Series Revenue Account. In case any such subsequent Assessment or Benefit Special Assessment shall also be annulled, the District shall obtain and make other Assessments or Benefit Special Assessments until a valid Assessment or Benefit Special Assessment shall be made.

Section 817. General. The District shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the District under law and this Master Indenture, in accordance with the terms of such provisions.

Upon the date of issuance of each Series of Bonds, all conditions, acts and things required by law and this Master Indenture and any Supplemental Indenture to exist, to have happened and to have been performed precedent to and in the issuance of such Series of Bonds shall exist, have happened and have been performed and upon issuance the issue of such Series of Bonds shall be within every debt and other limit prescribed by the laws of the State of Florida applicable to the District.

(OR943170:3)

40

(OR943170:3)

41

Section 818. Construction to be on District Lands. Except for certain off site improvements which are outside the District Lands and are required in order for the District Lands to be developed, the District covenants that no part of a Project will be constructed on, over or under lands other than (i) lands good and marketable title to which is owned by the District or other appropriate entity in fee simple, (ii) lands on, over or under which the District or other appropriate entity shall have acquired perpetual easements for the purposes of the Project, or (iii) lands, including public streets and highways, the right to the use and occupancy of which for such purposes shall be vested in the District or other appropriate entity by law or by valid franchises, licenses, easements or rights of way or other legally effective permissions or approval.

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

Section 901. Extension of Interest Payment. If the time for payment of interest of a Bond of any Series shall be extended, whether or not such extension be by or with the consent of the District, such interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Master Indenture unless the aggregate principal amount of all Bonds of such Series then Outstanding and of all accrued interest the time for payment of which shall not have been extended shall have previously been paid in full.

Section 902. Events of Default. Each of the following events is hereby declared an Event of Default with respect to a Series of Bonds:

- (i) Any payment of Debt Service on such Series of Bonds is not made when due;
- (ii) The District shall for any reason be rendered incapable of fulfilling its obligations hereunder or under the Supplemental Indenture relating to such Series of Bonds;
- (iii) The District admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself or for the whole or any part of a related Series Project;
- (iv) The District is adjudged insolvent by a court of competent jurisdiction, or is adjudged a bankrupt on a petition in bankruptcy filed against the District, or an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee of the District or of the whole or any part of its property and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof;
- (v) The District shall file a petition or answer seeking reorganization or any arrangement under the Federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof;

(OR943170:3)

42

(vi) Under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District's assets or any part thereof, and such custody or control shall not be terminated within ninety (90) days from the date of assumption of such custody or control; or

(vii) The District shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in the Bonds of such Series or in this Master Indenture or in the Supplemental Indenture relating to such Series of Bonds on the part of the District to be performed (other than a default in the payment of Debt Service on the related Series of Bonds when due, which is an Event of Default under subsection (i) above) and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the District by the Trustee or, by the Owners of not less than ten per centum (10%) in the aggregate principal amount of the Bonds of such Series then Outstanding.

Section 903. Acceleration of Maturities of Bonds of a Series. Upon the happening and continuance of any Event of Default specified in clauses (i) through (vi) and (vii) to the extent such default under (vii) results in the interest on Tax Exempt Bonds no longer being excludable from gross income for federal income tax purposes of Section 902 above with respect to a Series of Bonds, the Trustee shall, upon written direction of the Owners of not less than a majority of the aggregate principal amount of the Bonds of such Series then Outstanding, by a notice in writing to the District, declare the aggregate principal amount of all of the Bonds of such Series then Outstanding (if not then due and payable) to be due and payable immediately and, upon such declaration, the same shall become and be immediately due and payable, anything contained in the Bonds of such Series or in this Master Indenture or in the Supplemental Indenture authorizing such Series to the contrary notwithstanding; provided, however, that if at any time after the aggregate principal amount of the Bonds of any Series then Outstanding shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Master Indenture or the related Supplemental Indenture, moneys shall have accumulated in the related Series Revenue Account sufficient to pay the principal of all matured Bonds of such Series and all arrears of interest, if any, upon all Bonds of such Series then Outstanding (except the aggregate principal amount of any Bonds of such Series then Outstanding that is only due because of a declaration under this Section, and except for the interest accrued on the Bonds of such Series since the last Interest Payment Date), and all amounts then payable by the District hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Paying Agent, and every other default (other than a default in the payment of the aggregate principal amount of the Bonds of such Series then Outstanding that is due only because of a declaration under this Section) shall have been remedied, then the Owners of not less than a majority of the aggregate principal amount of the Bonds of such Series then Outstanding not then due except by virtue of a declaration under this Section, may, by written notice to the District and the Trustee, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 904. Enforcement of Remedies. Upon the happening and continuance of any Event of Default specified in Section 902 above with respect to a Series of Bonds, the Trustee

(OR943170:3)

43

may protect and enforce the rights of the Owners of the Bonds of such Series under Florida law, and under this Master Indenture, the related Supplemental Indenture and the Bonds of such Series, by such proceedings in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein or in the related Supplemental Indenture granted or for the enforcement of any proper legal or equitable remedy, as the Trustee shall deem most effectual to protect and enforce such rights.

The Owners of not less than a majority in aggregate principal amount of the Bonds of such Series Outstanding shall, subject to the requirements of Section 607, have the right, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee hereunder, provided that such direction shall not be in conflict with any rule of law or this Indenture and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unduly prejudicial to the rights of the Owners of such Series of Bonds not parties to such direction or would subject the Trustee to personal liability or expense. Notwithstanding the foregoing, the Trustee shall have the right to select and retain legal counsel of its choosing to represent it in any such proceedings. The Trustee may take any other action which is not inconsistent with any direction under this second paragraph of this Section 904.

No Owner of such Series of Bonds shall have any right to pursue any other remedy under this Indenture or such Series of Bonds unless: (1) an Event of Default shall have occurred and is continuing; (2) the Owners of not less than a majority in aggregate principal amount of the Bonds of such Series Outstanding have requested the Trustee, in writing, to exercise the powers granted in this first paragraph of this Section 904 or to pursue such remedy in its or their name or names; (3) the Trustee has been offered indemnity satisfactory to it against costs, expenses and liabilities reasonably anticipated to be incurred; (4) the Trustee has declined to comply with such request, or has failed to do so, within sixty (60) days after its receipt of such written request and offer of indemnity and (5) no direction inconsistent with such request has been given to the Trustee during such 60-day period by the Owners of not less than a majority in aggregate principal amount of the Bonds of such Series Outstanding. The provisions of this immediately preceding sentence of this Section 904 are conditions precedent to the exercise by any Owner of such Series of Bonds of any remedy hereunder. The exercise of such rights is further subject to the provisions of Section 909, Section 910, and the second paragraph of this Section 904. No one or more Owner of such Series of Bonds shall have any right in any manner whatever to enforce any right under this Indenture, except in the manner herein provided.

Section 905. Pro Rata Application of Funds Among Owners of a Series of Bonds. Anything in this Master Indenture to the contrary notwithstanding, if at any time the moneys in the Series Funds and Accounts shall not be sufficient to pay Debt Service on the related Series of Bonds when due, such moneys together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows:

(i) Unless the aggregate principal amount of all the Bonds of such Series shall have become due and payable or shall have been declared due and payable pursuant to the provisions of Section 903 of this Article, all such moneys shall be applied:

(OR943170:3)

44

The provisions of this Section are in all respects subject to the provisions of Section 901 of this Article.

Whenever moneys are to be applied pursuant to this Section, such moneys shall be applied by the Trustee at such times as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and, to the extent known by the Trustee, the likelihood of additional moneys becoming available for such application. The deposit of such moneys with the Paying Agent shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to any Owner or to any other person for any delay in applying any such funds, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies such moneys in accordance with such provisions of this Master Indenture as may be applicable at the time of application. Whenever the Trustee shall exercise such discretion in applying such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to any Owner until such Bond shall be surrendered to him for appropriate endorsement.

Section 906. Effect of Discontinuance of Proceedings. If any proceeding taken by the Trustee or any Owner on account of any default shall have been discontinued or abandoned for any reason, then the District and the Owner shall be restored to their former positions and rights hereunder, respectively, and all rights and remedies of the Owners shall continue as though no such proceeding had been taken.

Section 907. Restriction on Individual Owner Actions. Except as provided in Section 910 below, no Owner of any of the Bonds shall have any right in any manner whatever to affect, disturb or prejudice the security of this Master Indenture or any Supplemental Indenture, or to enforce any right hereunder or there under except in the manner herein or therein provided, and all proceedings at law or in equity shall be instituted and maintained for the benefit of all Owners of the Bonds of such Series.

Section 908. No Remedy Exclusive. No remedy conferred upon the Trustee or the Owners is intended to be exclusive of any other remedy herein or in any Supplemental Indenture provided, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereunder.

Section 909. Delay Not a Waiver. No delay or omission of the Trustee or any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given to the Trustee and the Owners may be exercised from time to time and as often as may be deemed expedient.

Section 910. Right to Enforce Payment of Bonds. Nothing in this Article shall affect or impair the right of any Owner to enforce the payment of Debt Service on the Bonds of which such person is the registered Owner, or the obligation of the District to pay Debt Service to the Owner at the time and place specified in such Bond.

(OR943170:3)

46

First: to the payment of any then due fees and expenses of the Trustee, including reasonable counsel fees and expenses, to the extent not otherwise paid.

Second: to payment to the persons entitled thereto of all installments of interest then due and payable on the Bonds of such Series, in the order in which such installments become due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the rates of interest specified in the Bonds of such Series; and

Third: to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds of such Series which shall have become due (other than Bonds of such Series called for redemption for the payment of which sufficient moneys are held pursuant to this Master Indenture), in the order of their due dates, with interest upon the Bonds of such Series at the rates specified therein from the dates upon which they become due to their payment date, and, if the amount available shall not be sufficient to pay in full the principal of Bonds of such Series due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Owners of the Bonds of such Series entitled thereto without any discrimination or preference except as to any difference in the foregoing rates of interest.

(ii) If the aggregate principal amount of all the Bonds of a Series shall have become due and payable in accordance with their terms or shall have been declared due and payable pursuant to the provisions of Section 903 of this Article, all such moneys shall be applied first to the payment of any fees and expenses of the Trustee, including reasonable counsel fees and expenses, to the extent not otherwise paid, and, then the payment of the whole amount of principal and interest then due and unpaid upon the Bonds of such Series, without preference or priority of principal or of interest or of any installment of interest over any other installment of interest, or of any Bond over any other Bond of such Series, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds of such Series.

(iii) If the principal of all the Bonds of a Series shall have been declared due and payable pursuant to the provisions of Section 903 of this Article, and if such declaration shall thereafter have been rescinded and annulled pursuant to the provisions of Section 903 of this Article, then, if the aggregate principal amount of all of the Bonds of such Series shall later become due or be declared due and payable pursuant to the provisions of Section 903 of this Article, the moneys remaining in and thereafter accruing to the related Series Revenue Fund shall be applied in accordance with subsection (ii) above.

(OR943170:3)

45

Section 911. No Cross Default Among Series. The occurrence of an Event of Default hereunder or under any Supplemental Indenture with respect to any Series of Bonds shall not constitute an Event of Default with respect to any other Series of Bonds, unless the event giving rise to the Event of Default also constitutes an Event of Default hereunder or under the Supplemental Indenture with respect to such other Series of Bonds.

Section 912. Indemnification. Other than to make proper draws under a Credit Facility, the Trustee shall be under no obligation to institute any suit or to take any remedial proceeding under this Master Indenture or any Supplemental Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to advance its own money, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability.

ARTICLE X EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF OWNERSHIP OF BONDS

Section 1001. Execution of Instruments by Owners and Proof of Ownership of Bonds. Any request, direction, consent or other instrument in writing required or permitted by this Master Indenture or any Supplemental Indenture to be signed or executed by Owners may be in any number of concurrent instruments of similar tenor and may be signed or executed by Owners or their attorneys or legal representatives. Proof of the execution of any such instrument shall be sufficient for any purpose of this Master Indenture and shall be conclusive in favor of the District with regard to any action taken by it under such instrument if verified by any officer in any jurisdiction who, by the laws thereof, has power to take affidavits within such jurisdiction, to the effect that such instrument was subscribed and sworn to before him, or by an affidavit of a witness to such execution. Where such execution is on behalf of a person other than an individual such verification or affidavit shall also constitute sufficient proof of the authority of the signer thereof.

Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of the Owner of any Bond shall bind every future owner of the same Bond in respect of anything done by the Trustee or the District in pursuance of such request or consent.

ARTICLE XI SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Without Owners' Consent. The Governing Body from time to time may authorize such indentures supplemental hereto or amendatory hereof as shall not be inconsistent with the terms and provisions hereof (which supplemental indenture shall thereafter form a part hereof), without the consent of the Owners, for the following purposes:

(OR943170:3)

47

(i) to provide for the initial issuance of a Series of Bonds or refunding bonds of a Series; or

(ii) to make any change whatsoever to the terms and provisions of this Master Indenture, but only as such change relates to a Series of Bonds upon the original issuance thereof (or upon the original issuance of refunding bonds of a Series which defease and discharge the Supplemental Indenture of the Series of Bonds to be refunded) under and pursuant to the terms of the Supplemental Indenture effecting such change; or

(iii) to cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Master Indenture; or

(iv) to grant to the Owners or to the Trustee on behalf of the Owners any additional rights or security that may lawfully be granted;

(v) to add to the covenants and agreements of the District in this Master Indenture other covenants and agreements thereafter to be observed by the District to the benefit of the Owners of the Outstanding Bonds;

(vi) to make such changes as may be necessary in order to reflect amendments to Florida Law, so long as, in the opinion of Bond Counsel to the District, such changes either: (a) do not have a material adverse effect on the Owners of each Series of Bonds to which such changes relate; or (b) if such changes do have a material adverse effect, that they nevertheless are required to be made as a result of such amendments; or

(vii) to modify the provisions of this Master Indenture or any Supplemental Indenture provided that such modification does not, in the written opinion of Bond Counsel, materially adversely affect the interests of the Owners of the Bonds Outstanding, upon which opinion the Trustee must conclusively rely.

Section 1102. Supplemental Indentures With Owner Consent. Subject to the provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Master Indenture to the contrary notwithstanding, to consent to and approve the adoption of such indentures supplemental hereto or amendatory hereof as shall be deemed desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the provisions of this Master Indenture or of any Supplemental Indenture; provided, however, that nothing herein contained shall permit, or be construed as permitting, without the consent of all Owners of Bonds then Outstanding which was effected thereby;

(i) an extension of the maturity of, or an extension of the Interest Payment Date on, any Bond;

(ii) a reduction in the principal, premium, or interest on any Bond;

(iii) a preference or priority of any Bond over any other Bond; or

(OR943170.3)

48

(iv) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture.

In addition to the foregoing, the Owners of not less than a majority in aggregate principal amount of the Bonds of any Series then Outstanding shall have the right, from time to time, anything contained in this Master Indenture or in the Supplemental Indenture relating to such Series of Bonds to the contrary notwithstanding, to consent to and approve the adoption of such indentures supplemental to the Supplemental Indenture relating to such Series of Bonds or amendatory thereof, but not hereof, as shall be deemed desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the provisions of such Supplemental Indenture or of any indenture supplemental thereto; provided, however, that nothing herein contained shall permit, or be construed as permitting, without the consent of all Owners of Bonds of such Series then Outstanding.

(a) an extension of the maturity of, or an extension of the Interest Payment Date on, any Bond of such Series;

(b) a reduction in the principal, premium, or interest on any Bond of such Series;

(c) a preference or priority of any Bond of such Series over any other Bond of such Series;

(d) a reduction in the aggregate principal amount of the Bonds of such Series required for consent to such indenture supplemental to the Supplemental Indenture.

If at any time the District shall determine that it is desirable to approve any Supplemental Indenture pursuant to this Section 1102, the District shall cause the Trustee to mail, at the expense of the District, notice of the proposed approval to the Owners whose approval is required. Such notice shall be prepared by the District and shall briefly set forth the nature of the proposed Supplemental Indenture or indenture supplemental to a Supplemental Indenture and shall state that copies thereof are on file with the Secretary for inspection by all affected Owners. The District shall not, however, be subject to any liability to any Owner by reason of its failure to cause the notice required by this Section to be mailed and any such failure shall not affect the validity of such Supplemental Indenture or indenture supplemental to a Supplemental Indenture when consented to and approved as provided in this Section.

Whenever, at any time within one (1) year after the date of the first mailing of such notice, there shall be delivered to the District an instrument or instruments in writing purporting to be executed by the Owners of the requisite principal amount of the Bonds of such Series Outstanding, which instrument or instruments shall refer to the proposed Supplemental Indenture or indenture supplemental to a Supplemental Indenture described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Governing Body and the Trustee may approve such Supplemental Indenture and cause it to be executed, in substantially such form, without liability or responsibility to any Owner.

(OR943170.3)

49

Section 1103. Opinion of Bond Counsel With Respect to Supplemental Indenture.

In addition to the other requirements herein set forth with respect to Supplemental Indentures or indenture supplemental to a Supplemental Indenture, no such indenture shall be effective unless and until there shall have been delivered to the Trustee the opinion of Bond Counsel to the effect that such indenture is permitted pursuant to this Master Indenture and that such indenture is the valid and binding obligation of the District enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or general equitable principles, upon which opinion the Trustee may conclusively rely. In addition, if such indenture relates to a Series of Tax Exempt Bonds, such opinion shall also state that such indenture will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the related Series of Bonds.

Section 1104. Supplemental Indenture Part of Indenture. Any supplemental indenture executed in accordance with this Article and approved as to legality by counsel to the District shall thereafter, except as otherwise provided therein, form a part of this Master Indenture. Except as applicable only to Bonds of a Series, all of the terms and conditions contained in any such supplemental indenture amendatory of this Master Indenture shall be part of the terms and conditions hereof.

Section 1105. Insurer or Issuer of a Credit or Liquidity Facility as Owner of Bonds.

As long as a Credit or Liquidity Facility securing all or a portion of the Bonds of a Series Outstanding is in effect, and such issuer is not in default of its obligations under the Credit or Liquidity Facility, as the case may be, the issuer of the Credit or Liquidity Facility or the Insurer, to the extent so authorized in the applicable Supplemental Indenture, will be deemed to be the Owner of the Bonds of such Series secured by the Credit or Liquidity Facility: (i) at all times for the purpose of the execution and delivery of a supplemental indenture or of any amendment, change or modification of the Master Indenture or the applicable Supplemental Indenture or the initiation by Owners of any action to be undertaken by the Trustee at the Owner's request, which under the Master Indenture or the applicable Supplemental Indenture requires the written approval or consent of or can be initiated by the Owners of at least a majority in principal amount of the Bonds of the Series at the time Outstanding; (ii) at all times for the purpose of the mailing of any notice to Owners under the Master Indenture or the applicable Supplemental Indenture; and (iii) following an Event of Default for all other purposes. Notwithstanding the foregoing, neither an Insurer nor the issuer of a Credit or Liquidity Facility with respect to a Series of Bonds will be deemed to be an Owner of the Bonds of such Series with respect to any such Supplemental Indenture or of any amendment, change or modification of the Master Indenture which would have the effect of permitting: (i) a change in the terms of redemption or maturity of any Bonds of a Series Outstanding or of any installment of interest thereon; or (ii) a reduction in the principal amount or the Redemption Price thereof or in rate of interest thereon; or (iii) reducing the percentage or otherwise affecting the classes of Bonds the consent of the Owners of which is required to effect any such modification or amendment; or (iv) creating any preference or priority of any Bond of a Series over any other Bond of such Series.

(OR943170.3)

50

**ARTICLE XII
DEFEASANCE**

Section 1201. Defeasance and Discharge of the Lien of this Master Indenture and Supplemental Indentures.

(i) If the District pays or causes to be paid, or there shall otherwise be paid, to the Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon and the obligations under any Letter of Credit Agreement and any Liquidity Agreement, at the times and in the manner stipulated therein and in this Master Indenture and any Letter of Credit Agreement and any Liquidity Agreement and pays or causes to be paid all other moneys owing hereunder and under any Supplemental Indenture (including, without limitation the fees and expenses of the Trustee, including reasonable counsel fees and expenses), then the lien of this Master Indenture and all covenants, agreements and other obligations of the District to the Owners and the issuer of any Credit Facility or Liquidity Facility shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee upon the request of the District shall execute and deliver to the District all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee and the Paying Agent shall pay over or deliver, as directed by the District, all moneys or securities held by them pursuant to this Master Indenture which are not required for the payment of principal or Redemption Price, if applicable, on Bonds not theretofore surrendered for such payment or redemption or for payment of obligations under any Letter of Credit Agreement and any Liquidity Agreement. If the District pays or causes to be paid, or there shall otherwise be paid, to the Owners of all Outstanding Bonds or of a particular maturity, of a particular Series or of any part of a particular maturity or Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Master Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Master Indenture, and all covenants, agreements and obligations of the District to the Owners of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. Anything to the contrary in this Section 1201 notwithstanding, this Master Indenture shall not be discharged nor shall any Bonds with respect to which moneys or Federal Securities have been deposited in accordance with the provisions of this Section 1201 cease to be entitled to the lien, benefit or security under this Master Indenture, except that the lien, benefit and security of this Master Indenture and the obligations of the District hereunder shall be limited solely to and such Bonds shall be secured solely by and be payable solely from the moneys or Federal Securities so deposited.

(ii) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit pursuant to this Master Indenture of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in this Section. All Outstanding Bonds of any particular maturity or Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (i) of this Section 1201 if: (a) in case any of such Bonds are to be redeemed

(OR943170.3)

51

on any date prior to their maturity, the District shall have given to the Trustee or the Bond Registrar irrevocable instructions accepted in writing by the Trustee or the Bond Registrar to mail as provided in Article III notice of redemption of such Bonds on such date; (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Federal Securities, the principal of and the interest on which when due shall, as demonstrated in an Accountant's Certificate, provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be; (c) the District shall have given the Trustee or the Bond Registrar in form satisfactory to it irrevocable instructions to mail, postage prepaid, to each registered Owner of Bonds then Outstanding at the address, if any, appearing upon the registry books of the District, a notice to the registered Owners of such Bonds and to the Registrar that the deposit required by (b) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section 1201 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, on such Bonds; (d) an opinion of Bond Counsel to the effect that such defeasance is permitted under this Master Indenture and the Supplemental Indenture relating to the Series of Bonds so defeased and that, in the case of Tax-Exempt Bonds, such defeasance will not adversely affect the tax exempt status of such Series of Bonds; and (e) if such defeasance is being accomplished in whole or in part with the proceeds of Refunding Bonds being deposited in an escrow or similar account the escrow agreement pursuant to which the deposit will be held shall provide that the District will not exercise any optional redemption with respect to such defeased Bonds not expressly required to be exercised under such escrow agreement and will not exercise any other redemption with respect to such defeased Bonds other than mandatory sinking fund redemption. Neither Federal Securities nor moneys deposited with the Trustee pursuant to this Section 1201 nor principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or redemption price, if applicable, and interest on such Bonds; provided that any cash received from such principal or interest payments on such Federal Securities deposited with the Trustee: (a) to the extent such cash shall not be required at any time for such purpose as evidenced by an Accountant's Certificate or, and to the extent all obligations under any Letter of Credit Agreement or any Liquidity Agreement are satisfied, as determined by an Insurer or an issuer of any Credit Facility and any Liquidity Facility securing the Bonds with respect to which such Federal Securities have been so deposited, shall be paid over upon the direction of the District as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing such Bonds or otherwise existing under this Master Indenture; and (b) to the extent such cash shall be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Securities maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on such Bonds, or obligations under any Letter of Credit Agreement or any Liquidity Agreement, on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over as received by the Trustee to the District, free and clear of any lien, pledge or security

(OR943170:3)

52

Trustee or Paying Agent after the date when such Bonds became due and payable, shall, at the written request of the District be repaid by the Trustee or Paying Agent to the District, as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of such Bonds; provided, however, that before being required to make any such payment to the District, the Trustee or Paying Agent shall, at the expense of the District, cause to be mailed, postage prepaid, to any Insurer or any issuer of any Credit Facility or Liquidity Facility, and to each registered Owner of Bonds then Outstanding at the address, if any, appearing upon the registry books of the District, a notice that such moneys remain unclaimed and that, after a date named in such notice, which date shall be not less than thirty (30) days after the date of the mailing of such notice, the balance of such moneys then unclaimed shall be returned to the District.

(vi) In the event that the principal and Redemption Price, if applicable, and interest due on the Bonds shall be paid by the Insurer pursuant to a municipal bond insurance policy, the assignment and pledge and all covenants, agreements and other obligations of the District to the Owners of such Bonds shall continue to exist and the Insurer shall be subrogated to the rights of such Owners.

(vii) Anything in this Master Indenture to the contrary notwithstanding, the provisions of the foregoing subsections (ii) through (vi) shall apply to the discharge of Bonds of a Series and to the discharge of the lien of any Supplemental Indenture securing such Series of Bonds as though each reference to the "Master Indenture" were a reference to such "Supplemental Indenture" and as though each reference to "Bonds Outstanding" were a reference to the "Bonds of such Series Outstanding."

Section 1202. Moneys Held in Trust. All moneys and obligations held by an escrow or paying agent or trustee pursuant to this Section shall be held in trust and the principal and interest of said obligations when received, and said moneys, shall be applied to the payment, when due, of the principal, interest and premium, if any, of the Bonds to be paid or to be called for redemption.

ARTICLE XIII MISCELLANEOUS PROVISIONS

Section 1301. Effect of Covenants. All covenants, stipulations, obligations and agreements of the District contained in this Master Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the District and of the Governing Body of the District to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall bind or inure to the benefit of the successor or successors thereof from time to time and any officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

Except as otherwise provided herein, all rights, powers and privileges conferred, and duties and liabilities imposed, upon the District or upon the Governing Body by this Master Indenture shall be exercised or performed by the Governing Body, or by such other officers,

(OR943170:3)

54

interest securing such Bonds or otherwise existing under this Master Indenture. For the purposes of this provision, Federal Securities means and includes only such securities which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof.

(iii) As to any Variable Rate Bonds, whether discharged and satisfied under the provisions of subsection (i) or (ii) above, the amount required for the interest thereon shall be calculated at the maximum rate permitted by the terms of the provisions which authorized the issuance of such Variable Rate Bonds; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than such maximum rate for any period, the total amount of moneys and Federal Securities on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to fully discharge and satisfy such Bonds and obligations under any Letter of Credit Agreement and any Liquidity Agreement pursuant to the provisions of this Section, the District may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing said Variable Rate Bonds or otherwise existing under this Master Indenture or under any Letter of Credit Agreement or any Liquidity Agreement.

(iv) Notwithstanding any of the provisions of this Master Indenture to the contrary, Option Bonds may only be fully discharged and satisfied either pursuant to subsection (i) above or by depositing in the Series Interest Account, the Series Principal Account and the Series Redemption Account, or in such other accounts which are irrevocably pledged to the payment of the Option Bonds, as the District may create and establish by Supplemental Indenture, moneys which together with other moneys lawfully available therefor shall be sufficient at the time of such deposit to pay when due the maximum amount of principal of and Redemption Price, if any, and interest on such Option Bonds which could become payable to the Owners of such Bonds upon the exercise of any options provided to the Owners of such Bonds; provided however, that if, at the time a deposit is made pursuant to this subsection (iv), the options originally exercisable by the Owner of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this subsection (iv). If any portion of the moneys deposited for the payment of the principal of and Redemption Price, if any, and interest on Option Bonds is not required for such purpose and is not needed to reimburse an Insurer or an issuer of any Credit Facility or Liquidity Facility, for obligations under any Letter of Credit Agreement or any Liquidity Agreement, the District may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing such Option Bonds or otherwise existing under this Master Indenture or any Letter of Credit Agreement or Liquidity Agreement.

(v) Anything in this Master Indenture to the contrary notwithstanding, any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for two (2) years after the date of deposit of such moneys if deposited with the

(OR943170:3)

53

board, body or commission as may be required by law to exercise such powers or to perform such duties.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member, agent or employee of the Governing Body in his or her individual capacity, and neither the members of the Governing Body nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 1302. Manner of Giving Notice to the District and the Trustee. Any notice, demand, direction, request or other instrument authorized or required by this Master Indenture to be given to or filed with the District or the Governing Body or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this Master Indenture if and when sent by certified mail, return receipt requested:

To the District, addressed to:
Myrtle Creek Improvement District
c/o District Manager
Rizzetta & Company, Incorporated
3434 Colwell Avenue
Suite 200
Tampa, Florida 33614

To the Trustee, addressed to:
U.S. Bank National Association
225 E. Robinson Street, Suite 250
Orlando, Florida 32801
Attention: Corporate Trust

or to such other address as shall be provided to the other party hereto in writing.

All documents received by the District and the Trustee under this Master Indenture shall be retained in their possession, subject at all reasonable times to the inspection of any Owner and the agents and representatives thereof. Notwithstanding the foregoing, the Trustee shall not be obligated to maintain any such documents beyond the period ending on the earlier of the following dates: (i) the date that is three years following the final maturity of (a) the Bonds of such Series or (b) any obligation issued to refund the Bonds of such Series and (ii) the date set forth by Bond Counsel in an opinion on the Trustee's obligation to maintain such documents. The Trustee shall also maintain records of all investments and disbursements of proceeds in the funds and accounts established pursuant to this Indenture through the date ending on the earlier of the following dates: (i) the date that is three years following the final maturity of (a) the Bonds of such Series or (b) any obligation issued to refund the Bonds of such Series and (ii) the date set forth by Bond Counsel in an opinion on the Trustee's obligation to maintain such documents.

(OR943170:3)

55

Section 1303. Manner of Giving Notice to the Owners. Any notice, demand, direction, request, or other instrument authorized or required by this Master Indenture to be mailed to the Owners shall be deemed to have been sufficiently mailed if mailed by first class mail, postage pre-paid, to the Owners at their addresses as they appear at the time of mailing on the registration books maintained by the Bond Registrar.

Section 1304. Successorship of District Officers. If the offices of Chairman or Vice Chairman of the Board of Supervisors or Secretary shall be abolished or any two (2) or more of such offices shall be merged or consolidated, or in the event of a vacancy in any such office by reason of death, resignation, removal from office or otherwise, or in the event any such officer shall become incapable of performing the duties of his office by reason of sickness, absence from the District or otherwise, all powers conferred and all obligations and duties imposed upon such officer shall be performed by the officer succeeding to the principal functions thereof or by the officer upon whom such powers, obligations and duties shall be imposed by law.

Section 1305. Inconsistent Provisions. All provisions of any resolutions, and parts thereof, which are inconsistent with any of the provisions of this Master Indenture are hereby declared to be inapplicable to this Master Indenture.

Section 1306. Further Acts. The officers and agents of the District are hereby authorized and directed to do all the acts and things required of them by the Bonds and this Master Indenture, for the full, punctual and complete performance of all of the terms, covenants, provisions and agreements contained in the Bonds and this Master Indenture.

Section 1307. Headings Not Part of Indenture. Any headings preceding the texts of the several Articles and Sections hereof and any table of contents, marginal notes or footnotes appended to copies hereof shall be solely for convenience of reference, and shall not constitute a part of this Master Indenture, nor shall they affect its meaning, construction or effect.

Section 1308. Effect of Partial Invalidity; Applicable Law. In case any one or more of the provisions of this Master Indenture or of any Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Master Indenture or of the Bonds, but this Master Indenture and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The Bonds are issued and this Master Indenture is adopted with the intent that the laws of the State of Florida shall govern their construction.

Section 1309. Attorney's Fees. Any reference herein to the term "attorneys' fees" or "legal fees" or words of like import shall include but not be limited to fees of legal assistants and paralegal and fees incurred in any and all legal proceedings, including any trial or appellate level proceedings, and any sales tax thereon.

Section 1310. Counterparts. This Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

Section 1311. Effective Date. This Master Indenture shall be effective as of the date first above-written.

{OR943170;3}

56

IN WITNESS WHEREOF, the District has caused this Master Trust Indenture to be executed on its behalf by its Chairman and attested by its Secretary and the Trustee, to evidence its acceptance of the trusts hereunder created, has caused this Master Trust Indenture to be executed and attested by its duly authorized signatory.

MYRTLE CREEK IMPROVEMENT DISTRICT

ATTEST:

By: _____
Chairman, Board of Supervisors

Secretary

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

{OR943170;3}

57

**EXHIBIT "A"
FORM OF REQUISITION**

The undersigned, an Authorized Officer of Myrtle Creek Improvement District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the District to U.S. Bank National Association, as trustee (the "Trustee"), dated as of December 1, 2006 (the "Master Indenture"), as amended and supplemented by the _____ Supplemental Indenture from the District to the Trustee, dated as of _____, 200__ (the Master Indenture as amended and supplemented is hereinafter referred to as the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number:
- (B) Name of Payee:
- (C) Amount Payable:
- (D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, State Costs of Issuance, if applicable):
- (E) Fund or Account and subaccount, if any, from which disbursement to be made:

The undersigned hereby certifies that obligations in the stated amount set forth above have been incurred by the District, that each disbursement set forth above is a proper charge against the Acquisition and Construction Account, that each disbursement set forth above was incurred in connection with the acquisition and construction of the Project and each represents a Cost of the Project, and 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 of the invoice(s) from the vendor of the property acquired or services rendered with respect to which disbursement is hereby requested.

Myrtle Creek Improvement District

Authorized Officer

{OR943170;3}

A-1

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

The undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Project with respect to which such disbursement is being made; and, (ii) the report of the District Engineer as such report shall have been amended or modified on the date hereof.

[_____]
Authorized Officer

{OR943170;3}

A-2

TABLE OF CONTENTS

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

ARTICLE I DEFINITIONS.....3
 Section 101. Definitions.....3

ARTICLE II AUTHORIZATION, ISSUANCE AND PROVISIONS OF 2006 BONDS9
 Section 201. Authorization of 2006 Bonds; Book-Entry Only Form9
 Section 202. Terms of 2006 Bonds.....11
 Section 203. Dating; Interest Accrual.....11
 Section 204. Denomination.....11
 Section 205. Paying Agent.....11
 Section 206. Bond Registrar11
 Section 207. Conditions Precedent to Issuance of 2006 Bonds.....11
 Section 208. Continuing Disclosure12

ARTICLE III REDEMPTION OF 2006 BONDS12
 Section 301. 2006 Bonds Subject to Redemption and Purchase12

**ARTICLE IV DEPOSIT OF 2006 BOND PROCEEDS AND APPLICATION THEREOF;
 ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF13**
 Section 401. Establishment of Accounts13
 Section 402. Use of 2006 Bond Proceeds.....13
 Section 403. 2006 Acquisition and Construction Account.....14
 Section 404. Costs of Issuance Account.....14
 Section 405. 2006 Reserve Account15
 Section 406. Application of Prepayment Principal.....16
 Section 407. Tax Covenants and Rebate Accounts16
 Section 408. Establishment of 2006 Revenue Account in Revenue Fund;
 Application of Revenues and Investment Earnings16

ARTICLE V CONCERNING THE TRUSTEE.....19
 Section 501. Acceptance by Trustee.....19

**FIRST SUPPLEMENTAL TRUST INDENTURE
 BETWEEN
 MYRTLE CREEK IMPROVEMENT DISTRICT
 AND
 U.S. BANK NATIONAL ASSOCIATION,
 AS TRUSTEE**

Dated as of December 1, 2006

{01000904;6}

{01000904;6}

i

Section 502. Limitation of Trustee’s Responsibility19
 Section 503. Trustee’s Duties19

ARTICLE VI MISCELLANEOUS.....19
 Section 601. Confirmation of Master Indenture19
 Section 602. Collection of Assessments19
 Section 603. Limitation on Additional Debt.....19
 Section 604. Trustee’s Obligation to Maintain Certain Documents19

Exhibit “A” Description of the 2006 Project
Exhibit “B” The 2006 Bonds

FIRST SUPPLEMENTAL TRUST INDENTURE

THIS **FIRST SUPPLEMENTAL TRUST INDENTURE** (the “First Supplemental Indenture”) dated as of December 1, 2006, from **MYRTLE CREEK IMPROVEMENT DISTRICT** (the “District”) to **U.S. BANK NATIONAL ASSOCIATION**, as trustee (the “Trustee”), a national banking association authorized to accept and execute trusts of the character herein set out within the State of Florida.

WHEREAS, the District has entered into a Master Trust Indenture dated as of December 1, 2006 (the “Master Indenture”), with the Trustee to secure the issuance of its Myrtle Creek Improvement District Special Assessment Revenue Bonds (the “Bonds”), issuable in one or more Series from time to time; and

WHEREAS, pursuant to Resolution No. 2006-02 adopted by the Governing Body of the District on October 17, 2005 (the “Bond Resolution”), the District has authorized the issuance of its not exceeding \$65,000,000 of its Myrtle Creek Improvement District Special Assessment Revenue Bonds, in one or more Series (the “Bonds”), and authorized the execution and delivery of the Master Indenture to secure the issuance of the Bonds and any bond anticipation notes issued in anticipation of the issuance of any Bonds; and

WHEREAS, the Bonds were validated by the Circuit Court of the Ninth Judicial Circuit of the State of Florida in and for Orange County, Florida in a Final Judgment Validating Bonds rendered on March 6, 2006 and the appeal period from such final judgment has expired with no appeal being taken; and

WHEREAS, the 2006 Bonds (hereinafter defined) are the first debt to be issued by the District; and

WHEREAS, the Governing Body of the District has duly adopted resolutions, defining assessable property to be benefited by the 2006 Project (hereinafter defined), defining the portion of the Cost of the 2006 Project with respect to which Series 2006 Assessments (hereinafter defined) will be imposed and the manner in which such Series 2006 Assessments shall be levied against such benefited property within the District, directing the preparation of an assessment roll calling for a public hearing of the District at which owners of property to be subject to the Series 2006 Assessments may be heard as to the propriety and advisability of undertaking the 2006 Project, as to the cost thereof, the manner of payment therefor, and the amount to be assessed against each property improved by the 2006 Project, and stating the intent of the District to issue Bonds of the District secured primarily by such Series 2006 Assessments to finance the costs of the acquisition and construction of the 2006 Project (the “Preliminary Assessment Resolution”) and the Governing Body of the District has duly adopted a resolution, following a public hearing conducted in accordance with the Act, to fix and establish the Series 2006 Assessments and the benefited property (the “Assessment Resolution”); and

WHEREAS, pursuant to the Bond Resolution as supplemented by Resolution 2007-04 adopted by the Governing Body of the District on November 28, 2006, the District has authorized the issuance, sale and delivery of its \$34,855,000 Myrtle Creek Improvement District

{01000904;6}

ii

{01000904;6}

1

Special Assessment Revenue Bonds, Series 2006A (the "2006 Bonds") as a Series of Bonds under the Master Indenture and authorized the execution and delivery of this First Supplemental Indenture to secure the issuance of the 2006 Bonds and to set forth the terms of the 2006 Bonds; and

WHEREAS, the District will apply the proceeds of the 2006 Bonds to: (i) finance the Cost of acquisition, construction, installation and equipping a portion of the 2006 Project which 2006 Project is further described in **Exhibit "A"** hereto (hereinafter, the "2006 Project"); (ii) pay certain costs associated with the issuance of the 2006 Bonds; (iii) pay a portion of the interest to become due on the 2006 Bonds; and (iv) fund the 2006 Reserve Account as herein provided; and

WHEREAS, the execution and delivery of the 2006 Bonds and of this First Supplemental Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the 2006 Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this First Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the 2006 Trust Estate (as hereinafter defined) have been done;

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

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the 2006 Bonds by the purchaser or purchasers thereof, and other good and valuable consideration, receipt of which is hereby acknowledged, and in order to further secure the payment of the principal and Redemption Price (as defined in the Master Indenture) of, and interest on, all 2006 Bonds Outstanding (as defined in the Master Indenture) from time to time, according to their tenor and effect, and such other payments required to be made under the Master Indenture or hereunder, and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this First Supplemental Indenture and in the 2006 Bonds: (a) has executed and delivered this First Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell, convey, transfer, assign and pledge unto the Trustee, and unto its successors in interest the trusts under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture and the provisions of the Master Indenture pertaining to the application thereof for or to the purposes and on the terms set forth in the Master Indenture, the revenues derived by the District from the Series 2006 Assessments levied and imposed pursuant to the Assessment Resolution as the same may be amended from time to time (the "2006 Pledged Revenues") and the Funds and Accounts (except for the 2006 Rebate Account and the 2006 Cost of Issuance Account) established hereby (the "2006 Pledged Funds") which shall comprise a part of the Trust Estate securing only the 2006 Bonds, (the "2006 Trust Estate");

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

(01000904.6)

2

"Assessment Interest" shall mean the interest on Series 2006 Assessments received by the District which is pledged to the 2006 Bonds, other than Delinquent Assessment Interest.

"Assessment Principal" shall mean the principal amount of Series 2006 Assessments received by the District which are pledged to the 2006 Bonds, other than Delinquent Assessment Principal and Prepayment Principal.

"Assessment Proceedings" shall mean the proceedings of the District with respect to the establishment, levy and collection of the Series 2006 Assessments.

"Beneficial Owner" shall mean the owners from time to time of the 2006 Bonds for federal income tax purposes.

"Bond Depository" shall mean the securities depository existing from time to time under Section 201 hereof.

"Bond Participants" shall mean those broker-dealers, banks and other financial institutions from time to time for which the Bond Depository holds 2006 Bonds as securities depository.

"Completion Agreement" shall mean the agreement or agreements between the Master Developer and the District pursuant to which, among other matters, the Master Developer has agreed to provide funds to pay all Costs of the 2006 Project not paid for by the District.

"Continuing Disclosure Agreement" means collectively the Continuing Disclosure Agreements dated as of December 1, 2006, among the District, the Master Developer, and Prager, Sealy & Co., LLC as dissemination agent and among the District, DiVosta Homes, L.P., a Delaware limited partnership and Prager, Sealy & Co., LLC as dissemination agent, as originally executed and as amended from time to time in accordance with the terms thereof.

"Deemed Outstanding" shall mean the Outstanding principal amount of the 2006 Bonds reduced by the result of dividing the amount on deposit in the Prepayment Subaccount in the 2006 Redemption Account by 0.9341.

"Deferred Costs" shall mean the Costs of the 2006 Project which are identified by the District to the Trustee in writing as having been advanced by the Master Developer or another entity other than the District.

"Delinquent Assessment Interest" shall mean the interest on Series 2006 Assessments received by the District which is pledged to the 2006 Bonds and deposited with the Trustee after the date on which such Assessment Interest has become due and payable.

"Delinquent Assessment Principal" shall mean the principal amount of Series 2006 Assessments received by the District which are pledged to the 2006 Bonds and deposited with the Trustee after the date on which such Assessment Principal has become due and payable.

"DTC" shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

(01000904.6)

4

IN TRUST NEVERTHELESS, except as in each such case may otherwise be provided in the Master Indenture, upon the terms and trusts in the Master Indenture set forth for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the 2006 Bonds issued or to be issued under and secured by this First Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any 2006 Bond over any other 2006 Bond by reason of priority in their issue, sale or execution;

PROVIDED HOWEVER, that if the District, its successors or assigns, shall well and duly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the 2006 Bonds or any 2006 Bond secured and Outstanding under this First Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the 2006 Bonds and this First Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Master Indenture and this First Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provision of the Master Indenture and this First Supplemental Indenture, then upon such final payments, this First Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all 2006 Bonds or any 2006 Bond of a particular maturity, otherwise this First Supplemental Indenture shall remain in full force and effect;

THIS FIRST SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all 2006 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in the Master Indenture (except as amended directly or by implication by this First Supplemental Indenture), including this First Supplemental Indenture, expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the 2006 Bonds, as follows:

**ARTICLE I
DEFINITIONS**

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

"Acquisition Agreement" shall mean any document, including any and all amendments thereto, pursuant to which the Master Developer conveys to the District any portion of the 2006 Project.

"Interest Payment Date" shall mean each May 1 and November 1, commencing May 1, 2007.

"Investment Grade Rating" shall mean either a rating on the 2006 Bonds of "BBB-" or higher by S&P or a rating of "Baa3" or higher by Moody's or a rating of "BBB-" or higher by Fitch Ratings, Inc.

"2006 Investment Obligations" shall mean and include any of the following securities, if and to the extent the same are at the time legal investments for funds of the Issuer:

(A) Government Obligations;

(B) obligations of any of the following agencies: Government National Mortgage Association (including participation certificates issued by such Association); Fannie Mae (including participation certificates issued by Fannie Mae); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Rural Economic Community Development Administration (formerly the Farmers Home Administration); Student Loan Marketing Association; Federal Home Loan Mortgage Corporation.

(C) deposits, Federal funds or bankers' acceptances (with term to maturity of 270 days or less) of any bank which has an unsecured, uninsured and unguaranteed obligation rated in one of the top two rating categories by both Moody's and S&P;

(D) commercial paper rated in the top two rating categories by both Moody's and S&P;

(E) obligations of any state of the United States or political subdivision thereof or constituted authority thereof the interest on which is exempt from federal income taxation under Section 103 of the Code and rated in one of the top two rating categories by both Moody's and S&P;

(F) both (A) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category by Moody's or S&P, and (B) shares of money market mutual funds that invest only in Government Obligations and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by Moody's or S&P;

(G) repurchase agreements, which will be collateralized at the onset of the repurchase agreement of at least 103% marked to market weekly with collateral with a domestic or foreign bank or corporation (other than life or property casualty insurance company) the long-term debt of which, or, in the case of a financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's providing that the repurchase agreement shall provide that if during its term the provider's rating by either S&P or Moody's falls below "AA" or "Aa3," respectively, the provider shall immediately notify the Trustee and the provider shall at its option, within ten days of receipt of publication of such downgrade, either (A) maintain Collateral at levels, sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (B) repurchase all collateral and terminate

(01000904.6)

5

the repurchase agreement. Further, if the provider's rating by either S&P or Moody's falls below "A-" or "A3," respectively, the provider must at the direction of the Issuer to the Trustee, within ten (10) calendar days, either (1) maintain collateral at levels sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (2) repurchase all collateral and terminate the repurchase agreement without penalty. In the event the repurchase agreement provider has not satisfied the above conditions within ten (10) days of the date such conditions apply, then the repurchase agreement shall provide that the Trustee shall be entitled to, and in such event, the Trustee shall withdraw the entire amount invested plus accrued interest within two (2) Business Days. Any repurchase agreement entered into pursuant to the Indenture shall contain the following additional provisions:

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

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

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

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

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

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

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

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

The interest with respect to the repurchase transaction shall be payable no less frequently than quarterly;

(O1000904.6)

6

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

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

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

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

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

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

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

(iv) repay all amounts due and owing under the agreement.

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

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

(L) other investments permitted by Florida law.

Under all circumstances, the Trustee shall be entitled to request and to receive from the District a certificate of an Authorized Officer setting forth that any investment directed by the District is permitted under the Indenture.

"Master Developer" shall mean Lake Nona Property Holdings, LLC, a Florida limited liability company, or any successor or assign thereof.

(O1000904.6)

8

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

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

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

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

(H) any other investment approved in writing by the Beneficial Owners of a majority in aggregate principal amount of the Bonds secured thereby;

(I) bonds, notes and other debt obligations of any corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia, if such obligations are rated in one of the three highest ratings by both Moody's and S&P or in one of the two highest categories by either S&P or Moody's; and

(J) investment agreements with a bank, insurance company or other financial institution, or the subsidiary of a bank, insurance company or other financial institution if the parent guarantees the investment agreement, which bank, insurance company, financial institution or parent has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in the highest short-term rating category by Moody's or S&P (if the term of such agreement does not exceed 365 days), or has an unsecured, uninsured and unguaranteed obligation (or claims paying ability) rated by Aa2 or better by Moody's and AA or better by S&P or Fitch Ratings, respectively (if the term of such agreement is more than 365 days) or is the lead bank of a parent bank holding company with an unsecured, unsecured and unguaranteed obligation of the aforesaid ratings, provided:

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

(O1000904.6)

7

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

"Participating Underwriter" shall have the meaning ascribed to it in the Continuing Disclosure Agreement.

"Prepayment Principal" shall mean the excess amount (identified by the District as such in writing to the Trustee) of Assessment Principal received by the District over the Assessment Principal then due, but shall not include Delinquent Assessment Principal. Prepayment Principal shall not include the proceeds of any refunding bonds.

"Series 2006 Assessments" shall mean the non-ad valorem special assessments including the interest thereon designated as pledged to secure the Series 2006 Bonds in the Assessment Proceedings.

"Series 2006 Reserve Account Percentage" shall mean the percentage resulting from the division of (x) the Series 2006 Reserve Account Requirement on the date of initial issuance and delivery of the 2006 Bonds (\$2,297,110.00), by (y) the initial Outstanding aggregate principal amount of the 2006 Bonds, which equals 6.59%; provided, however, that subsequent to the date on which the 2006 Bonds have received an Investment Grade Rating or the date on which the Series 2006 Assessments have been Substantially Absorbed, in each case as evidenced by a certificate to such effect delivered to the Trustee from an Authorized Officer on which the Trustee may conclusively rely, the Series 2006 Reserve Account Percentage shall mean the result of dividing 50% of the Maximum Annual Debt Service Requirement by the then Deemed Outstanding principal amount of the 2006 Bonds, but only if the amount so determined is less than the amount determined in the preceding clause.

"2006 Reserve Account Requirement" shall mean (A) on the date of initial issuance and delivery of the 2006 Bonds, the lesser of: (i) Maximum Annual Debt Service Requirement for the 2006 Bonds, (ii) 125% of the average annual debt service for the 2006 Bonds, or (iii) 10% of the proceeds of the 2006 Bonds calculated as of the date of original issuance thereof, and (B) at any time after the date of initial issuance, shall mean the Series 2006 Reserve Account Percentage times the Deemed Outstanding principal amount of the 2006 Bonds, as of the time of any such calculation.

"Substantially Absorbed" shall mean the date on which a principal amount of the Series 2006 Assessments equaling at least seventy-five percent (75%) of the then Outstanding principal amount of the 2006 Bonds are levied on platted lands within the District.

ARTICLE II AUTHORIZATION, ISSUANCE AND PROVISIONS OF 2006 BONDS

Section 201. Authorization of 2006 Bonds; Book-Entry Only Form. The 2006 Bonds are hereby authorized to be issued in the aggregate principal amount of \$34,855,000 for the purposes enumerated in the recitals hereto. The 2006 Bonds shall be substantially in the form set forth as **Exhibit "B"** to this First Supplemental Indenture. Each 2006 Bond shall bear the designation "2006R" and numbered consecutively from 1 upwards.

(O1000904.6)

9

The 2006 Bonds shall be initially issued in the form of a separate single certificated fully registered 2006 Bond for each maturity of 2006 Bonds. Upon initial issuance, the ownership of such 2006 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the initial Bond Depository. Except as provided in this Section 201, all of the Outstanding 2006 Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC.

With respect to 2006 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any Beneficial Owner. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the 2006 Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the 2006 Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the 2006 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2006 Bond is registered in the registration books kept by the Bond Registrar as the absolute owner of such 2006 Bond for the purpose of payment of principal, premium and interest with respect to such 2006 Bond, for the purpose of giving notices of redemption and other matters with respect to such 2006 Bond, for the purpose of registering transfers with respect to such 2006 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the 2006 Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payment shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the 2006 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated 2006 Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new Nominee in place of Cede & Co., and subject to the provisions therein with respect to Record Dates, the words "Cede & Co." in this First Supplemental Indenture shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee of the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding 2006 Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, is not in the best interest of beneficial holders of the 2006 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder upon reasonable and customary terms can be found, the 2006 Bonds shall no longer be restricted to being registered in the registration books kept by the Bond

(01000904;6)

10

the sources provided therefor in the Indenture; (iii) the interest on the 2006 Bonds is excludable from gross income for federal income tax purposes; and (iv) the 2006 Bonds and the interest paid thereon are exempt from all taxes imposed by the State of Florida except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes on corporations and other entities, as defined therein.

(d) An opinion of Counsel to the District substantially to the effect that (i) the District has been duly established and validly exists as a community development district under the Act, (ii) based on certificates of the District Engineer and the Master Developer and an opinion of Master Developer's Counsel, the District has good right and lawful authority under the Act to undertake the 2006 Project being financed with the proceeds of the 2006 Bonds, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body having lawful jurisdiction in order to undertake the 2006 Project, (iii) all proceedings undertaken by the District with respect to the Series 2006 Assessments have been in accordance with Florida law (iv) the District has taken all action necessary to levy and impose the Series 2006 Assessments, and (v) the Series 2006 Assessments are legal, valid and binding liens upon the property against which such Series 2006 Assessments are made, coequal with the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid;

(e) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the 2006 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this First Supplemental Indenture;

(f) An Engineers' Certificate or Engineers' Certificates certifying as to the accuracy of the information set forth in the District Engineer's Report regarding the 2006 Project;

(g) A certified copy of the final judgment of validation together with a certificate of no appeal, both in respect of the Bonds.

Section 208. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provisions of the Indenture, failure of the District to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee shall, at the written request of any Participating Underwriter (as defined in Rule 15c2-12 of the Securities and Exchange Commission) or the Owners of at least 25% aggregate principal amount of Outstanding 2006 Bonds, and receipt of indemnity satisfactory to the Trustee or any such Owner may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section.

**ARTICLE III
REDEMPTION OF 2006 BONDS**

Section 301. 2006 Bonds Subject to Redemption and Purchase. The 2006 Bonds are subject to redemption prior to maturity as provided in the forms thereof set forth as **Exhibit "B"**

(01000904;6)

12

Registrar in the name of Cede & Co., as Nominee of DTC, but may be registered in whatever name or names the Owners transferring or exchanging the 2006 Bonds shall designate, in accordance with the provisions hereof.

Section 202. Terms of 2006 Bonds. The 2006 Bonds shall be issued as one (1) Term Bond, which Term Bond shall bear interest at the fixed interest rate per annum and shall mature in the amount and on the date set forth below:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>
\$34,855,000	5.20%	May 1, 2037

Section 203. Dating; Interest Accrual. Each 2006 Bond shall be dated December 1, 2006. Each 2006 Bond shall also bear its date of authentication. Each 2006 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such 2006 Bond has been paid, in which event such 2006 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the 2006 Bonds, in which event such 2006 Bond shall bear interest from its date. Interest on the 2006 Bonds shall be due and payable on each May 1 and November 1, commencing May 1, 2007, and shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 204. Denomination. The 2006 Bonds may be issued in Authorized Denominations; provided, however that delivery of 2006 Bonds to the initial purchaser thereof shall only be in denominations of \$100,000 or integral multiples of \$5,000 in excess thereof.

Section 205. Paying Agent. The District appoints the Trustee as Paying Agent for the 2006 Bonds.

Section 206. Bond Registrar. The District appoints the Trustee as Bond Registrar for the 2006 Bonds.

Section 207. Conditions Precedent to Issuance of 2006 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the 2006 Bonds, all the 2006 Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Assessment Proceedings;
- (b) Executed originals of the Master Indenture and this First Supplemental Indenture;
- (c) 2006 Bond Counsel opinion substantially to the effect that: (i) the Indenture has been duly authorized, executed and delivered by the District and constitutes a valid and binding obligation of the District; (ii) the 2006 Bonds have been duly authorized, executed and delivered by the District and are valid and binding special obligations of the District, payable solely from

(01000904;6)

11

to this First Supplemental Indenture. 2006 Bonds may be purchased as provided in Section 506(ii) of the Master Indenture.

**ARTICLE IV
DEPOSIT OF 2006 BOND PROCEEDS AND APPLICATION THEREOF; ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF**

Section 401. Establishment of Accounts.

(a) There are hereby established within the Acquisition and Construction Fund held by the Trustee the following accounts:

- (i) a 2006 Acquisition and Construction Account and therein a General Subaccount and a Deferred Costs Subaccount; and
- (ii) a 2006 Costs of Issuance Account.

(b) There are hereby established within the Debt Service Fund held by the Trustee: (i) a 2006 Sinking Fund Account and a 2006 Interest Account; and (ii) a 2006 Redemption Account and therein a Prepayment Subaccount.

(c) There is hereby established within the Reserve Fund held by the Trustee a 2006 Reserve Account, which account shall be held for the benefit of all of the 2006 Bonds without distinction as to 2006 Bonds and without privilege or priority of one 2006 Bonds over another;

(d) There is hereby established within the Revenue Fund held by the Trustee a 2006 Revenue Account; and

(e) There is hereby established within the Rebate Fund held by the Trustee a 2006 Rebate Account.

Section 402. Use of 2006 Bond Proceeds. Following the Trustee's receipt of the items set forth in Section 207 of the Master Indenture and Section 207 hereof the net proceeds of sale of the 2006 Bonds, \$34,354,056.19 (face amount of 2006 Bonds less underwriter's discount of \$522,825.00 less original issue discount of \$43,568.75 and plus accrued interest of \$65,449.94), shall be delivered to the Trustee by the District and be applied as follows:

- (a) \$65,449.94, representing accrued interest received from the sale of the 2006 Bonds shall be deposited to the credit of the 2006 Interest Account;
- (b) \$1,484,903.36, representing Capitalized Interest shall be deposited to the credit of the 2006 Interest Account;
- (c) \$2,297,110.00, representing the initial 2006 Reserve Account Requirement, shall be deposited to the 2006 Reserve Account.
- (d) \$156,000.00, representing costs of issuance relating to the 2006 Bonds, shall be deposited to the credit of the 2006 Costs of Issuance Account;

(01000904;6)

13

(e) \$30,350,592.89 of the proceeds of the 2006 Bonds remaining after the deposits above shall be deposited to the credit of the General Subaccount in the 2006 Acquisition and Construction Account.

Section 403. 2006 Acquisition and Construction Account.

(a) Amounts on deposit in the 2006 Acquisition and Construction Account including the subaccounts therein shall be applied to pay the Costs of the 2006 Project, including Deferred Costs, upon compliance with the requirements of the requisition provisions set forth in Section 503(i) of the Master Indenture and/or as otherwise provided herein. Costs of the 2006 Project, other than Deferred Costs, shall be paid from the General Subaccount.

(b) The District shall notify the Trustee in writing, from time to time, of the amount of any Deferred Costs which have accrued. The Trustee shall be entitled to conclusively rely on such certificate, and, in the absence of any such certificate, the Trustee shall conclusively presume that there are no accrued and unpaid Deferred Costs. Notwithstanding anything to the contrary contained herein or in the Master Indenture (including without limitation the provisions of Section 1302 of the Master Indenture), the Trustee shall not be deemed to have received such certificate until the Trustee has actually received such certificate from the District. The District shall notify the Trustee of the payment of any Deferred Costs other than from amounts made available under this First Supplemental Indenture. Anything herein or in the Master Indenture to the contrary notwithstanding, so long as there are Deferred Costs due as evidenced by such certificate of the District, the Trustee shall deposit into the Deferred Costs Subaccount in the 2006 Acquisition and Construction Account the amounts to be transferred thereto pursuant to the Sections 403(c), 405 and 408(f) hereof which amounts shall be held separate and apart from other amounts on deposit in the 2006 Acquisition and Construction Account, including amounts on deposit in the General Subaccount. Amounts in the Deferred Costs Subaccount shall be paid over to the District, upon requisition, to be used solely by the District to pay Deferred Costs. The District shall provide written notice to the Trustee when there are no further Deferred Costs at which time the Deferred Costs Subaccount shall be closed.

(c) Any balance remaining in the 2006 Acquisition and Construction Account after the Date of Completion of the 2006 Project and after retaining the amount, if any, of all remaining unpaid Costs of the 2006 Project set forth in the Engineers' Certificate establishing such Date of Completion, shall be transferred to and deposited in the 2006 Redemption Account and applied to the extraordinary mandatory redemption of the 2006 Bonds in the manner prescribed in the form of 2006 Bond set forth as **Exhibit "B"** hereto. Notwithstanding the foregoing, if the District shall have, prior to such Date of Completion, notified the Trustee as provided in Section 403(b) hereof that there are Deferred Costs due and payable on the date of the transfer described in the preceding sentence, then the lesser of (i) the amount of such Deferred Costs, or (ii) the amount of such excess, shall be transferred into the Deferred Costs Subaccount in the 2006 Acquisition and Construction Account and applied as provided for therein, and, the balance, if any, shall be applied to the extraordinary mandatory redemption of 2006 Bonds as provided in the preceding sentence.

Section 404. Costs of Issuance Account. There shall be deposited in the 2006 Costs of Issuance Account \$156,000.00 which shall, at the written direction of an Authorized Officer to

(01000904.6)

14

The District may provide, but only if it shall certify to the Trustee that following the substitution described below no Deferred Costs are currently owed and none will be owed in the future, that the difference between the amount on deposit in the 2006 Reserve Account and the 2006 Reserve Account Requirement shall be an amount covered by obtaining bond insurance issued by a reputable and recognized municipal bond insurer, by a letter of credit, by a surety bond or any combination thereof (individually or collectively, the "Reserve Account Credit Instrument"). Any such Reserve Account Credit Instrument shall be rated in one of the two highest categories by one of two nationally recognized rating agencies. Any Reserve Account Credit Instrument which is a bond insurance policy or a surety bond shall have a term extending at least to the final maturity date of the 2006 Bonds. Any Reserve Account Credit Instrument which is a letter of credit shall be an irrevocable direct pay letter of credit made in favor of the Trustee. Such letter of credit shall have a term of a minimum of at least 3 years, and shall be mandatorily drawn upon in the full amount thereof by the Trustee if the Trustee has not received adequate cash, or another Reserve Account Credit Instrument, on that date which is no later than 10 days prior to the expiration date of the letter of credit. Subject to the provisions of this paragraph, the District may withdraw any or all of the amount of money on deposit in the 2006 Reserve Account and substitute in its place a Reserve Account Credit Instrument as described above in the face amount of such withdrawal and such withdrawn moneys shall, after payment of the premium for such Reserve Account Credit Instrument and payment of any accrued and unpaid Deferred Costs, be used for any lawful purpose of the District.

Section 406. Application of Prepayment Principal. All Prepayment Principal shall upon receipt by the Trustee be deposited to the Prepayment Subaccount of the 2006 Redemption Account. At the time the District deposits Prepayment Principal with the Trustee it shall notify the Trustee in writing as to the amount of Prepayment Principal. Amounts on deposit in the Prepayment Subaccount shall be applied to the redemption of the 2006 Bonds in the manner provided in Section 505(v) of the Master Indenture and as provided for the extraordinary mandatory redemption in **Exhibit "B"** hereto.

Section 407. Tax Covenants and Rebate Accounts. The District shall comply with the Tax Regulatory Covenants (including deposits to and payments from the 2006 Rebate Account) included as part of the closing transcript for the 2006 Bonds, as amended and supplemented from time to time in accordance with their terms.

Section 408. Establishment of 2006 Revenue Account in Revenue Fund; Application of Revenues and Investment Earnings.

(a) The Trustee shall except as provided below or otherwise provided herein deposit the 2006 Pledged Revenues to the 2006 Revenue Account and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The 2006 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. Amounts on deposit in the 2006 Revenue Account, 2006 Interest Account, 2006 Sinking Fund Account, 2006 Redemption Account and 2006 Reserve Account shall be used as provided in Section 505 of the Master Indenture except as otherwise provided herein.

(01000904.6)

16

A-21

the Trustee, be used to pay the costs of issuance relating to the 2006 Bonds. At the written direction of an Authorized Officer delivered no sooner than one hundred and eighty (180) days from the date of initial delivery of the 2006 Bonds, any amounts deposited in the 2006 Costs of Issuance Account which are not needed to pay such costs shall be transferred over and deposited into the General Subaccount of the 2006 Acquisition and Construction Account and used for the purposes permitted therefor.

Section 405. 2006 Reserve Account. Amounts on deposit in the 2006 Reserve Account, except as provided elsewhere in this section shall be used only for the purpose of making payments into the 2006 Interest Account and the 2006 Sinking Fund Account to pay the 2006 Bonds, without distinction as to 2006 Bonds and without privilege or priority of one 2006 Bond over another, when due when the moneys on deposit in such Account and available therefor are insufficient.

Anything herein or in the Master Indenture to the contrary notwithstanding, simultaneously with deposit by the Trustee of Prepayment Principal of Series 2006 Assessments into the Prepayment Subaccount, the Trustee is hereby authorized and directed to recalculate the 2006 Reserve Account Requirement and to transfer any resulting excess on deposit in the 2006 Reserve Account, first into the Deferred Costs Subaccount to be used to pay any unpaid Deferred Costs, if any, and then into the Prepayment Subaccount to be used for the extraordinary mandatory redemption of 2006 Bonds as provided for herein and therein.

The Trustee, on or before the thirtieth day (or if such day is not a Business Day, on the Business Day next preceding such day) next preceding each Interest Payment Date, after taking into account all payments and transfers made as of such date, shall compute the value of the 2006 Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such account. The District shall immediately pay the amount of any deficiency to the Trustee, for deposit in such account, from the first legally available sources of the District. Any surplus in the 2006 Reserve Account shall first be deposited into the Deferred Costs Subaccount to the extent needed to pay any unpaid Deferred Costs and thereafter any surplus shall be used for any lawful District purpose.

All earnings on investments in the 2006 Reserve Account shall, provided no deficiency exists in the 2006 Reserve Account, be deposited, to the 2006 Interest Account through November 1, 2007, and thereafter, to the Deferred Costs Subaccount to the extent there are Deferred Costs due and payable and thereafter such earnings shall be deposited to the 2006 Revenue Account provided no deficiency exists in the 2006 Reserve Account. To the extent a deficiency exists in the 2006 Reserve Account, investment earnings in such account shall remain in that account. Such Accounts shall consist only of cash and 2006 Investment Obligations.

Notwithstanding the foregoing and after providing for the payment of any unpaid Deferred Costs, on the earliest date on which there is on deposit in the 2006 Reserve Account, sufficient monies, taking into account other monies available therefor, to pay and redeem all of the Outstanding 2006 Bonds, together with accrued interest and redemption premium, if any, on such 2006 Bonds to the earliest date of redemption, then the Trustee shall use the amount on deposit in the 2006 Reserve Account to pay and redeem all of the Outstanding 2006 Bonds on the earliest such date.

(01000904.6)

15

(b) Immediately upon receipt the District shall deposit the 2006 Pledged Revenues with the Trustee together with a written accounting setting forth the amounts of such 2006 Pledged Revenues in the following categories which shall be deposited by the Trustee into the Funds and Accounts established hereunder as follows:

- (i) Assessment Interest, which shall be deposited into the 2006 Interest Account;
- (ii) Assessment Principal, which shall be deposited into the 2006 Sinking Fund Account;
- (iii) Prepayment Principal, which shall be deposited into the Prepayment Subaccount of the 2006 Redemption Account.
- (iv) Delinquent Assessment Principal shall first be applied to restore the amount of any withdrawal, from the 2006 Reserve Account to pay the principal of 2006 Bonds to the extent that less than the 2006 Reserve Account Requirement is on deposit in the 2006 Reserve Account, and, the balance, if any, shall be deposited into the 2006 Sinking Fund Account;
- (v) Delinquent Assessment Interest, shall first be applied to restore the amount of any withdrawal from the 2006 Reserve Account to pay the interest on 2006 Bonds to the extent that less than Reserve Account Requirement is on deposit in the 2006 Reserve Account, and, the balance, if any, deposited into the 2006 Interest Account; and
- (vi) the balance shall be deposited in the 2006 Revenue Account.

(c) On each March 15 and September 15 (or if such March 15 or September 15 is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Prepayment Subaccount of the 2006 Redemption Account, and, if the balance therein is greater than zero, shall transfer, but only after determining that following such transfer sufficient amounts will remain on deposit in the 2006 Revenue Account to make the transfers required by (d) below, from the 2006 Revenue Account for deposit into such Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to the next integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of 2006 Bonds on the next succeeding redemption date in the maximum aggregate principal amount for which moneys are then on deposit in such Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of 2006 Bonds as set forth in **Exhibit "B"** hereto, and Article III of the Master Indenture. Interest due in regard to such extraordinary mandatory redemption shall be paid from the 2006 Interest Account.

(d) On each May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such date), the Trustee shall transfer from amounts on deposit in the 2006 Revenue Account to the Funds and Accounts designated below, the following amounts in the following order of priority and apply such amounts as provided in Section 505 of the Master Indenture and the provisions hereof:

FIRST, to the 2006 Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all 2006 Bonds then Outstanding on such May 1 or November 1, less any amount already on deposit in the 2006 Interest Account not previously credited;

(01000904.6)

17

SECOND, to the 2006 Sinking Fund Account, an amount equal to the Amortization Installments or principal of 2006 Bonds due on such May 1, less any amounts already on deposit in such Account not previously credited;

THIRD, to the 2006 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the then 2006 Reserve Account Requirement; and

FOURTH, the balance shall be retained in the 2006 Revenue Account.

(e) On any date required by the Tax Regulatory Covenants, the District shall give the Trustee written direction, and the Trustee shall, transfer from the 2006 Revenue Account to the 2006 Rebate Account established for the 2006 Bonds in the Rebate Fund in accordance with the Master Indenture and the Tax Regulatory Covenants, the amount due and owing to the United States, which amount shall be paid, to the United States, when due, in accordance with such Tax Regulatory Covenants. To the extent insufficient moneys are on deposit in the 2006 Revenue Account to make the transfer provided for in the immediately preceding sentence the District shall deposit with the Trustee from available moneys of the District the amount of any such insufficiency.

(f) On or after each November 2, the Trustee shall, at the written direction of the District transfer to the District the balance on deposit in the 2006 Revenue Account on such November 2 to be used for any lawful District purpose; provided, however, that on the date of such proposed transfer the amount on deposit in the 2006 Reserve Account shall be equal to the 2006 Reserve Account Requirement, and, provided further, that the Trustee shall not have actual knowledge (as such term is defined in Section 606 of the Master Indenture) of an Event of Default under the Master Indenture or hereunder relating to any of the 2006 Bonds, including the payment of Trustee's fees and expenses then due; provided, further, however, that if the District shall have notified the Trustee, in the manner provided herein, that there remain any outstanding and unpaid Deferred Costs, then the lesser of (i) the amount of such Deferred Costs, or (ii) the amount of such excess, shall be transferred into the Deferred Costs Subaccount in the 2006 Acquisition and Construction Account and applied as provided for therein, and, the balance if any, shall be paid to, or upon the order of, the District.

(g) Anything herein or in the Master Indenture to the contrary notwithstanding, earnings on investments in all of the Funds and Accounts held as security for the 2006 Bonds shall be invested only in 2006 Investment Obligations, and further, earnings on investments in the 2006 Acquisition and Construction Account shall be retained as realized, in such Account and used for the purpose of such Account. Earnings on investments in the 2006 Sinking Fund Account and the 2006 Redemption Account including any subaccounts therein shall be deposited, as realized, to the credit of the 2006 Revenue Account and used for the purpose of such Account. Until November 1, 2007, earnings on investments in the 2006 Interest Account shall be retained, as realized, in such Account, and, thereafter earnings on investments in such Account shall be deposited, as realized, to the credit of the 2006 Revenue Account and used for the purpose of such Account.

Earnings on investments in the 2006 Reserve Accounts shall be disposed of as provided in Section 405 hereof.

{01000904;6}

18

(ii) the date set forth by Bond Counsel in an opinion opining on the Trustee's obligation to maintain such documents.

IN WITNESS WHEREOF, Myrtle Creek Improvement District has caused these presents to be signed in its name and on its behalf by its Chairman, and its official seal to be hereunto affixed and attested by its Assistant Secretary, therunto duly authorized, and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be signed in its name and on its behalf by its duly authorized officer.

MYRTLE CREEK IMPROVEMENT DISTRICT

[SEAL]

By: _____
Chairman, Board of Supervisors

ATTEST:

By: _____
Assistant Secretary

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

{01000904;6}

20

**ARTICLE V
CONCERNING THE TRUSTEE**

Section 501. Acceptance by Trustee. The Trustee accepts the trusts declared and provided in this First Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth in the Master Indenture as modified by this First Supplemental Indenture and subject to the rights and remedies set forth in Articles VI, VII and IX of the Master Indenture.

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

Section 503. Trustee's Duties. Except as otherwise expressly stated in this First Supplemental Indenture, nothing contained herein shall limit the rights, benefits, privileges, protection and entitlements inuring to the Trustee under the Master Indenture, including, particularly, Articles VI and IX thereof, all of which shall apply to the actions of the Trustee under this First Supplemental Indenture.

**ARTICLE VI
MISCELLANEOUS**

Section 601. Confirmation of Master Indenture. As supplemented by this First Supplemental Indenture, the Master Indenture is in all respect ratified and confirmed, and this First Supplemental Indenture shall be read, taken and construed as a part of the Master Indenture so that all of the rights, remedies, terms, conditions, covenants and agreements of the Master Indenture, except insofar as modified herein, shall apply and remain in full force and effect with respect to this First Supplemental Indenture and to the 2006 Bonds issued hereunder. To the extent of any conflicts between the terms and provisions of the Master Indenture and this First Supplemental Indenture the terms and provisions hereof shall control.

Section 602. Collection of Assessments. Anything herein or in the Master Indenture to the contrary notwithstanding, the District shall not be required to collect Series 2006 Assessments using the Uniform Collection Method provided for in Section 197.3631, 197.3632 and 197.3635, Florida Statutes, until such time as the property subject to such Series 2006 Assessments is platted and a distinct ad valorem property tax identification number has been assigned by the Property Appraiser thereto.

Section 603. Limitation on Additional Debt. Other than Refunding Bonds issued in accordance with the provisions of the Master Indenture, the District shall not, while any 2006 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the 2006 Trust Estate.

Section 604. Trustee's Obligation to Maintain Certain Documents. Notwithstanding the last sentence of Section 1302 of the Master Indenture, the Trustee's obligation to maintain the documents referred to in Section 1302 of the Master Indenture shall not extend beyond the period ending on the earlier of the following dates: (i) the date that is three years following the final maturity of (a) the 2006 Bonds or (b) any obligation issued to refund the 2006 Bonds and

{01000904;6}

19

EXHIBIT "A"

Description of the 2006 Project

The acquisition, construction, installation and equipping of certain Assessable Improvements (within the meaning of the Act), as more particularly described below.

The Assessable Improvements consist of some or all of the following:

- Roads
- Water Management Facilities
- Water Supply Facilities
- Wastewater Facilities
- Reuse Facilities
- Recreational Facilities
- Undergrounding of Electrical Power Lines required by Development Order
- Landscape associated with Water Management and Recreational Facilities

{01000904;6}

A-1

Form of the 2006 Bonds

United States of America
State of Florida
MYRTLE CREEK IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2006A

Table with 4 columns: Interest Rate, Maturity Date, Dated Date, CUSIP. Values: 5.20%, May 1, 2037, December 1, 2006, [blank]

Registered Owner: CEDE & CO.

Principal Amount: THIRTY-FOUR MILLION EIGHT HUNDRED FIFTY-FIVE THOUSAND AND NO/100 DOLLARS

THE MYRTLE CREEK IMPROVEMENT DISTRICT HAS ESTABLISHED A BOOK ENTRY SYSTEM OF REGISTRATION FOR THIS SERIES 2006 BOND. EXCEPT AS SPECIFICALLY PROVIDED OTHERWISE IN THE INDENTURE, CEDE & CO., AS NOMINEE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), WILL BE THE REGISTERED OWNER AND WILL HOLD THIS BOND ON BEHALF OF EACH BENEFICIAL OWNER HEREOF.

UNLESS THIS SERIES 2006 BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, WITH RESPECT TO ANY SERIES 2006 BOND REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC, ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

MYRTLE CREEK IMPROVEMENT DISTRICT, a community development district duly created and existing pursuant to Chapter 190, Florida Statutes (the "District"), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the Registered Owner set forth above, or registered assigns, on the maturity date shown hereon, unless this Series 2006 Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture mentioned hereinafter) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for, or if no

(01000904;6)

(01000904;6)

B-1

interest has been paid, from the Dated Date shown above, on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing on May 1, 2007, until payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (as hereinafter defined), be paid to the Registered Owner hereof at the close of business on the regular record date for such interest, which shall be the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date, or if such day is not a Business Day on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (i) of Section 902 of the Master Indenture (hereinafter defined), the payment of interest and principal or Redemption Price shall be made by the Paying Agent (hereinafter defined) to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the Registered Owner of this Bond. Any payment of principal, or Redemption Price shall be made only upon presentation hereof at the designated office of U.S. Bank National Association, located in Orlando, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"). Payment of interest shall be made by check or draft or by wire transfer to the Registered Owner set forth above if such owner requests payment by wire transfer in writing on or prior to the regular record date for the respective interest payment to such account as shall be specified in such request, but only if the Registered Owner set forth above owns not less than \$1,000,000 in aggregate principal amount of the 2006 Bonds or all of the then Outstanding 2006 Bonds, as defined below. Interest on this Bond will be computed on the basis of a 360-day year of twelve 30-day months.

INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON AND THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE AUTHORIZING THE ISSUANCE OF THE 2006 BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE 2006 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE 2006 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE 2006 PLEDGED REVENUES AND THE 2006 PLEDGED FUNDS PLEDGED TO THE 2006 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the resolutions of the District to happen, exist and be performed precedent to and in the issuance of this Series 2006 Bond and the execution of the Indenture, have happened, exist and have been performed as so required. This Series 2006 Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the Certificate of Authentication endorsed hereon.

IN WITNESS WHEREOF, Myrtle Creek Improvement District has caused this Series 2006 Bond to bear the signature of the Chairman of its Board of Supervisors and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Assistant Secretary to the Board of Supervisors.

MYRTLE CREEK IMPROVEMENT DISTRICT

[SEAL]

By: _____ Chairman, Board of Supervisors

ATTEST:

By: _____ Assistant Secretary to Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This Series 2006 Bond is one of the Bonds of the Series designated herein, described in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Registrar

By: _____
Authorized Signatory

Date of Authentication: _____

This Series 2006 Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes, as amended, and other applicable provisions of law and pursuant to the Indenture, executed counterparts of which Indenture are on file at the designated office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of 2006 Bonds, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, and Redemption Price of, and the interest on, the 2006 Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Series 2006 Assessments (as defined in the Indenture), the terms and conditions under which the 2006 Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Indenture and the rights of the Registered Owners and Beneficial Owners of the 2006 Bonds, and, by the acceptance of this Series 2006 Bond, the Registered Owner and Beneficial Owners hereof assents to all of the provisions of the Indenture. Terms not otherwise defined herein shall have the meaning ascribed to them in the Indenture. The 2006 Bonds are equally and ratably secured by the 2006 Trust Estate, without preference or priority of one 2006 Bond over another. Pursuant to the Indenture the District has covenanted not to issue or incur any obligations payable from the 2006 Trust Estate other than Refunding Bonds issued in accordance with the provisions of the Master Indenture. The District or other governmental entities may, however, impose and levy assessments or ad valorem taxes payable on a parity with the Series 2006 Assessments securing the 2006 Bonds.

The 2006 Bonds are issuable only as registered bonds without coupons in current interest form in denominations of \$5,000 or any integral multiple thereof (an "Authorized Denomination"). The 2006 Bonds are issued initially in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof. This Series 2006 Bond is transferable by the Registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Trustee in Orlando, Florida as Bond Registrar (the "Bond Registrar"), upon surrender of this Series 2006 Bond, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory to the Bond Registrar, subject to such reasonable regulations as the District or the Bond Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new 2006 Bond or 2006 Bonds, in the same aggregate principal amount and of the same series as the 2006 Bond or 2006 Bonds transferred, will be issued to the transferee. At the corporate trust office of the Bond Registrar in Orlando, Florida, in the manner and subject to the limitations and conditions provided in the Indenture and without cost, except for any tax or other governmental charge, 2006 Bonds may be exchanged for an equal aggregate principal amount of 2006 Bonds of the same maturity and series, in Authorized Denominations and bearing interest at the same rate or rates.

The District has established a book-entry system of registration for the 2006 Bonds. Except as specifically provided otherwise in the Indenture, an agent will hold this Series 2006 Bond on behalf of the beneficial owner hereof. By acceptance of a confirmation of purchase, delivery or transfer, the beneficial owner of this Series 2006 Bond shall be deemed to have agreed to such arrangement.

(01000904;6)

B-4

(01000904;6)

B-5

Optional Redemption

The Series 2006 Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part at any time on or after May 1, 2016 (less than all Series 2006 Bonds to be selected by lot), at the Redemption Price of the principal amount of the Series 2006 Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date:

Mandatory Redemption

The Series 2006 Bonds are subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2006 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the Redemption date, on May 1 of the years and in the principal amounts set forth below.

Year	Amortization Installment	Year	Amortization Installment
2008	\$495,000	2023	\$1,080,000
2009	520,000	2024	1,135,000
2010	550,000	2025	1,200,000
2011	580,000	2026	1,260,000
2012	610,000	2027	1,330,000
2013	640,000	2028	1,400,000
2014	675,000	2029	1,475,000
2015	710,000	2030	1,555,000
2016	750,000	2031	1,635,000
2017	790,000	2032	1,725,000
2018	835,000	2033	1,815,000
2019	875,000	2034	1,915,000
2020	925,000	2035	2,015,000
2021	975,000	2036	2,125,000
2022	1,025,000	2037*	2,235,000

*Maturity

Upon redemption or purchase of the Series 2006 Bonds (other than redemption in accordance with scheduled Amortization Installments), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so that Debt Service on such Series 2006 Bonds is amortized in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of such Series 2006 Bond (the annual principal amounts so determined are hereinafter referred to as the "Aggregate Amortization Installments"). The Amortization Installments as so recalculated shall not result in an increase in Aggregate Amortization Installments in any year.

Extraordinary Mandatory Redemption

The Series 2006 Bonds are subject to extraordinary mandatory redemption prior to scheduled maturity, in whole on any date or in part on any Interest Payment Date, and if in part by lot in the manner determined by the Bond Registrar and as otherwise provided in the Indenture, at the Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the redemption date, if and to the extent that any one or more of the following shall have occurred:

- (i) On or after the Date of Completion of the 2006 Project and after payment of all Deferred Costs, by application of moneys transferred from the 2006 Acquisition and Construction Account to the Prepayment Subaccount of the 2006 Redemption Account in accordance with the terms of the Indenture; or
- (ii) Amounts are deposited into the Prepayment Subaccount of the 2006 Redemption Account from the Prepayment of Series 2006 Assessments; or
- (iii) When the amount on deposit in the 2006 Reserve Account, together with other moneys available therefor are sufficient to pay and redeem all Series 2006 Bonds then Outstanding as provided in the Supplemental Indenture.

Except as otherwise provided in the Indenture, if less than all of the 2006 Bonds subject to redemption shall be called for redemption, the particular such 2006 Bonds or portions of such 2006 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Indenture.

Notice of each redemption of 2006 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date to each Registered Owner of 2006 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the 2006 Bonds or such portions thereof so called for redemption shall become due and payable at the Redemption Price provided for the redemption of such 2006 Bonds or such portions thereof on such date, interest on such 2006 Bonds or such portions thereof so called for redemption shall cease to accrue, such 2006 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 2006 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

The Owner of this Series 2006 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.

(01000904;6)

B-6

(01000904;6)

B-7

In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the 2006 Bonds then Outstanding under the Indenture may become and may be declared due and payable before the stated maturity thereof, with the interest accrued thereon.

Modifications or alterations of the 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 2006 Bond which remain unclaimed for two (2) years after the date when such 2006 Bond has become due and payable, either at its stated maturity date or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such 2006 Bond became due and payable, shall be paid to the District, and thereupon and thereafter no claimant shall have any rights against the Trustee or Paying Agent to or in respect of such moneys.

If the District deposits or causes to be deposited with the Trustee funds or Federal Securities (as defined in the Indenture) sufficient to pay the principal or Redemption Price of any 2006 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 2006 Bonds as to the 2006 Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

This Series 2006 Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida.

This Series 2006 Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

CERTIFICATE OF VALIDATION

This Series 2006 Bond is one of a Series of Bonds which were validated by judgment of the Circuit Court in and for Orange County, Florida, rendered on March 6, 2006.

MYRTLE CREEK IMPROVEMENT DISTRICT

By: _____
Chairman, Board of Supervisors

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

{01000904,6}

B-8

{01000904,6}

B-9

[FORM OF ABBREVIATIONS FOR SERIES 2006 BONDS]

The following abbreviations, when used in the inscription on the face of the within Series 2006 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 tenant by the entireties
- JT TEN as joint tenants with the right of survivorship and not as tenants in common
- UNIFORM TRANS MIN ACT - _____ Custodian _____ under Uniform Transfers to Minors Act _____ (State)

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

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Series 2006 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said Series 2006 Bond on the books of the District, with full power of substitution in the premises.

[THIS PAGE INTENTIONALLY LEFT BLANK]

Date: _____

Social Security Number of Employer _____

Identification Number of Transferee: _____

Signature guaranteed: _____

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Series 2006 Bond in every particular without alteration or any change whatever.

By: _____
Authorized Signatory

{01000904,6}

B-10

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B
FORM OF OPINION OF BOND COUNSEL

[THIS PAGE INTENTIONALLY LEFT BLANK]



Fort Lauderdale
Jacksonville
Los Angeles
Madison
Miami
New York
Orlando
Tallahassee
Tampa
Tysons Corner
Washington, DC
West Palm Beach

420 South Orange Avenue
Suite 1200
Orlando, Florida 32801-4904

Post Office Box 231 *mail*
Orlando, Florida 32802-0231

www.akerman.com

407 423 4000 *tel* 407 843 6610 *fax*

Upon delivery of the Series 2006 Bonds in definitive form, Akerman Senterfitt, Bond Counsel, proposes to render its opinion with respect to such Series 2006 Bonds in substantially the following form:

[Date of Delivery]

Board of Supervisors
Myrtle Creek Improvement District

**\$34,855,000 MYRTLE CREEK IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2006A**

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Myrtle Creek Improvement District (the "Issuer") of its Special Assessment Revenue Bonds, Series 2006A (the "Series 2006 Bonds"), pursuant to the Constitution and laws of the State of Florida, including particularly Chapter 190, Florida Statutes, as amended (the "Act"), Resolution No. 2006-02 of the Issuer, as supplemented (the "Resolution"), and a Master Trust Indenture dated as of December 1, 2006, as supplemented by a First Supplemental Trust Indenture dated as of December 1, 2006, both between the Issuer and U.S. Bank National Association as Trustee (collectively, the "Indenture"). Any capitalized undefined term used herein shall have the same meaning as such term has under the Indenture.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Indenture and in the certified proceedings and other certifications of

public officials furnished to us, without undertaking to verify the same by independent investigation.

Reference is made to the opinion of even date herewith of Hopping Green & Sams, P.A., Counsel to the Issuer, on which we have solely relied, as to the due creation and valid existence of the Issuer, the due authorization, execution and delivery of the Indenture and the Series 2006 Bonds by the Issuer and the due adoption of the Resolution and other resolutions of the Issuer.

We have also relied upon the findings in the Final Judgment Validating Bonds rendered by the Circuit Court of the 9th Judicial Circuit in and for Orange County, Florida on March 6, 2006. Reference is also made to the opinion of even date herewith of counsel to the Trustee, on which we have relied, as to the due authorization and execution of the Indenture by the Trustee and of the enforceability of the Indenture against the Trustee.

In addition to the foregoing, we have examined and relied upon such other agreements, certificates, documents and opinions submitted to us, including certifications and representations of public officials and other officers and representatives of the various parties participating in this transaction, as we have deemed relevant and necessary in connection with the opinions expressed below. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in such agreements, certificates, documents, representations and opinions submitted to us and have relied solely on the facts, estimates and circumstances described and set forth therein.

In our examination of the foregoing, we have assumed the genuineness of the signatures on all documents and instruments, the authenticity of documents submitted as originals, the conformity to originals of documents submitted as copies and the legal capacity of all natural persons.

The scope of our engagement in relation to the issuance of the Series 2006 Bonds has been limited solely to the examination of facts and law incident to rendering the opinions expressed herein.

This opinion should not be construed as offering material or an offering circular, prospectus or official statement and is not intended in any way to be a disclosure statement used in connection with the sale or delivery of the Series 2006 Bonds. Furthermore, we are not passing on the accuracy or sufficiency of any CUSIP numbers appearing on the Series 2006 Bonds. In addition, we have not been engaged to and, therefore, do not express any opinion as to compliance by the Issuer with any federal or state statute, regulation or ruling with respect to the sale and distribution of the Series 2006 Bonds.

Neither the Series 2006 Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the Issuer within the meaning of the Constitution and laws of Florida. The Series 2006 Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the Issuer or a lien upon any property of the Issuer other than as provided in the Indenture. No owner of the Series

2006 Bonds or any other person shall ever have the right, directly or indirectly, to require or compel the exercise of any ad valorem taxing power of the Issuer or any other public authority or governmental body to pay the principal of or interest and premium, if any, on the Series 2006 Bonds or to pay any other amounts required to be paid pursuant to the Indenture or the Series 2006 Bonds.

The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

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

1. The Issuer has been duly created and validly exists as a community development district under the Act.

2. The Indenture has been duly authorized and executed by the Issuer and constitutes a valid and binding obligation of the Issuer. The Indenture creates the valid pledge which it purports to create of the 2006 Trust Estate in the manner and to the extent provided therein.

3. The Series 2006 Bonds have been duly authorized, executed and delivered by the Issuer and are valid, binding, and enforceable special obligations of the Issuer, payable solely from the sources provided therefore in the Indenture.

4. The interest on the Series 2006 Bonds is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinions set forth in the immediately preceding sentence are subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, and the regulations thereunder (the "Code"), that must be met or satisfied in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure of the Issuer to comply with such requirements may cause the inclusion of interest on the Series 2006 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2006 Bonds. Other provisions of the Code may give rise to adverse federal income tax consequences to particular holders of the Series 2006 Bonds. The scope of this opinion is limited to the matters addressed above and we express no opinion regarding other federal tax consequences arising with respect to the Series 2006 Bonds.

In rendering the opinion expressed above, we have assumed continuing compliance with the tax covenants referred to above that must be met after the issuance of the Series 2006 Bonds in order that interest on the Series 2006 Bonds not be included in gross income for federal income tax.

5. Pursuant to the Act, the Series 2006 Bonds and the interest paid thereon are exempt from all taxes imposed by the State of Florida except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes.

It is to be understood that the rights of the owners of the Series 2006 Bonds and the enforceability of the Series 2006 Bonds and the Indenture may be subject to (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other similar statutes, rules, regulations, or other laws affecting the enforcement of creditor's rights and remedies generally and (b) the unavailability of, or limitation on the availability of, a particular right or remedy (whether in a proceeding in equity or at law).

Our opinions expressed herein are predicated upon present law, (and interpretations thereof) facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws (and interpretations thereof), facts or circumstances change after the date hereof.

Very truly yours,

AKERMAN SENTERFITT

APPENDIX C
ENGINEER'S REPORT

[THIS PAGE INTENTIONALLY LEFT BLANK]

*ENGINEER'S REPORT FOR
CAPITAL IMPROVEMENTS FOR INFRASTRUCTURE*

MYRTLE CREEK IMPROVEMENT DISTRICT

*October 10, 2005
Revised February 20, 2006
Revised June 19, 2006*

*FOR
MYRTLE CREEK IMPROVEMENT DISTRICT
ORLANDO, FLORIDA*

BY:

*DONALD W. McINTOSH ASSOCIATES, INC.
2200 PARK AVENUE NORTH
WINTER PARK, FL 32789*

*Adopted 06/19/06
at CDD Meeting*

MYRTLE CREEK IMPROVEMENT DISTRICT
CAPITAL IMPROVEMENTS FOR INFRASTRUCTURE

I. BACKGROUND

The Myrtle Creek Improvement District Project is an approximately 1,087 acre development program. Lake Nona Land Company, LLC currently owns a majority of the property within the district and will act as the Master Developer of the Project. In addition, the Myrtle Creek Improvement District (District) has been created as a unit of special purpose government to finance (and possibly operate and maintain) certain public infrastructure improvements described herein. This report has been prepared at the request of the District.

The project site is generally located east of Boggy Creek Road, south of the existing Lake Nona Estates development, west of Narcoosee Road, and north of State Road 417 (Eastern Beltway) in the City of Orlando, Florida. The lands within the District are currently part of the existing Lake Nona Planned Development approved by the City of Orlando at a City Council meeting. The City approved Planned Development Program includes development of 145,800 square feet (sq.ft.) of retail development; 250 hotel rooms, 1,621 single-family detached residential units and 1,114 single-family and multi-family attached dwelling units; the potential for an 18-hole golf course; 16.2 acres of civic facilities including the potential for one elementary school and other community facilities (churches, library, etc.)

The Myrtle Creek Improvement District has recently submitted and received approval of a petition to amend its District boundaries to the City of Orlando, Florida. The Capital Improvements included herein reflect those improvements within the approved District boundary.

Of the approximately 1,087 gross acres of property, approximately 1,070 acres are considered developable areas. Minor revisions to the currently contemplated development program can be implemented if consistent with the City approved

**Myrtle Creek Improvement District
Capital Improvements for Infrastructure
Page 2**

Planned Development Program. Ultimate build-out is presently expected to occur over a fifteen (15) year period.

This Engineer's Report for Capital Improvements has been prepared to assist with the financing of the capital improvements contemplated to be constructed, acquired and/or installed for the development by the District.

The capital improvements reflected in this Report represent the present intentions of the Developer and the District. The implementation of any improvements discussed in this plan requires the final approval by many regulatory and permitting agencies including the City of Orlando. The actual improvements may vary from the capital improvements in this report. This report, therefore, may be amended from time to time.

Cost estimates contained in this report have been prepared based on the best available information at this time. The actual costs of construction, final engineering design, planning, approvals and permitting may vary from the cost estimates presented.

II. OBJECTIVE

This Engineer's Report for Capital Improvements has been prepared to assist with the financing and construction of various necessary public infrastructure required to develop and provide safe and adequate access, utilities, parks, etc. within the Myrtle Creek Improvement District. This report will present a narrative description of the major components included within the infrastructure systems and present Engineer's estimates of costs for completing the District related improvements necessary to support the development project.

III. EXISTING DISTRICT ACTIVITIES

The Myrtle Creek Improvement District has entered into agreements with the Boggy Creek and Greenway Improvement Districts to assist with the funding of a major roadway interchange project on State Road 417 (Eastern Beltway) needed to serve the project. These improvements are currently being funded by the Developer by means of a developer funding agreement between the parties.

The Boggy Creek Improvement District has entered into a contract with the Developer to undertake these activities. The Developer, in turn has contracted with John Carlo Construction for completion of this work.

IV. TRANSPORTATION (Roadway) IMPROVEMENTS

As outlined in the Lake Nona Planned Development Ordinance, a series of roadway improvements are required to develop the project. The primary roadway improvements include approximately fifteen thousand one hundred forty (15,140) linear feet of road and will define the major ingress and egress points throughout the development as well as serve as the collector road to support future residential, commercial, and support development.

The roadway included in the primary infrastructure includes the major boulevard necessary to provide safe and adequate access to the lands within the District. A graphic depiction of this primary roadway is set forth in Exhibit "A". In addition, one offsite roadway improvement is envisioned which includes intersection improvement connecting to Narcoosee Road in the northeast corner of the development property.

The boulevard roadway is proposed to be constructed utilizing four lanes of asphalt concrete surface and bicycle lanes included therein, and completed with curb sections and sidewalks. The roadway will be landscaped and will have a landscaped median.

An allowance has been included to acquire the right-of-way required to construct the necessary roadway improvements. The actual value of the right-of-way will be determined by appraisal and approved by the Board of Supervisors prior to acquisition.

V. POTABLE WATER, SANITARY SEWER & RECLAIMED WATER FACILITIES

The project's potable water distribution system will include a series of interconnected and looped water mains that run from the southwest corner of the developed property connected to an extension of the major distribution system from the existing Orlando Utilities Commission Water Treatment Plant, through the primary roadway corridor hereinbefore described and connecting to the extreme boundaries of the property on Narcoosee Road. The potable water distribution system will serve as a source for distributing potable water and fire protection water to all of the development within the project.

The project's reclaimed water distribution system will include a series of interconnected and looped reclaimed water mains that run from the southwest corner of the developed property connected to an extension of the major distribution system from the existing City of Orlando Conserv II reclaimed water system. Like the potable water mains the reclaimed water mains will run through the primary roadway corridor hereinbefore described and connected to the extreme boundaries of the property. The reclaimed water distribution system will serve as a source for distributing non-potable (irrigation) water to all of the development within the project.

The development project's sanitary sewer system includes a network of gravity collection systems, wastewater lift stations, and sanitary force mains connecting to existing facilities located on the southwest portion of the project adjacent the Eastern Beltway that are currently owned and operated by the City of Orlando. These sanitary sewer facilities will act as the collection, transmission and distribution systems for development of the project. All sanitary sewer facilities will be constructed within the primary roadway infrastructure identified in Exhibit "A".

VI. ELECTRICAL DUCT BANK

The infrastructure roadway corridor will accommodate a plastic pipe duct bank system. This duct bank system will enable the efficient distribution of electric power to the development. The proposed duct bank system will run within the right-of-way or easements established for the roadway corridor and be placed as part of the initial roadway construction to significantly limit the amount of disruption required to provide these needed services to the development project as construction progresses. Offsite connections to the Orlando Utilities Commission transmission facilities will occur around the project boundary at strategic locations. The District may finance the cost of undergrounding such facilities.

VII. STORMWATER MANAGEMENT FACILITIES

To enable development of the public infrastructure improvements required for the development project, a site-wide master stormwater management facility will be implemented. This master stormwater management system will consist of a series of surface water retention / detention ponds enabling treatment and attenuation of stormwater runoff from the developed improvements. In addition, a series of interconnected stormwater management facilities (roadway inlets, collector pipes,

manholes, etc.) constructed within the proposed infrastructure roadways will connect the development roadway systems and other surrounding development to the master stormwater management system. The entire stormwater management system will also include a series of special control structures, pipes, weirs, and necessary flow diversion structures in accordance with the regulatory criteria established and mandated by the South Florida Water Management District and the City of Orlando.

An allowance has been included to acquire the stormwater management area tracts required to construct the necessary improvements. The actual value of the stormwater management area tracts will be determined by appraisal and approved by the Board of Supervisors prior to acquisition.

VIII. RECREATION FACILITIES AND AMMENITIES

One of the major components of creating a community is the implementation of special common area and recreation facility improvements. The proposed development plan for the project includes the creation of several special amenities and "places" which will help create a sense of community. These areas include park facilities and select land clearing, wetland edge cleaning, specially designed light and street sign poles, sidewalks adjacent to common areas, bus shelters, benches, perimeter landscaping, buffers, and irrigation systems. Also included in the common area development budget are certain portions of streetscape and hardscape improvements that will be implemented to tie together the overall development community. Costs associated with each part are outlined later in this report.

IX. DESIGN / PERMITTING AND CONTINGENCY

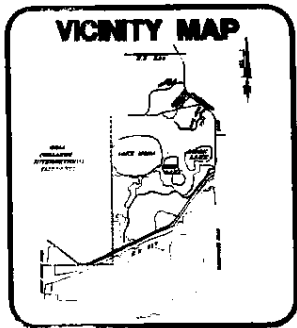
Design costs associated with each of the improvements hereinbefore described have been estimated and included in the estimates that follow. Other soft costs include portions of the surveying, design and engineering for all of the described work,

regulatory permitting, environmental consulting and materials testing. Some observation during construction will be required to assure the site is maintained in a safe and secure manner until sufficient infrastructure is in place to allow for local by, the appropriate jurisdictional or regulatory agency. A project contingency estimate has also been included.

X. COST ESTIMATES FOR DEVELOPMENT IMPROVEMENTS

A summary of the Engineer's estimated construction costs is included in Table 1. A listing of the entity expected to receive the dedication of various improvements with the responsibility for operation and maintenance is included in Table 2.

MIRILE CREEK IMPROVEMENT DISTRICT



Institutional
(OUC Water
Plant Site)

OUC POWER CASSEMENT

LAKE NONA

RED LAKE

BUCK LAKE

MARCOSSEE RD

MIRILE CREEK

MARCOSSEE ROAD

REED IMPROVEMENT DISTRICT

SPELHEWAS IMPROVEMENT DISTRICT

EXHIBIT "A"

TABLE 1

**ENGINEER'S OPINION OF PROBABLE COST
MYRTLE CREEK IMPROVEMENT DISTRICT SUMMARY SHEET
28-Oct-05**

COMPONENT		TOTAL
Roadway & Stormwater Improvements	\$	15,940,000.00
Utilities	\$	4,000,000.00
Electric / Lighting	\$	2,250,000.00
Landscape and Irrigation	\$	6,660,000.00
Contingency & Soft Costs	\$	4,650,000.00
GRAND TOTAL:	\$	33,500,000.00

TABLE 2

MYRTLE CREEK IMPROVEMENT DISTRICT DISTRICT CONSTRUCTED SYSTEM-DEDICATION SUMMARY

<u>DISTRICT CONSTRUCTED SYSTEM</u>	<u>OPERATION AND MAINTENANCE ENTITY</u>
Public Roadways	City of Orlando
Potable Water	Orlando Utilities Commission
Sanitary Sewer	City of Orlando
Reclaimed Water	City of Orlando
Stormwater	District / City of Orlando
Duct Bank	Orlando Utilities Commission
Common Areas	Myrtle Creek Improvement District
Parks and Recreation	City of Orlando

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

**MASTER ASSESSMENT METHODOLOGY AND SUPPLEMENTAL ASSESSMENT
METHODOLOGY REPORT**

[THIS PAGE INTENTIONALLY LEFT BLANK]

MASTER ASSESSMENT METHODOLOGY REPORT FOR THE MYRTLE CREEK IMPROVEMENT DISTRICT

Updated May 24, 2006

Prepared for

**Board of Supervisors
Myrtle Creek Improvement District**

Prepared by

**Fishkind & Associates, Inc.
11869 High Tech Avenue
Orlando, Florida 32817
407-382-3256**

MASTER ASSESSMENT METHODOLOGY MYRTLE CREEK IMPROVEMENT DISTRICT

Updated May 24, 2006

1.0 Introduction

1.1 Purpose

This report (“Report”) provides a methodology for allocating the debt incurred by the Myrtle Creek Improvement District (“District” or “Myrtle Creek”) to provide public infrastructure and related public improvements to properties in the District and outside the District to the extent authorized. These infrastructure improvements will allow the development of property. By making development of property within Myrtle Creek possible, the District creates benefits to these properties. The methodology described herein allocates the District’s debt to properties within the District based upon the benefits each receives from the infrastructure program. In this case the properties receiving benefit from the improvements include 100% of the developable land that lies within the District. As land within the District has already been platted and/or contained within a Specific Parcel Master Plan approved by the City of Orlando (“Specific Parcel Master Plan”), the District initially will impose assessments on any units contained in those plats or Specific Parcel Master Plans according to the methodology outlined in this Report. Debt remaining to be allocated will be distributed over all land within the District not contained in a plat or Specific Parcel Master Plan and not known to be owned by the City of Orlando or some other governmental entity besides the District or known to be common area owned by a Homeowner’s Association or Property Owner’s Association (“Gross Assessable Acreage”) on a per acre basis. As further parcels within the District are platted or Specific Parcel Master Plans approved, the District will continue to refine the allocation of debt based on the specific land uses platted as described more fully below.

This report is designed to conform to the requirements of Chapters 190 and 170, F.S. with respect to special assessments and is consistent with our understanding of the case law on this subject.

1.2 Background

Myrtle Creek is one of three Improvement Districts, including the Boggy Creek and Greenway Improvement Districts, which together will comprise a portion of the master-planned Lake Nona development (the

“Development”). The Development is generally located to the south of Dowden Road and to the west of Narcoossee Road north of the Osceola County line in the City of Orlando, Orange County, Florida.

The District was established to provide infrastructure for an approximately 1,087-acre portion of the Development. The Lake Nona Land Company, LLC (the “Developer”) plans for the 1,087-acre site to be developed into a mixed-use district with an estimated total of 335 medium-sized and 270 large-sized detached single-family units, 796 attached single-family “duplex” units, 174 townhomes, 44 condominiums, 1,070 multi-family units, 200 hotel rooms, 100,000 square feet of retail space, 68,000 square feet of office/clubhouse space and the potential for one 18-hole golf course. An elementary school site is also planned for Myrtle Creek, subject to the right of the Developer to relocate the school site to another portion of the Development. Any variation in land use plan from the Engineer’s Report for Capital Improvements for Infrastructure, Myrtle Creek Improvement District, Revised February 20, 2006 (the “Engineer’s Report”) results from updated land use plan information supplied by the Developer. Table 1 summarizes this development program.

TABLE 1. Development Plan for Myrtle Creek

<u>Category</u>	<u>Volume</u>	<u>Units</u>
Retail	100,000	Sq.Ft.
Office/Clubhouse	68,000	Sq.Ft.
Golf	1	18 Hole Course
Hotel	200	Rooms
SF-Medium	335	Units
SF-Large	270	Units
Duplex	796	Units
Townhome	174	Units
Condominium	44	Units
Multi-Family	1,070	Units
Elementary School	1	School

Source: Developer

1.3 Requirements of a Valid Assessment Methodology

Valid special assessments under Florida law require two things. First, the properties assessed must receive a special benefit from the improvements paid for via the assessments. Second, the assessments must be fairly and reasonably allocated to the properties being assessed.

If these two characteristics of valid special assessments are adhered to, Florida law provides some latitude to local governmental bodies, such as

the District, in approving special assessments. Indeed, Florida courts have found that mathematical perfection is probably impossible, but if reasonable people disagree on the allocation methodology the assessment will likely be upheld. Florida Courts have held that only if the District Board was to act in an arbitrary, capricious or grossly unfair fashion could the assessment methods be successfully challenged.

1.4 Special Benefits and General Benefits

Improvements undertaken by the District create both: (1) special benefits to properties within its borders and (2) general benefits to properties outside Myrtle Creek. However, as discussed below, these general benefits are incidental in nature and are readily distinguishable from the special benefits which accrue to property within the District.

The capital improvement program (“CIP”) of the District enables properties within its boundaries to be developed. Without the District’s CIP there would be no infrastructure to support development of land in the District. Furthermore, the development approval for the District requires many of these improvements. Without these improvements development of property in Myrtle Creek would be prohibited by law.

Although the general public and property owners outside Myrtle Creek will benefit from the provision of District infrastructure, these benefits are incidental to the primary benefit of the improvements. The District Infrastructure program is designed solely to meet the needs of the properties within the District. Properties outside the District do not depend upon the District’s improvement program to obtain the beneficial use of their property. This fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District’s boundaries.

1.5 Special Benefits Exceed the Costs Allocated to Pay for Them

In the case of the District the value of the special benefits provided by the CIP are far greater than the costs associated with providing these same benefits. Donald W. McIntosh Associates, Inc. (the “District Engineer”) has prepared the Engineer’s Report which contains CIP cost estimates for the District. Fishkind & Associates, Inc., as the District’s financial advisor (“Financial Advisor”) has examined the CIP cost estimates in the Engineer’s Report and determined that the District’s portion of the CIP necessary to support full development of property within the District is \$43,175,000 on a fully financed basis. The Financial Advisor estimates that the increase in the net market value of the land within the District after the improvements are put in place will greatly exceed the cost of the improvements described herein. It is the CIP, among other things, that

makes it possible to develop and sell the land within its boundaries.

2.0 Assessment Methodology

2.1 Overview

As noted above, the assessment methodology is a process by which the District will allocate the costs associated with its CIP to properties within the District benefiting from the improvements. The allocation is based upon the benefits that each property receives. At the outset, the District has based its CIP on the land uses planned by the Developer as outlined above in Table 1. As land within the District has already been platted and/or contained within a Specific Parcel Master Plan, the District will initially assign assessments to any units contained within a plat or Specific Parcel Master Plan. Any debt remaining to be allocated will be distributed on a per-acre basis over all the Gross Assessable Acreage remaining in the District. As further parcels are platted or Specific Parcel Master Plans approved, the District will continue to refine the allocation of debt based on the specific land uses platted or contained in a Specific Parcel Master Plan as described more fully below.

The cost estimates used in the assessment methodology are based on the CIP estimates provided by the District Engineer. Since actual costs may vary from the estimates, the actual figures may change as additional information becomes available. Furthermore, the development program may also vary from the plan outlined in Table 1 above. However, the information provided here is the best available at this time, and assumes that the trips for the development program will be available when required.

There is one important provision. The debt per acre in any parcel on the land that remains undeveloped is not allowed to increase above its ceiling level set at the time each series of Bonds are issued. This requirement will be tested at four intervals based upon the percentage of acres that are developed. The intervals are at 25%, 50%, 75% and 90% acres developed.

The test works as follows. The ceiling debt level is set whenever debt is issued. The ceiling is equal to the amount of debt outstanding divided by the total number of acres. If the ceiling debt level per acre is \$100, the plat or Specific Parcel Master Plan presented to the District at each of the intervals outlined above must demonstrate that the debt on the acres remaining after the plat or Specific Parcel Master Plan is at or below \$100 per acre. If the debt per acre exceeds the ceiling level, the District will require a density reduction payment from the Developer/landowner based on the anticipated True-Up Agreement(s) so that the ceiling debt level per acre is not exceeded. This concept's application to Myrtle Creek is

explained in more detail at Section 2.5.

2.2 The District’s Capital Improvement Program and the District Engineer’s Estimate of Cost

Based upon the land use plan created by the Developer (summarized in Table 1), the District Engineer has generated the CIP for the infrastructure needed to support the District. The cost estimates are summarized in Table 2 below. The District Engineer estimates a total project cost of approximately \$33,500,000. This estimate excludes financing costs and any allowance for inflation.

Table 2. District Engineer’s Estimated Costs for The District’s Capital Improvement Program

<u>District Infrastructure</u>	<u>Current Budget</u>
Roadways and Stormwater Management	\$15,940,000
Utilities	\$4,000,000
Landscape and Irrigation	\$6,660,000
Electric/Lighting	\$2,250,000
Contingency & Soft Costs	\$4,650,000
	=====
Totals	\$33,500,000

Source: District Engineer

2.3 Financing Plan

The District plans to finance its CIP by issuing one or more series of bonds and the Financial Advisor has estimated a financing program to provide the funds needed to carry out the CIP. The financing plan estimated for purposes of this Report includes two series of District Infrastructure Indebtedness, with issuances estimated to occur in 2006 and 2008 to timely fund the CIP. Table 3 provides a summary of the estimated financing program needed to fund the costs projected by the District Engineer including the costs associated with financing the CIP via special assessment bonds. If the District decides to finance the CIP by issuing more or less than the two series of bonds estimated herein, the methodology outlined in this Report will be applied to the circumstances of the District’s actual financing plan in one or more supplemental assessment methodology report.

[The balance of this page left intentionally blank.]

Table 3. Myrtle Creek Improvement Financing Program

District Infrastructure	2006 Costs	Series 2006	Series 2008	Total
Construction fund	\$33,500,000	\$18,760,000	\$14,740,000	\$33,500,000
Capitalized interest		\$2,515,023	\$2,752,983	\$5,268,006
Debt Service Reserve		\$1,676,682	\$1,376,492	\$3,053,174
Underwriter's discount		\$355,650	\$291,975	\$647,625
Cost of issuance		\$400,000	\$300,000	\$700,000
Rounding		\$2,645	\$3,550	\$6,195
		=====	=====	=====
Total		\$23,710,000	\$19,465,000	\$43,175,000

To fund the CIP, the District plans to issue its Special Assessment Revenue Bonds in one or more series, in the total amount of approximately \$43,175,000 (collectively the “Bonds”). From the proceeds of the estimated two series of Bonds outlined above, it is estimated that approximately \$33,500,000 would be deposited into the District’s construction fund.

As shown in Table 3 above, the Bonds also fund the debt service reserve, capitalized interest, and the costs of issuance. The debt service reserve is required by prospective bond purchasers, and it is expected to be set initially at the lesser of maximum annual debt service, 10% of the proceeds of the bonds, or 125% of average annual debt service. The capitalized interest funds interest that is payable during the construction period as well as the period between the time that the project infrastructure is completed and portions of the District as outlined in Table 1 are finished and included on the tax rolls of the local governments. Interest on the Bonds is estimated at a rate of 5.75%. The underwriter’s discount is assumed at 1.5% of the principal amount of the Bonds. This allowance pays the underwriter for taking the risks involved in purchasing the District’s Bonds. The estimated costs of issuance pay for the services of the trustee, Financial Advisor, district counsel, bond counsel, and other costs associated with issuing the District’s bonds.

The cost estimates for the District’s CIP were presented above in Table 2 and the financing program needed to generate the construction funds was displayed in Table 3. As described in those tables, the District’s portion of the CIP has an estimated cost of \$33,500,000. The District will provide funding for this construction requirement by issuing up to \$43,175,000 in Bonds. To properly allocate the cost for the CIP to each project component, the construction costs must be increased to reflect each improvement’s allocation of the contingency and soft cost estimates and the costs of using Special Assessment Bond financing. As can be seen

above in Table 2, the District Engineer estimated that the roadway and stormwater management components of the CIP would together cost \$15,940,000 (without accounting for the additional costs of financing the improvements). In order to reasonably allocate the expected costs of the two components to properties according to the benefit received by the properties from the improvements, the District Engineer further split the costs allocated to each of the roadway and stormwater management components of the CIP. The estimated stormwater management costs were then combined with the estimated landscape, irrigation and electric/lighting costs (as properties generally benefit from each of these components in the same proportion). The cost of the CIP as financed is shown in Table 3 above. Table 4 breaks down the total estimated construction costs of each type of infrastructure in the CIP including the allocable amount of a contingency estimate, soft costs, and the expenses associated with financing the CIP.

Table 4. Projected Capital Improvement Program Including the Costs Associated with Bond Financing

<u>Public Infrastructure</u>	<u>Costs as Financed</u>
Roadways	\$20,412,721
Utilities	\$5,986,135
Stormwater Management, Landscape, and Irrigation	\$13,408,943
Electric/Lighting	\$3,367,201
	=====
	\$43,175,000

The costs shown in Table 4 reflect the total estimated construction costs for the District Infrastructure improvements. This Infrastructure is actually designed and will operate as a consistent system serving all of the developable property in Myrtle Creek. For example, the roadway system, regardless of when a specific section of roadway is constructed, will benefit all of the developable property in the District. This pattern is also true for all of the other major infrastructure systems comprising the master portion of the CIP.

Therefore, the most equitable methodology is to utilize the systems approach. As discussed below, the benefits flowing from the CIP are viewed on a systems basis and are allocated systematically to all benefiting properties regardless of when the properties are planned to be constructed. In this way, similar properties receiving similar benefits will be allocated the same amount of debt. For example, if the total cost of an infrastructure system totals \$10, and if these costs were allocable equally to 10 acres of property, the allocation would be \$1 per acre.

The exact nature and precise location of all of the development that will occur in the Development is unknown at this time, and it is only determined at the time of actual platting or Specific Parcel Master Plan approval. To ensure that the total cost of the District Infrastructure benefiting all of the property uses within Myrtle Creek is allocated fairly, assessments will be applied on a rolling basis (assessments will be assigned as land is contained within a plat or Specific Parcel Master Plan).

2.4 Allocation to Benefiting Properties – The Assessment Methodology

The discussion offered below illustrates the process by which the District will allocate debt incurred to institute the CIP. The District may incur approximately \$43,175,000 of total debt to fund its CIP. This debt will be fully secured by special assessments allocated to properties in the District based on and proportional to the benefits that each property land use receives from the CIP. The property planned to contain the school site will not be subject to special assessments pursuant to Florida Statute 170.201(2). Similarly, any fire station site, roadway, or any other site owned by a government entity will not be assessed. Public areas such as parks will also not be assessed. Common area parks and/or open space within the District owned by a Property Owner's Association or Homeowner's Association ("POA/HOA") that serves a portion of the landowners in the District will also not be assigned a special assessment. A typical POA/HOA will not generate any income other than assessments or amenity fees collected from the appropriate landowners within the District. Thus, any special assessment levied on POA/HOA property to fund the District's CIP would likely be passed on by the POA/HOA to the class of landowners required to join the POA/HOA. As this would create an inequitable double assessment on the POA/HOA members, the POA/HOA property will not receive a special assessment.

As noted above, as long as two basic principles are adhered to, Florida law allows the District Board some latitude in determining the appropriate methodology to allocate the costs of its CIP to benefiting properties in the District. The two principles are: (1) the properties being assessed must receive a special benefit from the CIP and (2) the assessments allocated to each property must be fairly and reasonably apportioned among the benefiting properties. In allocating special assessment costs to benefiting property, Florida governments have used a variety of methods including, but not limited to, front footage, area, trip rates, equivalent residential units, dwelling units, acreage, and value.

The issue of special benefit was discussed in detail in Sections 1.4 and 1.5 above. Thus, the focus in the remainder of this section is on fair and reasonable apportionment of the indebtedness the District plans to incur to fund its CIP. Table 5 shows the methods used to allocate the costs of the

CIP to benefiting properties. First, the costs for the District’s roadway improvements are primarily allocated to residential and commercial properties based on the trip generation figures assigned to each land use by Glatting Jackson Kercher Anglin Lopez Rinehart, Inc. in their Summary of Daily and PM Peak-Hour Trip Generation (CDD Program), Myrtle Creek CDD, dated August 2, 2005. Second, the District’s utility system costs are being allocated to the system benefactors utilizing an Equivalent Residential Connection (“ERC”) measurement. These utility system cost allocations use the principles found in the Orange County ERC Determination Charge Fee Schedule for 2004 as a basis for the allocations. Third, stormwater management, landscaping, irrigation, and electric/lighting improvements are equitably allocated to benefiting properties based on the equivalent residential unit (“ERU”) concept. These aspects of the CIP benefit properties in relation to their relative size and so a cost allocation based on ERUs is appropriate.

Table 5. Allocation of District Debt for the CIP

Category	Method
Roadways	Trip Generation
Utilities	ERC
Stormwater Management, Landscape, Irrigation, and Electric/Lighting	ERU

The roadway improvements include approximately 15,140 linear feet of road that will provide ingress and egress to residents and visitors and serve as the collector roads for future development in Myrtle Creek. A planned offsite roadway includes an entry boulevard connecting to Narcoosee Road at the northeast corner of the District. Additionally, a major interchange project on State Road 417 necessary to serve the lands within the District will be partially funded by the District. The roadway costs also include any on-street parking, bicycle lanes, and sidewalks planned for the District. A particular land use’s road use frequency is accounted for when the trip generation method is used. Thus, the \$20,412,721 fully-financed cost of the District’s roadway improvements is allocated proportionately according to the estimated daily trips generated by each benefiting land use. The majority of the daily trip generation figures estimated to be produced by the land uses within the District were derived from the Institute of Transportation Engineers Trip Generation book, 7th Edition (“ITE”) as applied to the land uses by Glatting Jackson Kercher Anglin Lopez Rinehart, Inc. in their Summary of Daily and PM Peak-Hour Trip Generation (CDD Program), Myrtle Creek CDD, dated August 2, 2005 (“Trip Generation Summary”). As the land uses categories found in the Trip Generation Summary are not as detailed as the categories used in this Report, some of the trip generation rates for land use “subcategories” were estimated for allocation purposes.

As the ITE accounts for each trip to and from a destination, and many residents and other persons will often have a location within the District as a destination, we have utilized a trip generation discount factor where applicable to account for trips that are internally captured. For example, the residents within the District will visit the retail space located within the District from time to time. Each trip a resident makes to a retail unit will generate four trips according to the ITE (for leaving and returning to his or her residence and for entering and exiting the retail space). To account for all four trips when in reality only two trips were generated would result in an overstatement of the trips generated by each land use. Thus, commercial retail space has been assigned a 90% trip generation discount, office/clubhouse space has been assigned a 75% discount, the golf course has been assigned an 80% discount, and hotel rooms have been assigned a 50% discount in order to equitably account for trips generated by properties within the District. Each property use's allocation of the cost of the roadway improvements is outlined in Table 6.

[The balance of this page left intentionally blank.]

Table 6. Allocation of the Roadway Costs

<u>Category</u>	<u>Units</u>	<u>Average Trips per Unit</u>	<u>Internal Capture Discount</u>	<u>Adjusted Trips Generated</u>	<u>% Total Trips</u>	<u>Par Debt</u>
<u>Residential</u>	<u>Residences</u>	<u>Trips per Residence</u>				
SF-Medium	335	8.66*	----	2,899.89	12.60%	\$2,572,613
SF-Large	270	9.50**	----	2,565.00	11.15%	\$2,275,519
Duplex	796	8.50**	----	6,766.00	29.41%	\$6,002,403
Townhome	174	8.66*	----	1,506.21	6.55%	\$1,336,223
Condominium	44	9.43*	----	415.00	1.80%	\$368,164
MF	1,070	6.29*	----	6,730.30	29.25%	\$5,970,732
	2,689					
<u>Commercial</u>	<u>1,000 Sq.Ft.</u>	<u>Trips per 1k Sq. Ft.</u>				
Retail	100	91.75*	90%	917.49	3.99%	\$813,944
Office/Clubhouse	68	11.12***	75%	189.04	0.82%	\$167,705
	<u>Course</u>	<u>Trips per Course</u>				
Golf	1	643*	80%	128.60	0.56%	\$114,086
	<u>rooms</u>	<u>Trips per Room</u>				
Hotel	200	8.92*	50%	892.00	3.88%	\$791,331
				=====	=====	=====
Total				23,009.53	100.00%	\$20,412,721

* Based on trip generation estimates provided by Glatting Jackson Kercher Anglin Lopez Rinehart, Inc. in their Summary of Daily and PM Peak-Hour Trip Generation (CDD Program), Myrtle Creek CDD, dated August 2, 2005

** Estimated by Fishkind & Associates, Inc.

*** Obtained from the Glatting Jackson Kercher Anglin Lopez Rinehart, Inc. in their Summary of Daily and PM Peak-Hour Trip Generation (CDD Program), Greenway CDD, dated August 2, 2005

The District's utility system costs as financed total \$5,986,135 and will fund, in part, the construction of a series of interconnected and looped water mains connecting to an extension of the major distribution system from the existing Orlando Utilities Commission Water Treatment Plant. This water distribution system serves to deliver potable water and fire protection water to the properties within the District. The costs will also fund a reclaimed water distribution system used to deliver reclaimed water to the properties within Myrtle Creek. Also allocated via ERC is the cost of the sanitary sewer facility including lift stations, gravity collection systems, and sanitary force mains that will connect to the City of Orlando's sewer system. Each property use within the District will specially benefit from the provision of potable and non-potable water as these and other improvements will allow the land to be developed, greatly increasing its value and potential for use.

These utility costs are being allocated to the system benefactors utilizing an Equivalent Residential Connection (ERC). The ERC used here is based on the principles found in the Orange County ERC Determination Charge Fee Schedule for 2004 (“Fee Schedule”). The single-family residence is used as the basis for this allocation and each is assigned an ERC of 1.0. According to the Fee Schedule, each ERC unit is estimated to account for a flow of 300 gallons per day. Utility systems that provide potable water and sanitary sewer services are sized based on the volumes expected to be generated by each type of development. A property’s usage of reclaimed water was also considered when assigning an ERC value. Table 7 illustrates the allocation of the par debt for the utility improvements to each benefactor category.

Table 7. Allocation of the Utility System Costs

<u>Land Use</u>	<u>Units</u>	<u>ERC/Unit</u>	<u>ERCs</u>	<u>% ERC</u>	<u>Par Debt</u>
<u>Residential</u>	<u>Residences</u>				
SF-Medium	335	1	335	15.70%	\$939,552
SF-Large	270	1.2	324	15.18%	\$908,701
Duplex	796	0.833	663	31.07%	\$1,859,662
Townhome	174	0.833	145	6.79%	\$406,509
Condominium	44	0.833	37	1.72%	\$102,795
MF	1070	0.4	428	20.05%	\$1,200,383
<u>Commercial</u>	<u>1,000 Sq.Ft.</u>				
Retail	100	0.5	50	2.34%	\$140,232
Office/Clubhouse	68	0.334	23	1.06%	\$63,699
	<u>Course</u>				
Golf	1	30	30	1.41%	\$84,139
	<u>rooms</u>				
Hotel	200	0.5	100	4.69%	\$280,463
			=====	=====	=====
Total			2,134	100%	\$5,986,135

Source: Fishkind & Associates, Inc. (using the Fee Schedule as a basis for calculations)

The combined stormwater management, landscaping, irrigation, and electric/lighting costs for the CIP total \$16,776,144. The District’s stormwater management system consists of water retention ponds, roadway inlets, collector pipes, manholes, and other improvements providing benefits to properties by effectively draining and dispersing stormwater runoff. The landscaping and irrigation estimates include the landscape, streetscape, hardscape, and common area improvement costs including the irrigation systems required to support such enhancements. Many of the improvements are also installed in coordination with the roadways and serve vital safety purposes. These attractive improvements will enhance the monetary values and enjoyment of the properties within

the District. The electrical/lighting costs include the undergrounding of a power lines that will eventually allow the properties within the District to use electric power and will also serve to power streetlights needed to adequately illuminate the roadways within the District. Table 9 provides the ERU amounts allocated to each type of land use planned for the District along with the costs apportioned to each land use.

The single-family residential unit is used here as the base ERU against which all other types of land use are measured. As the lot widths and intensity of usage contract from the base single-family unit, the ERU per unit is reduced as well and vice versa. The commercial retail space is allocated ERUs at the rate of 1 ERU per 2,000 square feet of building area making it similar in size to a typical single-family unit. The office/clubhouse space is allocated 1 ERU per every 2,200 square feet to reflect the reduced activity associated with this type of use when compared to retail space. The allocation of the stormwater management, landscaping, irrigation, and electric/lighting costs according to ERU is shown in Table 8.

Table 8. Allocation of the Stormwater Management, Landscaping, Irrigation, and Electric/Lighting Costs

<u>Category</u>	<u>Units</u>	<u>ERU/Unit</u>	<u>ERUs</u>	<u>% ERUs</u>	<u>Par Debt</u>
<u>Residential</u>					
SF-Medium	335	1.00	335.00	15.81%	\$2,651,686
SF-Large	270	1.25	337.50	15.92%	\$2,671,475
Duplex	796	0.90	716.40	33.80%	\$5,670,651
Townhome	174	0.95	165.30	7.80%	\$1,308,429
Condominium	44	0.95	41.80	1.97%	\$330,867
MF	1070	0.35	374.50	17.67%	\$2,964,348
<u>Commercial</u>					
	<u>1,000 Sq.Ft.</u>				
Retail	100,000	2000	50.00	2.36%	\$395,774
Office/clubhouse	68	2200	30.91	1.46%	\$244,660
	<u>Course</u>				
Golf	1	18	18.00	0.85%	\$142,479
	<u>Rooms</u>				
Hotel	200	0.25	50.00	2.36%	\$395,774
			=====	=====	=====
Community Total			2,119.41	100.00%	\$16,776,144

Source: Fishkind & Associates, Inc.

The total allocation of debt to each benefiting property in the District is the simple sum of the allocations for roads, storm water management, utilities, landscaping, and all other components of the CIP. Table 9 shows the allocations and the amounts per unit based on the land use plan. This Table becomes important as land is platted or contained in a Specific

Parcel Master Plan and assessments are levied according to each parcel's determined land use.

Table 9. Total Allocation of Debt for Myrtle Creek's CIP

<u>Residential</u> <u>Land Use</u>	<u>Residences</u> <u>Unit</u>	<u>Par Debt</u>	<u>Par/Residence</u> <u>Par/Unit</u>
SF-Medium	335	\$6,163,852	\$18,400
SF-Large	270	\$5,855,695	\$21,688
Duplex	796	\$13,532,716	\$17,001
Townhome	174	\$3,051,161	\$17,535
Condominium	44	\$801,826	\$18,223
MF	1,070	\$10,135,463	\$9,472
<u>Commercial</u>	<u>Sq.Ft.</u>		<u>Par/1k sq.ft.</u>
Retail	100,000	\$1,349,949	\$13,499
Office/clubhouse	68,000	\$476,064	\$7,001
	<u>Course</u>		<u>Par/Course</u>
Golf	1	\$340,704	\$340,704
	<u>Rooms</u>		<u>Par/Room</u>
Hotel	200	\$1,467,568	\$7,338
		=====	
Total Debt		\$43,175,000	

2.5 True-Up Mechanism

Although the District does not process plats or Specific Parcel Master Plans or distribute new tax identification numbers when subdivisions are made or Specific Parcel Master Plans approved, it does have an important role to play during the course of platting and Specific Parcel Master Plan approval. Whenever a subdivision plat is processed or a Specific Parcel Master Plan is approved, the District must allocate a portion of its debt to the newly subdivided property or property receiving Specific Parcel Master Plan according to the methodology outlined above. In addition, the District must also prevent any buildup of debt on land not yet subdivided or in receipt of Specific Parcel Master Plan. Otherwise, the land could be fully developed without all of the debt being allocated.

To preclude this, a test is conducted every time a plat is processed or Specific Parcel Master Plan is approved. As long as the plat or approved Specific Parcel Master Plan does not cause the debt on the remaining land to increase above the ceiling level then no further action is necessary. However, if the plat or Specific Parcel Master Plan does cause the debt on the remaining land to increase, then a debt reduction payment will be necessary.

The ceiling level of debt is established at the time each series of bonds is

issued. For example, it is estimated that the District will issue an initial series of bonds in the amount of \$23,710,000 to fund the District’s CIP. There are approximately 1,087 acres of land in the District. For purposes of this example, if the District initially issued \$23,710,000 in bonds and no lands within the District were contained within a plat or Specific Parcel Master Plan, and 1,042 of the 1,087 acres within the District constituted Gross Assessable Acreage (subtracting a 45.14-acre parcel dedicated to the City of Orlando as public right-of-way and lift station tracts), the ceiling level of debt for this Series 2006 Bonds would then be \$22,754 per acre.

A test is conducted at the platting and Specific Parcel Master Plan thresholds of 25%, 50%, 75% and 90% based on the percentage of acreage in the District that has been platted or included in a Specific Parcel Master Plan. The ceiling amount of debt is determined at the time any issuance of debt is closed. The ceiling amount is the ratio of the amount of unallocated debt outstanding divided by the number of acres of land for which no debt allocation has occurred as per this methodology. Table 10 provides an example of when the true-up test would be applied to determine if debt reduction payments are required if the initial series of bonds is issued in the amount of \$23,710,000, no lands within the District are contained within a plat or Specific Parcel Master Plan, and 1,042 acres within the District are considered Gross Assessable Acreage.

Table 10. Thresholds for Measuring True-Up for the 2006 Series Bonds

Category	25%	50%	75%	90%
Cumulative Acres	268	535	803	963
Unallocated Acres	803	535	268	107
Debt per Unallocated Acre	\$22,754	\$22,754	\$22,754	\$22,754

At the time of the tests, the District will determine the debt per remaining acre of land. As shown in the example in Table 10, the debt cannot exceed \$22,754 per acre for the first series of Bonds. As construction occurs and lands are included within plats and Specific Parcel Master Plans, the District will allocate to the ascertained land uses a portion of the District’s total expected debt based on the allocations outlined in Table 9 above.

2.6 Assessments are not Fixed and Determinable Until Development is Complete

The assessment methodology herein is a process by which the District will allocate debt to benefiting properties in the District. The methodology is designed to be flexible in light of the uncertainties involved in land development. The land plan displayed in Table 1 is the best information

available at this time. However, developers often change their plans to meet market demands.

It is estimated that the District will issue two series of bonds to fund its CIP. Assessments assigned at a time when all District debt has been allocated can be satisfied by a Developer and/or landowner contribution in the form of District-approved infrastructure components of the CIP and/or related interests in land. Any assessments assigned at a time when all District debt has been allocated and no future bond issuance is anticipated will be based upon each unit's allocation of the cost of the District's CIP without the costs of financing associated with issuing special assessment bonds. The District-approved contribution must have a fair market value of greater than or equal to each unit's assessment (after the assessment has been reduced by the estimated expenses involved with raising CIP construction funds by issuing bonds).

The District initially will impose assessments on any units contained in a plat or Specific Parcel Master Plan. Any debt remaining to be allocated will be distributed on a per-acre basis over all the Gross Assessable Acreage remaining in the District. As further parcels are platted or Specific Parcel Master Plans approved, the District will continue to refine the allocation of debt based on the specific land uses contained within those plats or Specific Parcel Master Plans as per Table 9 above. If and when the land use or financing plan changes, then the District will update Table 9 to reflect material changes to the land use plan.

As a result, the assessment liens are neither fixed nor are they determinable with certainty on any acre of land in the District prior to a plat or Specific Parcel Master Plan providing the final real estate product.

3.0 Tax Roll

The District includes 1,087 acres of land spread out over several tax parcels. Appendix A presents the tax identification numbers for the land within the District and the maximum par amount of debt allocated to each tax identification parcel. As property continues to be platted and Specific Parcel Master Plans continue to be approved, the land uses within those plats or Specific Parcel Master Plans will be assigned a portion of their debt for the District's infrastructure according to the "Par/Unit" amounts presented in Table 9 above.

Appendix A

Table A.1 presents the tax identification parcel numbers for the lands within the District that have been platted, contain a single land use, and have received tax identification parcel numbers. Table A.1 also presents the par allocation (according to the “Par/Unit” allocations found in Table 9) for each tax identification parcel number.

Table A.1. District Tax Roll – Tax Identification Numbers Containing a Single Land Use

<u>Parcel Id</u>	<u>Address</u>	<u>Owner</u>	<u>Unit Type</u>	<u>Principal Assessment</u>
13-24-30-8333-00-010	11811 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-020	11819 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-030	11827 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-040	11835 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-050	11843 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-060	11851 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-070	11859 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-080	11867 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-090	11875 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-100	11883 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-110	8414 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-120	8426 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-130	8438 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-140	8450 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-150	8462 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-160	8474 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-170	11814 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-180	11822 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-190	11830 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-200	11838 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-210	11846 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-220	11854 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-230	11862 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-240	11870 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-250	11878 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-260	11886 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-270	8475 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-280	8462 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-290	8451 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-300	8439 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-310	8427 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-320	8415 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-330	11907 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-340	11915 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-350	11923 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-360	11931 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-370	11939 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535

Assessment Methodology for the Myrtle Creek Improvement District

13-24-30-8333-00-380	11947 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-390	11955 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-400	11963 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-410	11971 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-420	11979 JAMES BAY DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-430	8417 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-440	8429 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-450	8441 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-460	8453 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-470	8465 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-480	8477 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-490	8418 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-500	8430 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-510	8442 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-520	8454 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-530	8466 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-540	8478 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-550	11902 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-560	11910 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-570	11918 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-580	11926 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-590	11934 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-600	11942 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-610	11950 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-620	11958 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-630	11966 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-640	11974 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-650	11965 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-660	11889 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-670	11881 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-680	11873 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-690	11865 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-700	11857 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-710	11849 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-720	11841 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-730	11833 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-740	11874 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-750	8522 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-760	8534 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-770	8546 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-780	8558 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-790	8570 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-800	8582 GILFORD LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-810	11818 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-820	11826 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-830	11834 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-840	11842 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-850	11850 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-860	11858 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-870	11866 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535

Assessment Methodology for the Myrtle Creek Improvement District

13-24-30-8333-00-880	11874 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-890	11882 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-900	11890 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-910	8583 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-920	8571 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-930	8559 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-940	8547 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-950	8535 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-960	8523 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-970	11985 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-980	11977 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-00-990	11969 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-000	11961 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-010	11953 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-020	11945 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-030	11937 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-040	11929 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-050	11921 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-060	11913 NAUTICA DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-070	8514 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-080	8526 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-090	8538 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-100	8550 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-110	8562 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-120	8574 LEATHERLEAF LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-130	11906 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-140	11914 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-150	11922 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-160	11930 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-170	11938 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-180	11946 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-190	11954 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-200	11962 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-210	11970 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-220	11978 KIPPER DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-230	8585 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-240	8573 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-250	8561 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-260	8549 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-270	8537 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-280	8525 INSULAR LN	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-01-290	11852 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-300	11844 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-310	11836 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-320	11828 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-330	11820 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-340	11812 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-350	11804 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-360	11796 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-370	11788 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001

Assessment Methodology for the Myrtle Creek Improvement District

13-24-30-8333-01-380	11780 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-390	11772 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-400	11764 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-410	11756 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-420	11748 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-430	11740 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-440	11732 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-450	11724 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-460	11716 ASTILBE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-470	11867 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-480	11859 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-490	11851 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-500	11843 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-510	11835 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-520	11827 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-530	11819 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-540	11811 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-550	11816 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-560	11822 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-570	11828 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-580	11834 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-590	11840 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-600	11846 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-610	11852 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-620	11858 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-630	11864 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-640	11870 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-650	11876 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-660	11882 BATELLO LN	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-01-670	11914 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-680	11926 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-690	11938 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-700	11950 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-710	11962 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-720	11974 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-730	11981 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-740	11973 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-750	11965 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-760	11957 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-770	11949 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-780	11941 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-790	11933 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-800	11925 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-810	11917 CHARLTON LN	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-01-820	11818 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-830	11824 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-840	11830 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-850	11836 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-860	11842 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-870	11848 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001

Assessment Methodology for the Myrtle Creek Improvement District

13-24-30-8333-01-880	11854 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-890	11860 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-900	11866 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-910	11872 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-920	11878 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-930	11884 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-940	11890 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-950	11896 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-960	11902 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-970	11908 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-980	11914 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-01-990	11920 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-000	11926 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-010	11932 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-020	11938 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-030	11944 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-040	11950 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-050	11956 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-060	11959 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-070	11953 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-080	11947 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-090	11941 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-100	11935 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-110	11929 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-120	11923 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-130	11917 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-140	11911 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-150	11905 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-160	11899 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-170	11893 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-180	11887 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-190	11881 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-200	11875 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-210	11869 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-220	11863 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-230	11857 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-240	11851 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-250	11845 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-260	11839 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-270	11833 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-280	11827 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-290	11821 DELFINA LN	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-300	11808 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-310	11812 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-320	11816 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-330	11820 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-340	11824 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-350	11828 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-360	11832 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-370	11836 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001

Assessment Methodology for the Myrtle Creek Improvement District

13-24-30-8333-02-380	11840 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-390	11844 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-400	11848 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-410	11852 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-420	11856 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-430	11860 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-440	11864 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-450	11868 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-460	11872 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-470	11876 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-480	11880 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-490	11884 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-500	11888 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-510	11892 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-520	11896 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-530	11900 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-540	11904 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-550	11908 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-560	11912 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-570	11916 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-580	11920 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-590	11924 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-600	11928 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-610	11932 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-620	11936 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-630	11940 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-640	11944 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-650	11948 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-660	11952 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-670	11956 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-680	11960 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-690	11964 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-700	11968 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-710	11972 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-720	11983 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-730	11975 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-740	11967 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-750	11959 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-760	11951 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-770	11943 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-780	11935 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-790	11927 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-800	11919 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-810	11911 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-820	11903 FIORE DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-02-830	11895 FIORE DR	DIVOSTA HOMES, LP	TOWNHOME	\$17,535
13-24-30-8333-02-840	11887 FIORE DR	DIVOSTA HOMES, LP	SF - Large	\$21,688
13-24-30-8333-02-850	11879 FIORE DR	DIVOSTA HOMES, LP	SF - Medium	\$18,400
13-24-30-8333-02-860	11871 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-870	11863 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001

Assessment Methodology for the Myrtle Creek Improvement District

13-24-30-8333-02-880	11855 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-890	11847 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-900	11839 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-910	11831 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-920	11823 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
13-24-30-8333-02-930	11815 FIORE DR	DIVOSTA HOMES, LP	SF ATT.	\$17,001
18-24-31-9163-02-940	11712 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-02-950	11720 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-02-960	11728 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-02-970	11736 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-02-980	11744 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-02-990	11752 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-000	11760 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-010	11768 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-020	11776 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-030	11784 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-040	11792 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-050	11800 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-060	11816 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-070	11824 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-080	11832 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-090	11840 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-100	11843 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-110	11835 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-120	11827 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-130	11811 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-140	11803 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-150	11795 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-160	11787 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-170	11779 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-180	11771 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-190	11763 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-200	11755 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-210	11747 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-220	11739 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-230	11731 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-240	11723 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-250	11715 EAGLE RAY LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-260	11712 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-270	11718 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-280	11724 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-290	11730 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-300	11736 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-310	11742 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-320	11748 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-330	11754 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-340	11760 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-350	11766 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-360	11778 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-370	11784 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001

Assessment Methodology for the Myrtle Creek Improvement District

18-24-31-9163-03-380	11790 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-390	11796 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-400	11802 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-410	11808 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-420	11814 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-430	11820 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-440	11826 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-450	11832 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-460	11838 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-470	11844 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-480	11850 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-490	11856 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-500	11897 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-510	11891 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-520	11895 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-530	11879 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-540	11873 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-550	11867 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-560	11855 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-570	11849 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-580	11843 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-590	11837 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-600	11831 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-610	11825 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-620	11819 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-630	11813 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-640	11807 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-650	11801 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-660	11795 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-670	11789 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-680	11783 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-690	11777 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-700	11771 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-710	11765 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-720	11759 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-730	11753 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-740	11747 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-750	11741 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-760	11735 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-770	11729 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-780	11723 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-790	11717 FAN TAIL LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-03-800	11826 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-810	11834 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-820	11842 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-830	11850 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-840	11858 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-850	11866 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-860	11874 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-870	11882 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400

Assessment Methodology for the Myrtle Creek Improvement District

18-24-31-9163-03-880	11890 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-890	11898 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-900	11906 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-910	11914 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-920	11922 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-930	11930 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-940	11946 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-950	11954 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-960	11962 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-970	11970 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-980	11931 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-03-990	11923 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-000	11915 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-010	11899 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-020	11891 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-030	11883 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-040	11875 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-050	11867 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-060	11859 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-070	11851 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-080	11843 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-090	11835 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-100	11827 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-110	11819 GENNARO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-04-120	11812 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-130	11818 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-140	11824 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-150	11830 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-160	11836 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-170	11842 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-180	11848 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-190	11854 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-200	11860 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-210	11866 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-220	11872 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-230	11878 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-240	11890 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-250	11896 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-260	11902 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-270	11908 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-280	11914 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-290	11920 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-300	11926 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-310	11932 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-320	11938 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-330	11944 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-340	11950 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-350	11956 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-360	11962 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-370	11968 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001

Assessment Methodology for the Myrtle Creek Improvement District

18-24-31-9163-04-380	11974 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-390	11980 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-400	11959 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-410	11951 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-420	11943 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-430	11935 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-440	11927 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-450	11919 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-460	11911 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-470	11905 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-480	11895 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-490	11887 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-500	11871 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-510	11863 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-520	11855 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-530	11847 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-540	11839 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-550	11831 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-560	11823 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-570	11815 ISELLE DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-580	11910 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-590	11916 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-600	11922 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-610	11928 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-620	11934 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-630	11940 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-640	11952 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-650	11958 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-660	11964 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-670	11970 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-680	11976 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-690	11982 INAGUA DR	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-700	12087 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-710	12081 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-720	13075 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-730	12069 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-740	12063 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-750	12057 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-760	12051 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-770	12045 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-780	12039 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-790	12027 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-800	12021 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-810	12015 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-820	12006 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-830	12012 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-840	12018 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-850	12024 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-860	12030 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-870	12036 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688

Assessment Methodology for the Myrtle Creek Improvement District

18-24-31-9163-04-880	12042 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-890	12048 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-900	12054 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-910	12060 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-920	12066 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-930	12072 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-940	12080 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-950	12086 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-960	12092 JEWEL FISH LN	DIVOSTA HOMES L P	SF - Large	\$21,688
18-24-31-9163-04-970	12083 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-980	12077 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-04-990	12071 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-000	12065 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-010	12059 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-020	12053 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-030	12047 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-040	12041 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-050	12035 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-060	12029 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-070	12023 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-080	12017 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-090	12005 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-100	11999 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-110	11993 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-120	11978 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-130	11981 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-140	11975 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-150	11969 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-160	11963 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-170	11957 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-180	11951 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-190	11945 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-200	11939 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-210	11933 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-220	11927 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-230	11921 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-240	11915 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-250	11904 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-260	11908 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-270	11912 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-280	11916 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-290	11920 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-300	11924 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-310	11928 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-320	11932 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-330	11936 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-340	11940 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-350	11944 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-360	11948 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-370	11952 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001

Assessment Methodology for the Myrtle Creek Improvement District

18-24-31-9163-05-380	11956 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-390	11960 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-400	11964 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-410	11968 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-420	11972 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-430	11976 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-440	11980 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-450	11984 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-460	11988 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-470	11992 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-480	11996 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-490	12000 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-500	12004 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-510	12008 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-520	12016 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-530	12020 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-540	12024 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-550	12028 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-560	12032 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-570	12036 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-580	12040 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-590	12044 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-600	12048 KAJETAN LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-610	12067 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-620	12059 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-630	12051 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-640	12043 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-650	12035 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-660	12027 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-670	12019 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-680	12011 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-690	12003 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-700	11995 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-710	11987 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-720	11979 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-730	11971 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-740	11963 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-750	11955 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-760	11939 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-770	11931 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-780	11923 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-790	11915 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-800	11918 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-810	11926 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-820	11934 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-830	11950 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-840	11958 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-850	11966 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-860	11974 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-870	11982 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400

Assessment Methodology for the Myrtle Creek Improvement District

18-24-31-9163-05-880	11990 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-890	11998 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-900	12006 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-910	12014 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-920	12022 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-930	12030 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-940	12038 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-950	12046 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-960	12054 LAZIO LN	DIVOSTA HOMES L P	SF - Medium	\$18,400
18-24-31-9163-05-970	12087 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-980	12079 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-05-990	12071 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-000	12063 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-010	12055 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-020	12047 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-030	12039 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-040	12031 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-050	12023 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-060	12015 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-070	12007 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-080	11999 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-090	11991 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-100	11983 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-110	11975 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-120	11967 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-130	11959 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-140	11951 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-150	11943 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-160	11935 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-170	11927 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-180	11919 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-190	11908 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-200	11916 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-210	11924 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-220	11932 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-230	11940 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-240	11948 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-250	11956 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-260	11964 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-270	11972 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-280	11980 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-290	11988 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-300	11996 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-310	12004 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-320	12012 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-330	12020 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-340	12028 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-350	12036 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-360	12044 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001
18-24-31-9163-06-370	12052 MODENA LN	DIVOSTA HOMES L P	SF - Attached	\$17,001

At the time of any bond issuance by the District, the land within the tax identification numbers in Table A.2 below will be allocated a maximum of \$31,888,167 in total debt (\$43,175,000 subtracting the \$11,286,833 allocated to the land within the tax identification parcels in Table A.1). The par debt remaining to be allocated after the allocations in Table A.1 will be first allocated to assessable land uses as those land uses are platted and/or included in Specific Parcel Master Plans according to the "Par/Unit" amounts found in Table 9 above. For example, the land within tax identification number 24-24-30-0000-00-002 is included in a Specific Parcel Master Plan and will contain 214 medium single-family units, 68 large single-family units, 44 townhomes, 452 duplexes, and 18,000 square feet of office/clubhouse space. Therefore, the units within the Specific Parcel Master Plan within tax identification parcel 24-24-30-0000-00-002 will be allocated \$13,994,255 in par debt (according to the "Par/Unit" amounts found in Table 9 above for the units included in the Specific Parcel Master Plan). The remaining \$17,893,912 in par debt (if bonds with a par amount of \$43,175,000 are issued as estimated) will be first allocated to land uses contained in a plat or Specific Parcel Master Plan within the District and within the remaining tax identification parcels outlined in Table A.2 (or if no plat or Specific Parcel Master Plan exists, will be allocated on a per-acre basis over all the Gross Assessable Acreage remaining in the District). Thus, Table A.2 also presents the maximum possible par debt per tax identification parcel number for those tax identification parcels that have not been platted or included in a Specific Parcel Master Plan. Tax identification numbers containing land within the District but already identified in a plat or Specific Parcel Master Plan to contain land that will not be subject to assessments (for example, common area land owned by a POA/HOA or land owned by the City of Orlando) has not been included in this preliminary tax roll.

[The balance of this page intentionally left blank.]

**Table A.2 District Tax Roll – Tax Identification
Numbers Containing Bulk Acreage**

<u>Parcel ID</u>	<u>Owner</u>	<u>Acres</u>	<u>Principal Assessment</u>
24-24-30-0000-00-002	DIVOSTA HOMES, LP	383.56	\$13,994,255*
18-24-31-0000-00-007**	LAKE NONA LAND CO, LLC	521.4***	\$17,893,912****
13-24-30-0000-00-002**	LAKE NONA LAND CO, LLC	521.4***	\$17,893,912****
18-24-31-0000-00-006**	LAKE NONA LAND CO, LLC	521.4***	\$17,893,912****
13-24-30-4935-01-000**	LAKE NONA LAND CO, LLC	521.4***	\$17,893,912****
18-24-31-4689-01-000**	LAKE NONA LAND CO, LLC	521.4***	\$17,893,912****
23-24-30-0000-00-006**	LAKE NONA LAND CO, LLC	521.4***	\$17,893,912****
24-24-30-0000-00-003**	LAKE NONA LAND CO, LLC	521.4***	\$17,893,912****

*Based on the “Par/Unit” amounts found in Table 9 for the units included in the Specific Parcel Master Plan located within tax identification parcel number 24-24-30-0000-00-002 (214 medium single-family units, 68 large single-family units, 44 townhomes, 452 duplexes, and 18,000 square feet of office/clubhouse space)

**Any debt remaining to be allocated after assessments are assigned to the units in Table A.1 and tax parcel identification number 24-24-30-0000-00-002 would be allocated on a per acre basis to the Gross Assessable Acreage located within the District and within these tax identification parcels (as no assessable properties within these tax identification parcels have currently been platted or included in an approved site plan)

***521.4 acres represents the combined Gross Assessable Acreage contained within the tax identification parcel numbers 18-24-31-0000-00-007, 13-24-30-0000-00-002, 18-24-31-0000-00-006, 13-24-30-4935-01-000, 18-24-31-4689-01-000, 23-24-30-0000-00-006, and 24-24-30-0000-00-003

****\$17,930,489 represents the maximum principal assessment to be allocated among one or more of the corresponding tax identification parcels as units are platted and Specific Parcel Master Plans processed or on a per acre basis to all Gross Assessable Acreage in those tax parcels if the units contained in plats and Specific Parcel Master Plans do not absorb the par amount of any series of bonds issued by the District

**SUPPLEMENTAL
ASSESSMENT
METHODOLOGY
REPORT FOR THE
MYRTLE CREEK
IMPROVEMENT DISTRICT

SERIES 2006A BONDS**

December 13, 2006

Prepared for:

**Board of Supervisors
Myrtle Creek Improvement District**

Prepared by:

**Fishkind & Associates, Inc.
12051 Corporate Blvd.
Orlando, Florida 32817**

**SUPPLEMENTAL ASSESSMENT METHODOLOGY
MYRTLE CREEK IMPROVEMENT DISTRICT**

Series 2006A Bonds

December 13, 2006

1.0 Introduction

1.1 Purpose

On May 24, 2006, the Board of Supervisors (“Board”) of the Myrtle Creek Improvement District (“District” or “Myrtle Creek”) approved the Master Assessment Methodology for the Myrtle Creek Improvement District (“Master Report”). The Master Report establishes a methodology (“Methodology”) the District will follow to allocate the costs of the District’s current infrastructure capital improvement program (“CIP”) among the benefiting properties within the District. This report (“Supplemental Report”) is not intended to replace the Master Report. Rather, this Supplemental Report will apply the Methodology contained within the Master Report to the par amount of the special assessment revenue bonds to be issued by the District to fund the District’s CIP.

The portion of the CIP funded by the District’s special assessment revenue bonds will allow the development of property in the District. By making the development of property within Myrtle Creek possible, the District creates benefits to these properties. The Methodology described herein allocates the costs associated with financing the District’s CIP to properties within the District based upon the benefits each receives from the CIP. In this case, the properties receiving benefit from the improvements include 100% of the developable land that lies within the District. Although 100% of the developable land within the District will benefit from the District’s CIP, an accurate calculation of the benefit accruing to such developable land from the District’s CIP cannot be ascertained until the land uses planned for such developable land are determined. Thus, assessments will be more finely articulated as soon as the specific land use planned for a parcel can be determined with some certainty. Plats contain information regarding the number and types of residential units planned for a specific area of land and, in conjunction with a review of the applicable Specific Parcel Master Plan (“SPMP”) for the platted property, provide a clear basis for determining the residential uses planned for the developable land within the District. To the extent that

land uses are not readily identifiable in a plat after platting (for example, multifamily units, retail space, office space, etc.), those land uses will also be identified through examination of the applicable SPMP for such platted property.

Some land within the District will not be subject to assessments. For instance, the property planned to contain the public school site will not be subject to special assessments pursuant to Florida Statute 170.201(2). Similarly, any fire station site, roadway, or any other site owned by a government entity will not be assessed. Public areas such as parks will also not be assessed. Common area parks and/or open space within the District owned by a Property Owner's Association or Homeowner's Association ("POA/HOA") that serves a portion of the property owners in the District will also not be assigned a special assessment. The POA/HOA structures will absorb the assessments on behalf of the accompanying parks and/or open space (and consistent with the Methodology's assignment of assessments to properties based upon the land use planned for or constructed on the property. The parcels within the District not subject to assessments and described above will collectively be referred to herein as "Exempt Land".

Thus, the District initially will impose assessments on any land within the District containing or planned to contain residences, golf courses, hotel rooms, or other nongovernmental nonresidential heated and enclosed buildings or structures including, but not limited to, clubhouse space and other structures owned by the POA/HOA (collectively, "Assessable Units"), contained within an approved plat.

This report is designed to conform to the requirements of Chapters 170, 190, and 197 F.S. with respect to special assessments and is consistent with our understanding of the case law on this subject.

1.2 Background

Myrtle Creek is one of three Improvement Districts, including the Boggy Creek and Greenway Improvement Districts, which together will comprise a portion of the master-planned Lake Nona development (the "Development"). The Development is generally located to the south of Dowden Road and to the west of Narcoossee Road north of the Osceola County line in the City of Orlando, Orange County, Florida.

The District was established to provide infrastructure for an approximately 1,087-acre portion of the Development. Lake Nona Land Company, LLC (the "Owner") was previously the owner of all land within the District and still owns a majority of the acreage in the District. Divosta Homes, LP is another major owner of developable land located within the District. The

Owner and Divosta Homes, LP shall collectively be referred to herein as the “Landowners”. Lake Nona Property Holdings, LLC (the “Developer”) currently plans for the 1,087-acre site to be developed into a mixed-use district with an estimated total of 335 medium-sized and 270 large-sized detached single-family residences, 644 attached single-family “duplex” residences, 326 townhomes, 44 condominiums, 1,070 multi-family residences, 200 hotel rooms, 103,200 square feet of retail space, 66,000 square feet of office/clubhouse space and the potential for one 18-hole golf course. A public elementary school site is also planned for Myrtle Creek, subject to the right of the Developer to relocate the school site to another portion of the Development. If the school site is relocated and the land planned to contain that school will instead contain Assessable Units, those units will be assessed according to this Supplemental Report. Any variation in land use plan from the land use plan described in the Engineer’s Report for Capital Improvements for Infrastructure, Myrtle Creek Improvement District, Revised February 20, 2006 (the “Engineer’s Report”) results from updated land use plan information supplied by the Developer for inclusion in this Supplemental Report. Table 1 summarizes this development program.

TABLE 1. Development Plan for Myrtle Creek

<u>Category</u>	<u>Volume</u>	<u>Units</u>
Retail	103,200	Sq.Ft.
Office/Clubhouse	66,000	Sq.Ft.
Golf	1	18 Hole Course
Hotel	200	Rooms
SF-Medium	335	Residences
SF-Large	270	Residences
Duplex	644	Residences
Townhome	326	Residences
Condominium	44	Residences
Multi-Family	1,070	Residences
Elementary School	1	School

Source: Developer

1.3 Requirements of a Valid Assessment Methodology

Valid special assessments under Florida law require two things. First, the properties assessed must receive a special benefit from the improvements paid for by the assessments. Second, the assessments must be fairly and reasonably allocated to the properties being assessed. The Assessable Units have been determined to receive a special benefit from the District’s CIP. The Methodology and its application in this Supplemental Report has

also been specifically designed to fairly and reasonably allocate the costs of the District's CIP to the Assessable Units.

If these two characteristics of valid special assessments are adhered to, Florida law provides some latitude to local governmental bodies, such as the District, in approving special assessments. Indeed, Florida courts have found that mathematical perfection is probably impossible, but if reasonable people disagree on the allocation methodology the assessment will likely be upheld. Florida Courts have held that only if the District Board was to act in an arbitrary, capricious or grossly unfair fashion could the assessment methods be successfully challenged.

1.4 Special Benefits and General Benefits

Improvements undertaken by the District create both: (1) special benefits to properties within its borders and (2) general benefits to properties outside the District. However, as discussed below, these general benefits are incidental in nature and are readily distinguishable from the special benefits which accrue to property within the District. The capital improvement program ("CIP") of the District enables properties within its boundaries to be developed. Furthermore, the development approval for properties within the District requires many of these improvements.

Although the general public and property owners outside Myrtle Creek will benefit from the provision of District infrastructure, these benefits are incidental to the primary benefit of the improvements. The District's CIP is designed to meet the needs of the properties within the District. Properties within the District also depend upon the District's CIP to obtain the beneficial use of their property. These facts distinguish the special benefits which District properties receive compared to those lying outside of the District's boundaries.

1.5 Special Benefits Exceed the Costs Allocated to Pay for Them

In the case of the District, the value of the special benefits provided by the CIP are far greater than the costs associated with providing these same benefits. Donald W. McIntosh Associates, Inc. (the "District Engineer") has prepared the Engineer's Report which contains CIP cost estimates for the District. Fishkind & Associates, Inc., as the District's financial advisor ("Financial Advisor") has examined the CIP cost estimates in the Engineer's Report and determined that the District's portion of the CIP necessary to support full development of property within the District is \$38,438,000 on a fully financed basis. The Financial Advisor estimates that the increase in the net market value of the land within the District after the improvements are put in place will greatly exceed the cost of the improvements described herein. It is the CIP, among other things, that

makes it possible to develop and sell the land within the District's boundaries.

2.0 Assessment Methodology

2.1 The District's Capital Improvement Program and the District Engineer's Estimate of Cost

Based upon the land use plan created by the Developer (summarized in Table 1), the District Engineer has generated the CIP for the infrastructure needed to support the District. The cost estimates are summarized in Table 2 below. The District Engineer estimates a total project cost of approximately \$33,500,000. This estimate excludes financing costs and any allowance for inflation.

Table 2. District Engineer's Estimated Costs for The District's Capital Improvement Program

<u>District Infrastructure</u>	<u>Current Budget</u>
Roadways and Stormwater Management	\$15,940,000
Utilities	\$4,000,000
Landscape and Irrigation	\$6,660,000
Electric/Lighting	\$2,250,000
Contingency & Soft Costs	\$4,650,000
Totals	\$33,500,000

Source: District Engineer

2.2 Financing Plan

The District plans to finance a majority its CIP by issuing a series of special assessment revenue bonds and the Financial Advisor has formulated a financing program to provide the funds needed to carry out the CIP. The financing plan estimated for purposes of the Methodology includes one series of bonds issued by the District. Table 3 provides a summary of the estimated financing program needed to fund the District's total CIP costs, if the District desired to fund all CIP costs through the issuance of special assessment revenue bonds.

Table 3. Myrtle Creek Improvement District Estimated Bond Sizing

Bond Fund	Cost
Construction fund	\$33,500,000
Capitalized interest	\$1,589,000
Debt Service Reserve	\$2,572,153
Underwriter's discount	\$576,570
Costs of issuance	\$200,000
Rounding	\$277
Total	\$38,438,000

If the District desired to fund its entire CIP through the issuance of special assessment revenue bonds, it is estimated that the District would issue approximately \$38,438,000 in bond debt (the "Estimated Bond Sizing"). This \$38,438,000 Estimated Bond Sizing represents a reduction from the \$43,175,000 estimate found in the Master Report. This reduced Estimated Bond Sizing reflects the fact that interest rates have decreased since the Master Report was drafted and that the District has determined to undertake a single bond issuance rather than two or more issuances, resulting in a reduction of the estimated capitalized interest fund and costs of issuance expenses. From the proceeds of the Estimated Bond Sizing outlined in Table 3 above, approximately \$33,500,000 would be deposited into the District's construction fund to finance the CIP.

As shown in Table 3 above, the Estimated Bond Sizing also includes allowances for a debt service reserve, capitalized interest, and costs of issuance. The debt service reserve is required by prospective bond purchasers, and it is expected to be set initially at the lesser of maximum annual debt service, 10% of the proceeds of the bonds, or 125% of average annual debt service. The capitalized interest funds interest that is payable during the construction period and for a period not more than one year beyond such construction period. Interest on the Bonds is estimated at a rate of 5.2%. The underwriter's discount is assumed at 1.5% of the principal amount of the Bonds. This allowance pays the underwriter for taking the risks involved in purchasing the District's special assessment revenue bonds. The estimated costs of issuance pay for the services of the trustee, Financial Advisor, district counsel, bond counsel, and other costs associated with issuing the District's bonds.

The infrastructure improvements included in the CIP and to be funded by the Bonds are actually designed and will operate as a consistent system serving all of the developable property in the District. For example, the roadway system, regardless of when a specific section of roadway is constructed, will benefit all of the developable property in the District. This

pattern is also true for all of the other major infrastructure systems comprising the master portion of the CIP as outlined in Table 2 above.

Therefore, the most equitable methodology is to utilize the systems approach. As discussed below, the benefits flowing from the CIP are viewed on a systems basis and are allocated systematically to all benefiting properties regardless of when the properties are planned to be constructed. In this way, similar properties receiving similar benefits will be allocated the same amount of debt. For example, if the total cost of an infrastructure system totals \$10, and if these costs were allocable equally to 10 acres of property, the allocation would be \$1 per acre.

2.3 Allocation to Benefiting Properties – The Assessment Methodology

The discussion offered below illustrates the process by which the District will allocate debt incurred to complete the CIP. It is estimated that the District could issue Bonds with an approximate par value of \$38,438,000 in order to fully finance its CIP through the issuance of bonds. Any special assessment revenue bonds issued by the District will be fully secured by long-term special assessments allocated to certain Assessable Units within the District. Exempt Land will not be assigned a portion of the total cost of the District's CIP. However, clubhouse space or other structures owned by the POA/HOA will be allocated a portion of the cost of the District's CIP according to principles of the Methodology.

The Master Report contains a Methodology that is applied to allocate the total estimated costs of the District CIP to Assessable Units based upon the benefit each Assessable Unit receives from the CIP. The District is imposing assessments on all parcels in the District containing or planned to contain Assessable Units to secure any special assessment revenue bonds issued to fund the District's CIP. When bonds are issued, Assessable Units contained within plats on the dates that assessments are imposed will, in conjunction with examination of the applicable SPMP, first be assigned bond debt service assessments by the District. Bond indebtedness remaining to be allocated, if any, will initially be assigned on the dates that assessments are imposed to acreage in the District not comprising Exempt Land and not contained in any plat ("Gross Assessable Acreage") on an equal per-Gross Assessable Acre basis. As Gross Assessable Acreage is contained within plats, the District will refine the allocation of debt based on the specific land uses outlined in the plat, in conjunction with examination of the applicable SPMP, as described more fully in this Supplemental Report.

Table 4 below contains the total expected par debt allocations assigned to each benefiting land use when the details of the updated Estimated Bond Sizing are applied to the Methodology contained in the Master Report.

The allocations contained in Table 4 represent the sum of the allocations for the expected costs of the categories of the District's CIP, including roadway costs, utility system costs, etc. The allocations are based on the benefit received by each land use from the separate categories of improvements as described in more detail in the Master Report. As the benefits flowing from the District's CIP are viewed on a systems-wide basis and are allocated systematically to all benefiting properties, the District will use the "Par/Assessable Unit" amounts in Table 4 to assign a portion of the cost of the District's total CIP to each property as Assessable Units are included in plats, in conjunction with the examination of the applicable SPMP. Thus, a specific Assessable Unit will be allocated its share of the total anticipated debt necessary to fund the District's infrastructure CIP as soon as the land planned to contain the Assessable Unit is platted.

As a portion of the Assessable Units planned for the District have already been platted, those Assessable Units will be assigned assessments in connection with the District's issuance of its bonds. The bond issuance described in this Supplemental Report, along with the Owner Contribution outlined below, will complete the District's current CIP as presented in the Engineer's Report. Thus, none of the lands within the District will be subject to any debt service assessments for completion of the District's current CIP as outlined in the Engineer's Report other than the debt service assessments described in this Supplemental Report.

Table 4. Allocation of the Total Cost of the Myrtle Creek Improvement District's CIP (Based Upon the Estimated Bond Sizing)

<u>Residential Land Use</u>	<u>Assessable Unit Residences</u>	<u>Par Debt</u>	<u>Par/Assessable Unit Par/Residence</u>
SF-Medium	335	\$5,473,287	\$16,338
SF-Large	270	\$5,199,430	\$19,257
Duplex	644	\$9,721,922	\$15,096
Townhome	326	\$5,075,947	\$15,570
Condominium	44	\$711,989	\$16,182
MF	1,070	\$9,001,720	\$8,413
<u>Commercial</u>	<u>Sq.Ft.</u>		<u>Par/1k sq.ft.</u>
Retail	103,200	\$1,237,281	\$11,989
Office/Clubhouse	66,000	\$410,220	\$6,215
	<u>Course</u>		<u>Par/Course</u>
Golf	1	\$302,587	\$302,587
	<u>Rooms</u>		<u>Par/Room</u>
Hotel	200	\$1,303,616	\$6,518
		=====	
	Total Debt	\$38,438,000	

2.4 Series 2006A Bonds funding the District's CIP

The District's special assessment revenue bonds will take the form of series 2006 "A" bonds (the "Series 2006A Bonds"). These Series 2006A Bonds are designed to be funded from long-term special assessments charged annually to certain Assessable Units in accordance with this Supplemental Report. Each Assessable Units' allocation of the total cost of the District's CIP illustrated in Table 4 above will be satisfied with an allocation of Series 2006A par debt (amortized by a long-term special assessment) and/or a Contribution (as that term is defined below). The levels of the long-term special assessments amortizing the Series 2006A Bonds were determined as follows. The long-term assessments assigned to residences are capped by the Interlocal Agreement Between City of Orlando, Florida and Myrtle Creek Improvement District, dated January 15, 2002 ("Interlocal Agreement"), which provides for maximum levels of annual non-ad valorem special assessments such as the type contemplated here. These maximum levels of non-ad valorem special assessments outlined in the Interlocal Agreement are tied to the retail sale price at the time of the first sale of an Assessable Unit with a completed residence to a third-party purchaser ("Retail Sale"). The annual long-term special assessments described herein are within the levels outlined in the Interlocal Agreement and have been determined by the Financial Advisor to be well within marketable levels. In no event will a long-term assessment to be paid by a homeowner and assigned to a residential Assessable Unit exceed the applicable maximum annual long-term assessment levels outlined in the Interlocal Agreement. Further, no long-term debt assessment assigned to residential Assessable Units in VillageWalk for the District's current CIP as outlined in the Engineer's Report will exceed \$1,200 annually.

Although the long-term special assessments assigned to certain units outlined in Table 5 below ("L/T Assessable Units") will fully amortize the Series 2006A Bonds, the long-term special assessments will not fully cover the Master Report's allocation to those L/T Assessable Units of their share of the cost of the District's total CIP. However, pursuant to a written agreement between the Owner and the District to be entered into prior to the issuance of the Series 2006A Bonds, the District will permit the Owner to satisfy some or all of any Assessable Unit's (including L/T Assessable Units) allocable share of the total cost of the District's CIP by making an acceptable contribution of infrastructure components of the CIP and/or related interests in land ("Contribution") to the District in lieu of providing funds to satisfy each Assessable Unit's (including L/T Assessable Units) total assessment.

The area in the District developed by Divosta Homes, LP shall be referred to herein as the "VillageWalk" subdivision and is more particularly

described in the Specific Parcel Master Plan SPMP MPL2006-00032 approved by the Orlando City Council on November 2, 2006 (“SPMP MPL2006-00032”). The Assessable Units within VillageWalk on SPMP MPL 2006-00032 currently planned to be used for clubhouse/office space and retail space will have their assessment satisfied entirely by a Contribution made by the Owner. The golf course to be located within the District but planned for the land outside of VillageWalk will also have its full assessment satisfied by a Contribution. Single family-large and retail and office/clubhouse space units are found within the District, both in and outside of the boundaries of the VillageWalk subdivision. Although all similar units will be assigned the same allocable share of the District’s total CIP costs according to Table 4, the single family-large and retail and office/clubhouse space units located within the District but outside of the VillageWalk subdivision will be assigned higher long-term assessment levels than similar unit types located within VillageWalk (however, the long-term assessments will in no event exceed that unit’s share of the cost of the District’s CIP as indicated in the “Par/Assessable Unit” column in Table 4 above). The long-term assessments assigned to units in the District are found below in Table 5.

The column labeled “L/T Annual Assessment w/Tax Fee” in Table 5 below represents the estimated annual assessment imposed to amortize each Assessable Unit’s allocation of “A” Bond debt including allowances for early payments and the costs of collection charged by the Orange County Tax Collector and the Orange County Property Appraiser. The “L/T Net Assessment” represents the long-term assessment per Assessable Unit less the fees charged by the Tax Collector and Property Appraiser. The “Total Par/Assessable Unit” allocations of debt outlined in Table 5 are designed to cover each Assessable Unit’s allocation of the cost of the District’s total CIP. The “Gross Paydown per Assessable Unit” column in Table 5 represents the portion of the Assessable Unit’s allocation of the total estimated cost of the District’s fully financed CIP of \$38,438,000 that will be funded by the Owner’s Contribution.

Table 5. Series 2006A Bond Annual Assessments and Paydown Requirements

Category*	Unit Count	L/T Annual Assessment w/Tax Fee**	L/T Annual Net Assessment	L/T Annual Net Assmt. - All Units	Series A Par Debt Amortized by L/T Assessment	Total Par/ Assessable Unit***	Gross Paydown/ Assessable Unit****	Net Contribution Per Assessable Unit*****	Net Contribution for All Assessable Units
SF-Medium (Lot Type V)	335	\$1,124	\$1,077	\$360,725	\$16,338	\$16,338	\$0	\$0	\$0
SF-Large (Villagewalk) (Lot Type S)	111	\$1,200	\$1,150	\$127,650	\$17,449	\$19,257	\$1,808	\$1,590	\$176,514
SF-Large (Outside Villagewalk)	159	\$1,324	\$1,269	\$201,798	\$19,257	\$19,257	\$0	\$0	\$0
Duplex - \$299,999 or less (Lot Type T)	100	\$825	\$790	\$79,000	\$11,987	\$15,096	\$3,109	\$2,735	\$273,479
Duplex - \$300,000 to \$349,999 (Lot Type T)	296	\$950	\$910	\$269,360	\$13,808	\$15,096	\$1,289	\$1,133	\$335,471
Duplex - \$350,000 or greater (Lot Type T)	248	\$1,038	\$995	\$246,743	\$15,096	\$15,096	\$0	\$0	\$0
Townhomes - \$349,999 or less (Lot Type U)	130	\$950	\$910	\$118,300	\$13,808	\$15,570	\$1,763	\$1,550	\$201,560
Townhomes - \$350,000 or greater (Lot Type U)	196	\$1,071	\$1,026	\$201,133	\$15,571	\$15,570	\$0	\$0	\$0
Condominiums	44	\$1,113	\$1,066	\$46,925	\$16,182	\$16,182	\$0	\$0	\$0
Multi-Family	535	\$550	\$526	\$281,410	\$7,981	\$8,413	\$432	\$380	\$203,156
Multi-Family	535	\$350	\$334	\$178,690	\$5,068	\$8,413	\$3,345	\$2,942	\$1,573,990
Office/Clubhouse Space (Villagewalk)*****	16	\$0	\$0	\$0	\$0	\$6,215	\$6,215	\$5,467	\$87,467
Office/Clubhouse Space (Outside Villagewalk)*****	50	\$429	\$410	\$20,482	\$6,216	\$6,215	\$0	\$0	\$0
Retail Space (Villagewalk)*****	3	\$0	\$0	\$0	\$0	\$11,989	\$11,989	\$10,545	\$31,635
Retail Space (Outside Villagewalk)*****	100	\$825	\$790	\$79,016	\$11,989	\$11,989	\$0	\$0	\$0
Golf Course	1	\$0	\$0	\$0	\$0	\$302,587	\$302,587	\$266,136	\$266,136
Hotel Rooms	200	\$449	\$430	<u>\$85,917</u>	\$6,518	\$6,518	\$0	\$0	<u>\$0</u>
				<u>\$2,297,148</u>					<u>\$3,149,408</u>

*Lot type designations are from SPMP MPL2006-00032 approved by the Orlando City Council on November 2, 2006

**The maximum annual long-term assessment level for a residential L/T Assessable Unit within Villagewalk shall not exceed \$1,200 annually under the District's current CIP as outlined in the Engineer's Report

***Represents each unit's allocation of the cost of the District's total CIP as shown in the "Par/Unit" allocations outlined in Table 4.

****Represents the remaining allocation of total CIP cost per unit after the amount of Series A Bond debt amortized by the unit's long-term assessment is deducted.

*****Represents an Assessable Unit's "Gross Paydown/Assessable Unit" without the estimated costs associated with financing the District's CIP via the issuance of the Series 2006A Bonds.

*****1,000 square feet units



An Assessable Unit's allocation of the cost of the District's total CIP must be satisfied to ensure that the District's CIP is implemented as planned. As can be seen in the "Gross Paydown per Assessable Unit" column in Table 5, an acceptable Contribution will be required to satisfy the "Total Par/Assessable Unit" allocated to each unit whose share of the total cost of the District's CIP will not be completely amortized by a long-term special assessment. For the Assessable Units not assigned a long-term assessment, the "Gross Paydown per Assessable Unit" will be equal to the "Total Par/Assessable Unit" (as illustrated in Table 5 above).

Since some or all of an Assessable Unit's allocation of the cost of the District's total CIP will not be raised by District bond issuances, the portion of an Assessable Unit's allocation of debt to be satisfied by a Contribution must be adjusted by removing the costs associated with funding the District's CIP via the issuance of bonds. As the Contributions will satisfy components of the District's CIP without requiring the District to issue more bond debt, the portion of an Assessable Unit's allocation of the cost of the total CIP to be satisfied with a Contribution will be based on the District Engineer's \$33,500,000 CIP estimate and not the Estimated Bond Sizing of \$38,438,000 (which includes the costs associated with financing the District's total CIP via the issuance of bonds).

Pursuant to a written agreement between the Owner and the District to be entered into prior to the issuance of the Series 2006A Bonds, the Owner will be required to make a Contribution of funds or infrastructure components of the CIP and/or related interests in land to the District currently estimated to have a fair market value equal to or greater than \$3,149,408, which equals the aggregate for each Assessable Unit in the "Net Contribution per Assessable Unit" columns in Table 5 above. This preliminary Contribution estimate will be finally determined three years after the date of the issuance of the Series 2006A Bonds (as explained in more detail in Section 2.5 below). The Contribution must be delivered to the District within a time period acceptable to the District or as set forth in an agreement between the District and the Owner.

Table 6 provides the bond sizing for the Series 2006A Bonds. This bond sizing will be secured by the long-term annual assessments described in Table 5 and assigned to the L/T Assessable Units. As shown in Table 6, a bond issuance of \$34,855,000 will be supported by these long-term assessments. The Series 2006A Bonds will fund the construction and/or acquisition of a portion of the District's CIP in the estimated amount of \$30,350,593. The balance of the District's CIP will be contributed by the Owner to satisfy the total CIP cost allocations assigned to all units planned for the District as shown in Table 6 above. The Series 2006A bonds will also include funds for capitalized interest, reserves, and costs of issuance.

**Table 6. Series 2006A
Bond Financing Program**

Par Amount	\$34,855,000
Original Issue Discount	-\$43,569
Accrued Interest	\$65,450
Funds Available	\$34,876,881
Construction fund	\$30,350,593
Cost of issuance	\$156,000
Underwriter's Discount	\$522,825
Accrued Interest	\$65,450
Capitalized Interest	\$1,484,903
Debt Service Reserve	\$2,297,110
Total – All Funds	\$34,876,881

2.5 True-Up Mechanism Conducted at Certain Retail Sale and Certificate of Occupancy Thresholds

As outlined in this Supplemental Report and in accordance with the Methodology, annual long-term special assessments amortizing the Series 2006A Bonds will be assigned to the L/T Assessable Units at the platting of those units, in conjunction with examination of the applicable SPMP, according to the unit mix assumptions found in Table 5 above. However, as the price of a residential Assessable Unit cannot always be determined with certainty at the time of platting, the assessment assigned to each of the residential L/T Assessable Units at platting will be revisited at the time of the Retail Sale of those residential L/T Assessable Units to determine if the residential L/T Assessable Unit actually constructed and transferred in a Retail Sale conforms to the L/T Assessable Unit types outlined in the plat, in conjunction with examination of the applicable SPMP, containing that unit and to the Retail Sale price assumptions found in the "Category" and "Unit Count" columns of Table 5. If the residential L/T Assessable Unit transferred at a Retail Sale varies from what is indicated in the applicable plats, in conjunction with examination of the applicable SPMP, and/or Table 5, that residential L/T Assessable Unit will be assigned a portion of the cost of the District's total CIP and any applicable long-term special assessment based on what has actually been constructed according to the total CIP cost allocations and long-term special assessments outlined in Tables 4 and 5 above. Also, as the price of an Assessable Unit other than a residential Assessable Unit, cannot always be determined with certainty at the time of platting, the assessment assigned to each multifamily, retail, office/clubhouse, golf and hotel unit (individually "Other L/T Assessable Unit" and collectively "Other L/T Assessable Units"), at platting will be revisited at the time of the issuance

of the Certificate of Occupancy (“C.O.”) of those Assessable Units to determine if the Other L/T Assessable Unit actually constructed conforms to the use and size outlined in the plat, in conjunction with examination of the applicable SPMP, containing that unit and to the assumptions found in the “Category” and “Unit Count” columns of Table 5. If the Other L/T Assessable Unit constructed as determined by the C.O. varies from what is indicated in the applicable plats, in conjunction with examination of the applicable SPMP, and/or Table 5, that Other L/T Assessable Unit will be assigned a portion of the cost of the District’s total CIP and any applicable long-term special assessment based on what has actually been constructed according to the total CIP cost allocations and long-term special assessments outlined in Tables 4 and 5 above. It should be noted that although the assessment assigned to a specific Assessable Unit or other structure may change at the time of Retail Sale or issuance of the C.O., the Landowners will be responsible for any ultimate shortfall in the long-term assessments securing the Series 2006A Bonds.

In order to ensure that the District’s indebtedness is fully secured in the event that actual development assumptions for Other Assessable Units in Table 5, and/or Retail Sale prices vary from the unit types outlined in processed plats and/or from the Retail Sales price assumptions outlined in Table 5, or when C.O.s vary from the use and size, the District will conduct a test when 25%, 50%, 75% and 90% of the Assessable Units planned for the District (as outlined in Table 5 above) have been transferred in a Retail Sale (for residential L/T Assessable Units) and issued a C.O. (for all Other L/T Assessable Units). This test will be conducted to determine if the assessments assigned to the residential L/T Assessable Units sold at Retail Sale or the Other L/T Assessable Units issued a C.O. result in a lower total allocation of assessments than would have occurred if the Assessable Units were constructed and sold according to the Assessable Unit counts, uses and sizes, and Retail Sales price assumptions, outlined in Table 5. If, as a result of such test, it is determined that the assessments finally assigned to Assessable Units are less than what would have been assigned according to the Assessable Unit counts, uses and sizes, and Retail Sales price assumptions, outlined in Table 5 above, then the Landowners will be required to make a true-up payment in order to lower the level of outstanding debt to what it would have been if the units conformed with the land use plan and Retail Sales price assumptions outlined in Table 5 above. If it happens that outstanding bond debt planned to be completely secured by all Assessable Units is actually fully assigned to only a portion of the Assessable Units within the District, the District’s bond debt will be re-allocated with the processing of each new subdivision plat, Retail Sale, and C.O. issuance (for Other L/T Assessable Units); and all Assessable Units within the District will receive an equal proportionate reduction in the assessment based on the cost of the District’s total CIP and applicable

long-term special assessment levels outlined in Table 5 above, such that all Assessable Units in the District are assigned a portion of outstanding bond debt. Further, any necessary reduction in an Assessable Unit's allocation of the cost of the District's total CIP will first be deducted from the portion of the allocation to be satisfied by a Contribution.

3.0 Tax Roll

The District includes 1,087 acres of land spread out over several tax parcels. Appendix A presents the tax identification numbers for the land within the District that contains L/T Assessable Units. As properties continue to be platted, the properties will be assigned a portion of the total cost of the District's CIP according to the "Par/Unit" amounts presented in Table 4 above. A portion of the "L/T Assessable Unit's "Par/Unit" allocations from Table 4 will be satisfied by long-term assessments posted to the County's tax roll as outlined in Appendix A. Appendix A contains the parcel IDs within the District and the corresponding amount of Series 2006A Bond par debt assigned to each.

Appendix A

Table A.1 presents the tax identification parcel numbers for the lands within the District that have been platted, contain L/T Assessable Units, and have received tax identification parcel numbers. Table A.1 also presents each L/T Assessable Unit's 2006A Bond par allocation and the annual assessment payment amortizing each L/T Assessable Unit's allocation of the par amount of the Series 2006A Bonds for each tax identification parcel number. Each L/T Assessable Unit's allocation of the total expected debt funding the District's CIP will be satisfied by the long-term assessment illustrated in Table 5 above. The "Annual Assessment" column indicates the maximum annual assessment per L/T Assessable Unit posted to the Orange County tax roll, including the fees charged by the Orange County Property Appraiser's Office and the Orange County Tax Collector's Office, and any discount received by residents for early payment of their non-ad valorem assessments.

**Table A.1, Parcel IDs for Platted
L/T Assessable Units**

<u>Parcel ID</u>	<u>Unit Type</u>	<u>Principal</u>	<u>Gross Annual</u>	<u>Net Annual</u>
<u>13-24-30-8333-00-010</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-020</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-030</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-040</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-050</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-060</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-070</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-080</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-090</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-100</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-110</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-120</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-130</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-140</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-00-150</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-160</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-170</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-180</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-190</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-200</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-210</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-220</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-230</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-240</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-250</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-260</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-270</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-280</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-290</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-300</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-310</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-320</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-330</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-340</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-350</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-360</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-370</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-380</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-390</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-400</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-410</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-420</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910



Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-00-430</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-440</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-450</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-460</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-470</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-480</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-490</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-500</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-510</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-520</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-530</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-540</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-550</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-560</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-570</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-580</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-590</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-600</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-610</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-620</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-630</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-640</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-650</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-660</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-670</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-680</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-690</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-700</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-00-710</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-720</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-730</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-740</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-750</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-760</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-770</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-780</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-790</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-800</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-810</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-820</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-830</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-840</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-850</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-860</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-870</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-880</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-890</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-900</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-910</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-920</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-930</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-940</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-950</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-960</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-970</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-00-980</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-00-990</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-000</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-010</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-020</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-030</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-040</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-050</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-060</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-070</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-080</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-090</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-100</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-110</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-120</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-130</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-140</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-150</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-160</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-170</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-180</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-190</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-200</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-210</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-220</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-230</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-240</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-250</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-260</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-01-270</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-280</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-01-290</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-300</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-310</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-320</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-330</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-340</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-350</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-360</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-370</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-380</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-390</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-400</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-410</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-420</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-430</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-440</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-450</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-460</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-01-470</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-480</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-490</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-500</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-510</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-520</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-530</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-540</u>	SF - Medium	\$16,338	\$1,124	\$1,077

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-01-550</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-560</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-570</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-580</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-590</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-600</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-610</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-620</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-630</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-640</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-650</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-660</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-01-670</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-680</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-690</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-700</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-710</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-720</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-730</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-740</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-750</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-760</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-770</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-780</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-790</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-800</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-810</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-01-820</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910



Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-01-830</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-840</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-850</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-860</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-870</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-880</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-890</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-900</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-910</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-920</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-930</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-940</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-950</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-960</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-970</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-980</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-01-990</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-000</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-010</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-020</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-030</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-040</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-050</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-060</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-070</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-080</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-090</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-100</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-02-110</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-120</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-130</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-140</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-150</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-160</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-170</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-180</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-190</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-200</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-210</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-220</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-230</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-240</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-250</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-260</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-270</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-280</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-290</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-300</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-310</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-320</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-330</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-340</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-350</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-360</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-370</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-380</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-02-390</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-400</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-410</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-420</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-430</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-440</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-450</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-460</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-470</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-480</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-490</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-500</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-510</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-520</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-530</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-540</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-550</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-560</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-570</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-580</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-590</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-600</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-610</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-620</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-630</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-640</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-650</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-660</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>13-24-30-8333-02-670</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-680</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-690</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-700</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-710</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-720</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-730</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-740</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-750</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-760</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-770</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-780</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-790</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-800</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-810</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>13-24-30-8333-02-820</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-02-830</u>	TOWNHOME v\$350,000	\$13,808	\$950	\$910
<u>13-24-30-8333-02-840</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>13-24-30-8333-02-850</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>13-24-30-8333-02-860</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-870</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-880</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-890</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-900</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-910</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-920</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>13-24-30-8333-02-930</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-02-940</u>	SF - Medium	\$16,338	\$1,124	\$1,077

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-02-950</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-02-960</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-02-970</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-02-980</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-02-990</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-000</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-010</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-020</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-030</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-040</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-050</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-060</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-070</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-080</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-090</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-100</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-110</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-120</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-130</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-140</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-150</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-160</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-170</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-180</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-190</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-200</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-210</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-220</u>	SF - Medium	\$16,338	\$1,124	\$1,077

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-03-230</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-240</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-250</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-260</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-270</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-280</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-290</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-300</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-310</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-320</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-330</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-340</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-350</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-360</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-370</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-380</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-390</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-400</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-410</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-420</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-430</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-440</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-450</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-460</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-470</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-480</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-490</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-500</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-03-510</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-520</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-530</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-540</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-550</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-560</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-570</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-580</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-590</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-600</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-610</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-620</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-630</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-640</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-650</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-660</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-670</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-680</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-690</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-700</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-710</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-720</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-730</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-740</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-750</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-760</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-770</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-780</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-03-790</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-03-800</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-810</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-820</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-830</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-840</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-850</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-860</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-870</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-880</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-890</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-900</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-910</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-920</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-930</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-940</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-950</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-960</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-970</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-980</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-03-990</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-000</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-010</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-020</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-030</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-040</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-050</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-060</u>	SF - Medium	\$16,338	\$1,124	\$1,077

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-04-070</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-080</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-090</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-100</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-110</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-04-120</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-130</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-140</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-150</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-160</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-170</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-180</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-190</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-200</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-210</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-220</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-230</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-240</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-250</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-260</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-270</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-280</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-290</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-300</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-310</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-320</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-330</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-340</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-04-350</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-360</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-370</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-380</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-390</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-400</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-410</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-420</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-430</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-440</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-450</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-460</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-470</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-480</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-490</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-500</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-510</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-520</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-530</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-540</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-550</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-560</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-570</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-580</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-590</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-600</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-610</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-620</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-04-630</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-640</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-650</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-660</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-670</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-680</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-690</u>	DUPLEX-\$299,999 or less	\$11,987	\$825	\$790
<u>18-24-31-9163-04-700</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-710</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-720</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-730</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-740</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-750</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-760</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-770</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-780</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-790</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-800</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-810</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-820</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-830</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-840</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-850</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-860</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-870</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-880</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-890</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-900</u>	SF - Large	\$19,257	\$1,200	\$1,150

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-04-910</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-920</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-930</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-940</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-950</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-960</u>	SF - Large	\$19,257	\$1,200	\$1,150
<u>18-24-31-9163-04-970</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-980</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-04-990</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-000</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-010</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-020</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-030</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-040</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-050</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-060</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-070</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-080</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-090</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-100</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-110</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-120</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-130</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-140</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-150</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-160</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-170</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-180</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-05-190</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-200</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-210</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-220</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-230</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-240</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-250</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-260</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-270</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-280</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-290</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-300</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-310</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-320</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-330</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-340</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-350</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-360</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-370</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-380</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-390</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-400</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-410</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-420</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-430</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-440</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-450</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-460</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-05-470</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-480</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-490</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-500</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-510</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-520</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-530</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-540</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-550</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-560</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-570</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-580</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-590</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-600</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-610</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-620</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-630</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-640</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-650</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-660</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-670</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-680</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-690</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-700</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-710</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-720</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-730</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-740</u>	SF - Medium	\$16,338	\$1,124	\$1,077

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-05-750</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-760</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-770</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-780</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-790</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-800</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-810</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-820</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-830</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-840</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-850</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-860</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-870</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-880</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-890</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-900</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-910</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-920</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-930</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-940</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-950</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-960</u>	SF - Medium	\$16,338	\$1,124	\$1,077
<u>18-24-31-9163-05-970</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-980</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-05-990</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-000</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-010</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-020</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910

Supplemental Assessment Methodology for the Myrtle Creek Improvement District

<u>18-24-31-9163-06-030</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-040</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-050</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-060</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-070</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-080</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-090</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-100</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-110</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-120</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-130</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-140</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-150</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-160</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-170</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-180</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-190</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-200</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-210</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-220</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-230</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-240</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-250</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-260</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-270</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-280</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-290</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-300</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910

<u>18-24-31-9163-06-310</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-320</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-330</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-340</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-350</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-360</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-370</u>	DUPLEX-\$300,000-\$349,999	\$13,808	\$950	\$910
<u>18-24-31-9163-06-380</u>	DUPLEX-\$300,000-\$349,999	<u>\$13,808</u>	\$950	\$910

Total Series 2006A Bond Par Debt Assigned: \$9,167,706

At the time of the District's Series 2006A Bond issuance, it is estimated that the Gross Assessable Acreage within the tax identification numbers in Table A.2 below will be allocated \$25,687,294 in Series 2006A Bond par debt (\$34,855,000 in Series 2006A Bond par debt subtracting the \$9,167,706 allocated to the land within the tax identification parcels in Table A.1). The estimated \$25,687,294 in Series 2006A Bond par debt preliminarily allocated on an equal Gross Assessable Acreage basis will be assigned to L/T Assessable Units as those land uses are platted, in conjunction with examination of the applicable SPMP, and refined as provided in Section 2.5 above. The Financial Advisor, in consultation with the District Engineer, has determined that there are currently approximately 799.35 Gross Assessable Acres located in the District. These Gross Assessable Acres are contained within parcels owned by Lake Nona Land Co., LLC or Divosta Homes, LP. Table A.2 presents the par debt assignable to each entity based upon the number of Gross Assessable Acreage owned by each entity.

Table A.2 District Tax Roll – Tax Identification Numbers Containing Bulk Acreage

<u>Development Entity</u>	<u>Parcel IDs Owned</u>	<u>Gross Assessable Acreage*</u>	<u>Percentage Owned**</u>	<u>Series 2006A Par Assessment</u>
Divosta Homes, LP	24-24-30-0000-00-002	261.184	32.67%	\$8,393,165
Lake Nona Land Co., LLC	18-24-31-0000-00-007**	538.17	67.33%	\$17,294,129
	13-24-30-0000-00-002**			
	18-24-31-0000-00-006**			
	13-24-30-4935-01-000**			
	18-24-31-4689-01-000**			
	23-24-30-0000-00-006**			
	24-24-30-0000-00-003**			

*Refers to Gross Assessable Acreage within the District owned by either Divosta Homes, LP or Lake Nona Land Co., LLC. The Gross Assessable Acreage owned by the Lake Nona Land Co., LLC may be included in one or more of the parcel IDs shown.

**Percentage of the total Gross Assessable Acreage in the District owned by either Divosta Homes, LP or Lake Nona Land Co., LLC.

***538.17 acres represents the combined Gross Assessable Acreage contained within the tax identification parcel numbers 18-24-31-0000-00-007, 13-24-30-0000-00-002, 18-24-31-0000-00-006, 13-24-30-4935-01-000, 18-24-31-4689-01-000, 23-24-30-0000-00-006, and 24-24-30-0000-00-003.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E

FORMS OF CONTINUING DISCLOSURE AGREEMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

FORM OF CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the "Disclosure Agreement") dated as of December 1, 2006 is executed and delivered by the **MYRTLE CREEK IMPROVEMENT DISTRICT** (the "District"), **DIVOSTA HOMES, L.P.**, a Delaware limited partnership, for the limited purposes of Section 4A hereof (the "Sub-Developer") and **PRAGER, SEALY & CO., LLC**, as dissemination agent ("Prager") in connection with the issuance of \$34,855,000 Myrtle Creek Improvement District (City of Orlando, Florida) Special Assessment Revenue Bonds, Series 2006A (the "Bonds"). The Bonds are being issued pursuant to a Master Trust Indenture dated as of December 1, 2006, as supplemented by a First Supplemental Trust Indenture dated as of December 1, 2006, between the District and U.S. Bank National Association, a national banking association, as trustee (the "Trustee") (collectively, the "Indenture"). The District, the Sub-Developer and Prager covenant and agree as follows:

1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the District, the Sub-Developer and Prager for the benefit of the Owners of the Bonds and to assist the original underwriter of the Bonds in complying with the applicable provisions of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended from time to time (the "Rule"). The District represents that the information being provided pursuant to this Disclosure Agreement is consistent with the requirements of the Rule.

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

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

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

"Assessments" shall mean the non ad valorem special assessments pledged to the Bonds.

"Business Day" means any day other than a Saturday, Sunday or a day on which the District is required, or authorized or not prohibited by law (including executive orders), to close and is closed.

"Disclosure Representative" shall mean the District Manager or his or her designee, or such other officer or employee as the District shall designate in writing to the Trustee and the Dissemination Agent from time to time.

"Dissemination Agent" shall mean the District, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the District and

which has filed with the District and Trustee a written acceptance of such designation. Prager has been designated as the initial Dissemination Agent hereunder.

"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.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"National Repository" shall mean each nationally recognized municipal securities information repository designated from time to time by the SEC in accordance with the Rule. For a list of the names and addresses of all designated National Repositories and State Repositories as of any date may currently be obtained by calling the SEC's Fax on Demand Service from a fax machine at (202) 942-8088 and requesting document numbers 0206 and 0207, respectively, or by visiting the SEC's web site at "<http://www.sec.gov/info/municipal/nrmsir.htm>."

"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, which person(s) shall include the District, the Sub-Developer for so long as the Sub-Developer is the owner of (or is responsible for developing as the case may be) at least twenty percent (20%) of the lands which have been determined by the District to be lands benefited by the project financed with proceeds of the Bonds or are responsible for payment of at least twenty percent (20%) of the Assessments.

"Participating Underwriter" shall mean, Prager, in its capacity as the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each National Repository and each State Repository.

"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 may be amended from time to time.

"State" shall mean the State of Florida.

"State Repository" shall mean the state information repository, if any, designated by the State and with which filings are required to be made by the District in accordance with the Rule.

3. Provision of Annual Reports.

(a) Subject to the following sentence, the District shall provide the Annual Report to the Dissemination Agent and the Trustee no later than 180 days after the close of the District's Fiscal Year, commencing with the Fiscal Year ended September 30, 2007. 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 District may be submitted separately from the balance of the Annual Report, and may be submitted up to, but no later than, 365 days after the close of the District's Fiscal Year. The District shall, or shall cause the Dissemination Agent to, provide to each Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty days after same becomes available. If the District's Fiscal Year changes, the District shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) If by the 180th day after the close of the District's Fiscal Year the Dissemination Agent has not received a copy of the Annual Report (other than the audited financial statements of the District), the Dissemination Agent shall notify the District in writing that the District has not complied with its obligations under subsection (a) above. If by the 365th day after the close of the District's Fiscal Year the Dissemination Agent has not received a copy of the audited financial statements of the District, the Dissemination Agent shall notify the District in writing that the District has not complied with its obligations under subsection (a) above.

(c) If the Dissemination Agent is unable to verify in writing from the District that the District has filed an Annual Report with the Repositories by the date required in subsection (a) above, the Dissemination Agent shall send a notice to each Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a report with the District and the Trustee certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing all the Repositories to which it was provided.

4. Content of Annual Reports.

(a) The District's Annual Report shall contain or incorporate by reference the following:

(i) The amount of Assessments levied for the most recent Fiscal Year.

(ii) The amount of Assessments collected from the property owners during the most recent Fiscal Year.

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

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

(v) All fund balances in all Funds and Accounts for the Bonds. The District shall provide any Bondholder with this information more frequently than annually within thirty (30) days of the written request of the Bondholder.

(vi) The total amount of Bonds Outstanding.

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

(viii) The most recent audited financial statements of the District (provided, however, if the District has not prepared audited financial statements for its Fiscal Year ending September 30, 2007, the first Annual Report submitted by the District in accordance herewith may include unaudited financial statements for such Fiscal Year).

To the extent any of the items set forth in subsections (i) through (vii) above are included in the audited financial statements referred to in subsection (viii) above, they do not have to be separately set forth. Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The District shall clearly identify each such other document so incorporated by reference.

(b) The parties to this Disclosure Agreement agree to assist the District and the Dissemination Agent in preparing and providing the information necessary to prepare the Annual Report and the quarterly reports.

(c) The financial statements provided by the District shall be audited.

4A. Limited Sub-Developer Obligations. The Sub-Developer, so long as it (i.e., each constituent entity) is an owner, optionee, or developer, or collectively they are an owner, optionee or developer, of at least twenty percent (20%) of the property subject to the Assessments, shall also prepare reports no later than thirty (30) days after the end of each calendar quarter commencing March 1, 2007 and provide these reports to the Dissemination Agent and to any Owners that request them, provided, however, that so long as the Sub-Developer is a reporting company, such thirty (30) days shall be extended to the date of filing of the Sub-Developer's respective 10K or 10Q, if later, as the case may be. At such time as the Sub-Developer is no longer an Obligated Person, the Sub-Developer will no longer be obligated to prepare the quarterly reports as it relates to such component of the Development (as defined in the Limited Offering Memorandum relating to the Bonds). All of the following requirements shall apply only to property in the Development owned by the Sub-Developer, notwithstanding anything to the contrary herein.

These quarterly reports may address the following, as applicable:

- (i) The number of homes planned on property which is being assessed to repay the Bonds.
- (ii) The number and type of property (lots, parcels, raw land, etc.) sold to builders.
- (iii) The number of homes constructed.
- (iv) The number of homes closed.
- (v) The number of units, type of units and square footage of commercial property or other non-residential uses planned on property which is being assessed to repay the Bonds.
- (vi) The number and type of property (parcels, raw land, etc.) sold for non-residential development, if any.
- (vii) The square footage of non-residential property constructed, if any.
- (viii) The estimated date of complete build-out of residential units.
- (ix) Whether the Sub-Developer has made any bulk sale of the land, subject to the Assessments, within the District other than in the ordinary course of business.
- (x) The anchor (more than ten percent (10%) of the square footage) tenants of non-residential property, if any.
- (xi) The status of development approvals for VillageWalk at Lake Nona.
- (xii) Materially adverse changes or determinations to permits/approvals for VillageWalk at Lake Nona which necessitate changes to the Sub-Developer's land-use plans.
- (xiii) Updated plan of finance for VillageWalk at Lake Nona (i.e., status of any credit enhancement, issuance of additional bonds to complete project, draw on credit line of Sub-Developer, additional mortgage debt, etc.).

The Sub-Developer or its successors or assigns agrees to provide the information necessary to prepare the quarterly reports so long as it is an Obligated Person. If the Sub-Developer transfers an interest in its respective component of the property subject to Assessments to an entity which will in turn own at least twenty percent (20%) or more of the property subject to Assessments, the Sub-Developer agrees to use its best efforts to assign or delegate its obligations set forth herein to its successor in interest.

5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following Listed Events:

(i) Delinquency in payment when due of any principal or interest on the Bonds.

(ii) Amendment to the Indenture or this Disclosure Agreement modifying the rights of the Owners of the Bonds.

(iii) Giving a notice of optional or unscheduled redemption of any Bonds.

(iv) Defeasance of the Bonds or any portion thereof.

(v) Any change in any rating of the Bonds.*

(vi) (A) Receipt of an opinion of nationally recognized bond counsel to the effect that interest on the Bonds is not tax-exempt; or

(B) Any event adversely affecting the tax-exempt status of the Bonds, including, but not limited to:

(1) Any audit, investigation or other challenge of the tax-exempt status of the Bonds by the Internal Revenue Service or in any administrative or judicial proceeding; or

(2) The issuance of any regulation, decision or other official pronouncement by the Internal Revenue Service or other official tax authority or by any court adversely affecting the tax-exempt status of the Bonds or bonds of the same type as the Bonds or financing structures of the same type as financed by the Bonds.

(vii) Any unscheduled draw on the Debt Service Reserve Fund reflecting financial difficulties.

(viii) Any unscheduled draw on credit enhancements reflecting financial difficulties.**

(ix) The release, substitution or sale of property securing repayment of the Bonds (including property leased, mortgaged or pledged as such security). The sale of real property in the District in the ordinary course of the Sub-Developer's business shall not be a material event for purposes of the foregoing.

(x) The substitution of credit or liquidity providers or their failure to perform.**

* Note: The Bonds are not rated

** Note: There are currently no credit or liquidity providers for the Bonds

(xi) Occurrence of any Event of Default under the Indenture (other than as described in clause (1) above).

(b) The District shall, within five (5) Business Days of obtaining actual knowledge of the occurrence of any of the Listed Events, except events listed in clauses (a)(i), (iii) or (iv), notify the Dissemination Agent in writing of such event and whether or not to report the event pursuant to subsection (e).

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall file a notice of the occurrence of a Listed Event, with (i) the Repositories, or (ii) the State Repository, if any, if material.

(d) If the District sends notice pursuant to subsection (c) or otherwise, the District shall promptly notify the Dissemination Agent. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (e).

(e) If the Dissemination Agent has been instructed by the District to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB. Notwithstanding the foregoing:

(i) notice of the occurrence of a Listed Event described in subsections (a)(i), (iii) or (iv) shall be given by the Dissemination Agent unless the District gives the Dissemination Agent affirmative instructions not to disclose such occurrence; and

(ii) notice of Listed Events described in subsections (a)(iii) and (iv) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Owners of affected Bonds pursuant to the Indenture.

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

7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the District shall be the Dissemination Agent. The initial Dissemination Agent shall be Prager. The acceptance of such designation is evidenced in the Dissemination Agreement of even date herewith, executed by the District and Prager.

8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the District, the Sub-Developer 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 District, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Notwithstanding the above provisions of this Section 8, no amendment to the provisions of Section 4(A) hereof may be made without the consent of the Sub-Developer as long as the Sub-Developer is an Obligated Person.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the District shall describe such amendment 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 District. 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 5(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.

9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the District 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 District 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 District 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.

10. Default. In the event of a failure of the District, the Disclosure Representative, the Sub-Developer, or a Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Owners of at least 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 mandate or specific performance by court order, to cause the District, the Disclosure Representative, the Sub-Developer, 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 the Sub-Developer shall not be deemed a default by the District 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 District, the Disclosure Representative, the Sub-Developer, or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance. The Trustee shall not be deemed to have actual knowledge of any default under this Disclosure Agreement unless notified in writing of such default by any Participating Underwriter or the Owners of at least 25% in aggregate principal amount of the Outstanding Bonds.

11. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement and in the Dissemination Agent Agreement.

12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the District, the Sub-Developer, the Dissemination Agent, the Participating Underwriters and Owners of the Bonds, and shall create no rights in any other person or entity.

13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

14. Tax Roll. The District, through its District Manager, if applicable, agrees to provide the Dissemination Agent with a certified copy of the tax roll provided to the Orange County Tax Collector within 30 days of its delivery to the Orange County Tax Collector.

15. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida and Federal law and venue shall be solely in Orange County, Florida.

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE FOR
CONTINUING DISCLOSURE AGREEMENT
(Myrtle Creek Improvement District)**

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

**MYRTLE CREEK IMPROVEMENT
DISTRICT**

By: _____
Tom Youth
Chairman, Board of Supervisors

DISTRICT MANAGER

RIZZETTA & COMPANY, INC.,
and its successors and assigns

By: _____
Eric Dailey
District Manager

DIVOSTA HOMES, L.P., a Delaware limited partnership for the limited purposes of Section 4A hereof

By:

By: _____
Name: _____
Title: _____

PRAGER, SEALY & CO., LLC

By: _____
Name: _____
Title: _____

**SIGNATURE PAGE FOR
CONTINUING DISCLOSURE AGREEMENT
(Myrtle Creek Improvement District)**

Joined by U.S. Bank National Association as Trustee for purposes of Section 10 only.

TRUSTEE:

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

By: _____
Name: _____
Title: _____

EXHIBIT A

**NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT**

Name of District: Myrtle Creek Improvement District

Name of Bond Issue: \$34,855,000 Myrtle Creek Improvement District Special Assessment Revenue Bonds, Series 2006A

Date of Issuance: December 14, 2006

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Agreement dated as of December 1, 2006, among the District, the Sub-Developer, the Dissemination Agent and the Trustee named therein. The District has advised the undersigned that it anticipates that the Annual Report will be filed by _____, 20____.

Dated: _____

PRAGER, SEALY & CO., LLC

xc: District

ORL 296431292v8 12/4/2006

FORM OF CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the "Disclosure Agreement") dated as of December 1, 2006 is executed and delivered by the **MYRTLE CREEK IMPROVEMENT DISTRICT** (the "District"), **LAKE NONA PROPERTY HOLDINGS, LLC**, a Florida limited liability company and **LAKE NONA LAND COMPANY, LLC**, a Florida limited liability company (collectively, the "Developer") and **PRAGER, SEALY & CO., LLC**, as dissemination agent ("Prager") in connection with the issuance of \$34,855,000 Myrtle Creek Improvement District (City of Orlando, Florida) Special Assessment Revenue Bonds, Series 2006A (the "Bonds"). The Bonds are being issued pursuant to a Master Trust Indenture dated as of December 1, 2006, as supplemented by a First Supplemental Trust Indenture dated as of December 1, 2006, between the District and U.S. Bank National Association, a national banking association, as trustee (the "Trustee") (collectively, the "Indenture"). The District, the Developer and Prager covenant and agree as follows:

1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the District, the Developer and Prager for the benefit of the Owners of the Bonds and to assist the original underwriter of the Bonds in complying with the applicable provisions of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended from time to time (the "Rule"). The District represents that the information being provided pursuant to this Disclosure Agreement is consistent with the requirements of the Rule.

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

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

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

"Assessments" shall mean the non ad valorem special assessments pledged to the Bonds.

"Business Day" means any day other than a Saturday, Sunday or a day on which the District is required, or authorized or not prohibited by law (including executive orders), to close and is closed.

"Disclosure Representative" shall mean the District Manager or his or her designee, or such other officer or employee as the District shall designate in writing to the Trustee and the Dissemination Agent from time to time.

"Dissemination Agent" shall mean the District, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the District and which has filed with the District and Trustee a written acceptance of such designation. Prager has been designated as the initial Dissemination Agent hereunder.

"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.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"National Repository" shall mean each nationally recognized municipal securities information repository designated from time to time by the SEC in accordance with the Rule. For a list of the names and addresses of all designated National Repositories and State Repositories as of any date may currently be obtained by calling the SEC's Fax on Demand Service from a fax machine at (202) 942-8088 and requesting document numbers 0206 and 0207, respectively, or by visiting the SEC's web site at "<http://www.sec.gov/info/municipal/nrmsir.htm>."

"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, which person(s) shall include the District, the Developer for so long as the Developer is the owner of (or is responsible for developing as the case may be) at least twenty percent (20%) of the lands which have been determined by the District to be lands benefited by the project financed with proceeds of the Bonds or are responsible for payment of at least twenty percent (20%) of the Assessments.

"Participating Underwriter" shall mean, Prager, in its capacity as the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each National Repository and each State Repository.

"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 may be amended from time to time.

"State" shall mean the State of Florida.

"State Repository" shall mean the state information repository, if any, designated by the State and with which filings are required to be made by the District in accordance with the Rule.

3. Provision of Annual Reports.

(a) Subject to the following sentence, the District shall provide the Annual Report to the Dissemination Agent and the Trustee no later than 180 days after the close of the District's Fiscal Year, commencing with the Fiscal Year ended September 30, 2007. 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 District may be submitted separately from the balance of the Annual Report, and may be submitted up to, but no later than, 365 days after the close of the District's Fiscal Year. The District shall, or shall cause the Dissemination Agent to, provide to each Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty days after same becomes available. If the District's Fiscal Year changes, the District shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) If by the 180th day after the close of the District's Fiscal Year the Dissemination Agent has not received a copy of the Annual Report (other than the audited financial statements of the District), the Dissemination Agent shall notify the District in writing that the District has not complied with its obligations under subsection (a) above. If by the 365th day after the close of the District's Fiscal Year the Dissemination Agent has not received a copy of the audited financial statements of the District, the Dissemination Agent shall notify the District in writing that the District has not complied with its obligations under subsection (a) above.

(c) If the Dissemination Agent is unable to verify in writing from the District that the District has filed an Annual Report with the Repositories by the date required in subsection (a) above, the Dissemination Agent shall send a notice to each Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a report with the District and the Trustee certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing all the Repositories to which it was provided.

4. Content of Annual Reports.

(a) The District's Annual Report shall contain or incorporate by reference the following:

(i) The amount of Assessments levied for the most recent Fiscal Year.

(ii) The amount of Assessments collected from the property owners during the most recent Fiscal Year.

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

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

(v) All fund balances in all Funds and Accounts for the Bonds. The District shall provide any Bondholder with this information more frequently than annually within thirty (30) days of the written request of the Bondholder.

(vi) The total amount of Bonds Outstanding.

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

(viii) The most recent audited financial statements of the District (provided, however, if the District has not prepared audited financial statements for its Fiscal Year ending September 30, 2007, the first Annual Report submitted by the District in accordance herewith may include unaudited financial statements for such Fiscal Year).

To the extent any of the items set forth in subsections (i) through (vii) above are included in the audited financial statements referred to in subsection (viii) above, they do not have to be separately set forth. Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The District shall clearly identify each such other document so incorporated by reference.

(b) The parties to this Disclosure Agreement agree to assist the District and the Dissemination Agent in preparing and providing the information necessary to prepare the Annual Report and the quarterly reports.

(c) The financial statements provided by the District shall be audited.

4A. Limited Developer Obligations. The Developer, so long as it (i.e., each constituent entity) is an owner, optionee, or developer, or collectively they are an owner, optionee or developer, of at least twenty percent (20%) of the property subject to the Assessments, shall also prepare reports no later than thirty (30) days after the end of each calendar quarter commencing March 1, 2007 and provide these reports to the Dissemination Agent and to any Owners that request them, provided, however, that so long as the Developer is a reporting company, such thirty (30) days shall be extended to the date of filing of the Developer's respective 10K or 10Q, if later, as the case may be. At such time as the Developer is no longer an Obligated Person, the Developer will no longer be obligated to prepare the quarterly reports as it relates to such component of the Development (as defined in the Limited Offering Memorandum relating to the Bonds). All of the following requirements shall apply only to property in the Development owned by the Developer, notwithstanding anything to the contrary herein.

These quarterly reports may address the following, as applicable:

- (i) The number of homes planned on property which is being assessed to repay the Bonds.
- (ii) The number and type of property (lots, parcels, raw land, etc.) sold to builders.
- (iii) The number of homes constructed.
- (iv) The number of homes closed.
- (v) The number of units, type of units and square footage of commercial property or other non-residential uses planned on property which is being assessed to repay the Bonds.
- (vi) The number and type of property (parcels, raw land, etc.) sold for non-residential development, if any.
- (vii) The square footage of non-residential property constructed, if any.
- (viii) The estimated date of complete build-out of residential units.
- (ix) Whether the Developer has made any bulk sale of the land, subject to the Assessments, within the District other than in the ordinary course of business.
- (x) The anchor (more than ten percent (10%) of the square footage) tenants of non-residential property, if any.
- (xi) The status of development approvals for the Development.
- (xii) Materially adverse changes or determinations to permits/approvals for the Development which necessitate changes to the Developer's land-use plans.
- (xiii) Updated plan of finance for the Development (i.e., status of any credit enhancement, issuance of additional bonds to complete project, draw on credit line of Developer, additional mortgage debt, etc.).

The Developer or its successors or assigns agrees to provide the information necessary to prepare the quarterly reports so long as it is an Obligated Person. If the Developer transfers an interest in its respective component of the Development to an entity which will in turn own at least twenty percent (20%) or more of the Development, the Developer agrees to use its best efforts to assign or delegate its obligations set forth herein to its successor in interest.

5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following Listed Events:

(i) Delinquency in payment when due of any principal or interest on the Bonds.

(ii) Amendment to the Indenture or this Disclosure Agreement modifying the rights of the Owners of the Bonds.

(iii) Giving a notice of optional or unscheduled redemption of any Bonds.

(iv) Defeasance of the Bonds or any portion thereof.

(v) Any change in any rating of the Bonds.*

(vi) (A) Receipt of an opinion of nationally recognized bond counsel to the effect that interest on the Bonds is not tax-exempt; or

(B) Any event adversely affecting the tax-exempt status of the Bonds, including, but not limited to:

(1) Any audit, investigation or other challenge of the tax-exempt status of the Bonds by the Internal Revenue Service or in any administrative or judicial proceeding; or

(2) The issuance of any regulation, decision or other official pronouncement by the Internal Revenue Service or other official tax authority or by any court adversely affecting the tax-exempt status of the Bonds or bonds of the same type as the Bonds or financing structures of the same type as financed by the Bonds.

(vii) Any unscheduled draw on the Debt Service Reserve Fund reflecting financial difficulties.

(viii) Any unscheduled draw on credit enhancements reflecting financial difficulties.**

(ix) The release, substitution or sale of property securing repayment of the Bonds (including property leased, mortgaged or pledged as such security). The sale of real property in the District in the ordinary course of the Developer's business shall not be a material event for purposes of the foregoing.

(x) The substitution of credit or liquidity providers or their failure to perform.**

* Note: The Bonds are not rated

** Note: There are currently no credit or liquidity providers for the Bonds

(xi) Occurrence of any Event of Default under the Indenture (other than as described in clause (1) above).

(b) The District shall, within five (5) Business Days of obtaining actual knowledge of the occurrence of any of the Listed Events, except events listed in clauses (a)(i), (iii) or (iv), notify the Dissemination Agent in writing of such event and whether or not to report the event pursuant to subsection (e).

(c) Whenever the District obtains knowledge of the occurrence of a Listed Event, the District shall file a notice of the occurrence of a Listed Event, with (i) the Repositories, or (ii) the State Repository, if any, if material.

(d) If the District sends notice pursuant to subsection (c) or otherwise, the District shall promptly notify the Dissemination Agent. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (e).

(e) If the Dissemination Agent has been instructed by the District to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB. Notwithstanding the foregoing:

(i) notice of the occurrence of a Listed Event described in subsections (a)(i), (iii) or (iv) shall be given by the Dissemination Agent unless the District gives the Dissemination Agent affirmative instructions not to disclose such occurrence; and

(ii) notice of Listed Events described in subsections (a)(iii) and (iv) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Owners of affected Bonds pursuant to the Indenture.

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

7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the District shall be the Dissemination Agent. The initial Dissemination Agent shall be Prager. The acceptance of such designation is evidenced in the Dissemination Agreement of even date herewith, executed by the District and Prager.

8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the District, the Developer 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 District, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Notwithstanding the above provisions of this Section 8, no amendment to the provisions of Section 4A hereof may be made without the consent of the Developer as long as the Developer is an Obligated Person.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the District shall describe such amendment 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 District. 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 5(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.

9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the District 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 District 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 District 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.

10. Default. In the event of a failure of the District, the Disclosure Representative, the Developer, or a Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Owners of at least 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 mandate or specific performance by court order, to cause the District, the Disclosure Representative, the Developer, 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 the Developer shall not be deemed a default by the District 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 District, the Disclosure Representative, the Developer, or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance. The Trustee shall not be deemed to have actual knowledge of any default under this Disclosure Agreement unless notified in writing of such default by any Participating Underwriter or the Owners of at least 25% in aggregate principal amount of the Outstanding Bonds.

11. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement and in the Dissemination Agent Agreement.

12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the District, the Developer, the Dissemination Agent, the Participating Underwriters and Owners of the Bonds, and shall create no rights in any other person or entity.

13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

14. Tax Roll. The District, through its District Manager, if applicable, agrees to provide the Dissemination Agent with a certified copy of the tax roll provided to the Orange County Tax Collector within 30 days of its delivery to the Orange County Tax Collector.

15. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida and Federal law and venue shall be solely in Orange County, Florida.

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE FOR
CONTINUING DISCLOSURE AGREEMENT
(Myrtle Creek Improvement District)**

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

**MYRTLE CREEK IMPROVEMENT
DISTRICT**

By: _____
Tom Youth
Chairman, Board of Supervisors

DISTRICT MANAGER

RIZZETTA & COMPANY, INC.,
and its successors and assigns

By: _____
Eric Dailey
District Manager

LAKE NONA PROPERTY HOLDINGS, LLC, a
Florida limited liability company

By: _____
James L. Zboril, President

LAKE NONA LAND COMPANY, LLC
a Florida limited liability company

By: _____
James L. Zboril, President

**SIGNATURE PAGE FOR
CONTINUING DISCLOSURE AGREEMENT**
(Myrtle Creek Improvement District)

PRAGER, SEALY & CO., LLC

By: _____
Name: _____
Title: _____

**SIGNATURE PAGE FOR
CONTINUING DISCLOSURE AGREEMENT
(Myrtle Creek Improvement District)**

Joined by U.S. Bank National Association as Trustee for purposes of Section 10 only.

TRUSTEE:

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

By: _____
Name: _____
Title: _____

EXHIBIT A

**NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT**

Name of District: Myrtle Creek Improvement District

Name of Bond Issue: \$34,855,000 Myrtle Creek Improvement District Special Assessment Revenue Bonds, Series 2006A

Date of Issuance: December 14, 2006

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Agreement dated as of December 1, 2006, among the District, the Developer, the Dissemination Agent and the Trustee named therein. The District has advised the undersigned that it anticipates that the Annual Report will be filed by _____, 20____.

Dated: _____

PRAGER, SEALY & CO., LLC

xc: District

[THIS PAGE INTENTIONALLY LEFT BLANK]

