

*Scenic Terrace South
Community Development District*

Meeting Agenda

March 16, 2022

AGENDA

Scenic Terrace South

Community Development District

219 E. Livingston St., Orlando, Florida 32801

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

March 9, 2022

**Board of Supervisors
Scenic Terrace South
Community Development District**

Dear Board Members:

A meeting of the Board of Supervisors of the **Scenic Terrace South Community Development District** will be held on **Wednesday, March 16, 2022 at 2:30 PM at 346 E. Central Ave., Winter Haven, FL 33880.**

Zoom Video Link: <https://us06web.zoom.us/j/89990193828>

Zoom Call-In Number: 1-646-876-9923

Meeting ID: 899 9019 3828

Following is the advance agenda for the meeting:

Board of Supervisors Meeting

1. Roll Call
2. Public Comment Period (¹Speakers will fill out a card and submit it to the District Manager prior to the beginning of the meeting)
3. Approval of Minutes of the February 16, 2022 Board of Supervisors Meeting
4. Consideration of Resolution 2022-40 Amending the Delegation Resolution
5. Consideration of Resolution 2022-41 Supplemental Assessment Resolution
6. Consideration of Forms of Series 2022 Developer Agreements:
 - A. True-Up Agreement
 - B. Collateral Assignment Agreement
 - C. Completion Agreement
 - D. Acquisition Agreement
 - E. Declaration of Consent
7. Consideration of Work Order from Dewberry to Provide Professional Consulting Services
8. Consideration of Resolution 2022-42 Authorizing the Use of Electronic Documents and Signatures
9. Consideration of Construction Funding Agreement for Phases 1 through 3 – **ADDED**

¹ Comments will be limited to three (3) minutes

10. Consideration of Temporary Construction and Access Easement Agreement for Phases 1 through 3 – **ADDED**
11. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. District Manager's Report
 - i. Approval of Check Register
 - ii. Balance Sheet & Income Statement
12. Other Business
13. Supervisors Requests and Audience Comments
14. Adjournment

MINUTES

**MINUTES OF MEETING
SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Scenic Terrace South Community Development District was held Wednesday, **February 16, 2022** at 2:46 p.m. at 346 E. Central Avenue, Winter Haven, Florida.

Present and constituting a quorum:

Lauren Schwenk
Patrick Marone
Justin Frye
Patricia Brewer-Hudson

Chairperson
Vice Chairman
Assistant Secretary
Assistant Secretary

Also present were:

Jill Burns
Roy Van Wyk *via Zoom*
Rey Malave *via Zoom*
Margie Lloyd *via Zoom*
Heather Wertz *via Zoom*
Rennie Heath

District Manager, GMS
KE Law Group
Dewberry
Dewberry
Absolute Engineering
Appointed as Supervisor

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order and called the roll. Four Board members were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Burns noted that there were no members of the public present to provide comments.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Acceptance of Resignation from Christine Aviles

Ms. Burns noted a letter of resignation was received from Ms. Aviles.

On MOTION by Mr. Frye, seconded by Ms. Schwenk, with all in favor, Acceptance of the Resignation Letter from Ms. Aviles, was approved.
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B. Appointment to Fill the Vacant Board Seat

Ms. Burns asked if the Board had a recommendation to fill the vacant Board seat. The Board recommended Mr. Heath for the vacant seat.

On MOTION by Mr. Frye, seconded by Mr. Marone, with all in favor, the Appointment to Fill the Vacant Board Seat with Rennie Heath, was approved.

C. Administration of Oath to Newly Appointed Supervisor

Ms. Burns noted the Board appointed Mr. Rennie Heath to the vacant seat and she performed the oath of office to Mr. Heath.

D. Consideration of Resolution 2022-38 Appointing Assistant Secretary

Ms. Burns stated Mr. Heath would be appointed as Assistant Secretary.

On MOTION by Ms. Schwenk, seconded by Mr. Marone, with all in favor, the Appointment of Mr. Rennie Heath as Assistant Secretary, was approved.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the December 15, 2021 Board of Supervisors Meeting

Ms. Burns asked for any comments, corrections, or changes to the December 15, 2021 Board of Supervisors meeting minutes. The Board had no changes.

On MOTION by Mr. Frye, seconded by Ms. Schwenk, with all in favor, the Minutes of the December 15, 2021 Board of Supervisor's Meeting, were approved.

FIFTH ORDER OF BUSINESS

Presentation and Approval of Supplemental Assessment Methodology

Ms. Burns presented the Supplemental Assessment Methodology. She noted this report supplements the Master report dated October 13, 2021 and allocated debt to the properties based on the special benefits that each receive from the Capital Improvement Program. She reviewed the tables. She noted a total of 744 units with 2 product types of single family 40' lots and single

family 50' lots. The 40' has a ERU of 1 and the 50' lot has an ERU of 1.25. The total cost estimate is \$32,825,460 as noted in the Master Engineer's report. The estimated bond sizing is \$18,655,000. The par debt per unit will be \$25,075. The net assessment is \$1,450. The preliminary assessment roll allocates debt by acre to each parcel. There is a total of 205.56 acres.

Ms. Burns confirmed that the methodology was consistent with the Master Assessment Methodology. Ms. Burns confirmed that the benefits were still greater than the burden placed on the lot size. Ms. Burns also noted the special assessments are still fairly and reasonably apportioned across product types. Ms. Burns added that they will confirm and update the last parcel listed.

On MOTION by Mr. Heath, seconded by Mr. Frye, with all in favor, the Supplemental Assessment Methodology, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2022-39 Delegation Resolution

Ms. Bligh presented Resolution 2022-39 Delegation Resolution. She noted this was contemplated when the Board adopted the resolution in October 2021, authorizing up to \$42,000,000 in bonds. The resolution contains exhibits to sell one series of bonds in the not to exceed amount of \$21,000,000. The primary purpose is to provide funds to pay all of their portion of the Series 2022 project. She reviewed the 4 forms attached to the resolution. She pointed out the District does not have to do a public offering of bonds and the parameters for the bonds are listed. The interest rate shall not exceed an average net interest cost rate. The aggregate principal amount shall not exceed \$21,000,000. The series bonds shall have a final maturity not later than the max term allowed by Florida law. The price at which the Series 2022 bonds shall be sold to the underwriter shall not be less than 98% of aggregate face amount.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, the Resolution 2022-39 Delegation Resolution, was approved.

SEVENTH ORDER OF BUSINESS

Review and Ranking of Proposals Received for the Phase 1 & 2 Construction Project

Ms. Wertz reviewed the bids for Phase 1 & 2 and the 4 received bids back. Phase 1 is 434 lots and 4 bidders bid on both projects. After complete review she added that the overall bid

ranking for Phase 1 was #1 with 97.25 points Jr. Davis. Overall ranking #2 was Tucker Paving at 97, #3 was QGS at 96.75, and Kearney 34 at 96 points. She recommended the Board award the bid to Jr. Davis for the Phase 1 project. Ms. Wertz reviewed the rankings for Phase 2. Overall, the rankings were #1 Tucker at 98.75 points, #2 Kearney at 97.5 points, #3 QGS with 96.25 points, and #4 was Jr. Davis with 94.25 points. She recommended the Board select Tucker for Phase 2.

The legal questions were answered that all bidders were responsive to the bid packages and all bidders are financially responsible bidders. There was some discussion about the split bid versus a combined bid. Mr. Heath asked if they had to award the bids based on the rankings. Mr. Van Wyk replied they did, but adjustments could be made based on how they wanted to do the bid. After discussion the Board selected Jr. Davis for Phase 1 and Tucker Paving for Phase 2. Ms. Burns noted they would send notice of award to the bidders.

On MOTION by Mr. Heath, seconded by Mr. Frye, with all in favor, to Accept the Ranking of Proposals Received for Phase 1 & 2 Construction Project and Award to Jr. Davis for Phase 1 and Tucker Paving for Phase 2, was approved.

EIGHTH ORDER OF BUSINESS

Consideration of RFP for Phase 3 (Added)

Ms. Burns noted this was added to the agenda and the copy of the RFP and the evaluation criteria was provided to the Board. She added this RFP packet would be available for pickup on March 1, 2022, the questions would be due back by March 18, 2022, and the due date would be April 1, 2022.

On MOTION by Mr. Heath, seconded by Mr. Frye, with all in favor, Authorizing Staff to Issue the RFP for Phase 3 and Approving the Evaluation Criteria, was approved.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Van Wyk stated he had nothing further to report.

B. Engineer

Mr. Malave did not have anything to present to the Board but offered to answer any questions.

C. District Manager's Report

- i. Approval of Funding Request #2**
- ii. Balance Sheet & Income Statement**

Ms. Burns reviewed the funding request. The Board had no questions.

On MOTION by Mr. Heath, seconded by Mr. Frye, with all in favor, Funding Request #2, was approved.

NINTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

TENTH ORDER OF BUSINESS

**Supervisors Requests and Audience
Comments**

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Adjournment

Ms. Burns adjourned the meeting.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with all in favor, the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV

RESOLUTION NO. 2022-40

A RESOLUTION OF THE BOARD OF SUPERVISORS OF SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT AMENDING AND SUPPLEMENTING RESOLUTION NO. 2022-39 TO AMEND CERTAIN PROVISIONS OF SECTIONS 1 AND 5 RELATING TO THE CONDITIONS FOR THE ISSUANCE OF ITS SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2022 (SERIES 2022 PROJECT) (THE "SERIES 2022 BONDS"); RATIFYING AND CONFIRMING ALL ACTIONS HERETOFORE TAKEN RELATING TO THE SALE OF THE SERIES 2022 BONDS; PROVIDING FOR INCIDENTAL ACTION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Scenic Terrace South Community Development District (the "District") is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act") and created by Ordinance No. O-21-19 enacted by the Town Council of the Town of Lake Hamilton, Florida (the "Town") on October 5, 2021; and

WHEREAS, on October 13, 2021, the Board of Supervisors of the District (the "Board") approved the Scenic Terrace South Community Development District Engineer's Report dated October 13, 2021 (the "Original Engineer's Report"), prepared by the District's engineer, Dewberry Engineers Inc. (the "District Engineer") which described the District's plan to undertake in more than one phase, the acquisition and/or construction of public infrastructure improvements for the special benefit of the District's land; and

WHEREAS, on March 2, 2022 the Board approved the Scenic Terrace South Community Development District Town of Hamilton Engineer's Report – Revised and Amended dated October 13, 2021 and revised March 2, 2022, prepared by the District Engineer, amending the Original Engineer's Report, to reflect the development area of approximately 188.33 acres (the "Series 2022 Project"); and

WHEREAS, the Series 2022 Project is to be financed in part with proceeds of the Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022 (the "Series 2022 Bonds") authorized to be issued pursuant to Resolution No. 2022-39 (the "Original Delegation Resolution") adopted by the Board on February 16, 2022, and this Amendment to the Original Delegation Resolution; and

WHEREAS, on March 16, 2022 the Board approved the Supplemental Assessment Methodology for Scenic Terrace South Community Development District dated March 16, 2022, prepared by Governmental Management Services-Central Florida, LLC, demonstrating a need for a bond issue of \$22,350,000 in order to finance a portion of the Series 2022 Project; and

WHEREAS, the District now desires to amend the provisions of the Original Delegation Resolution to increase the maximum principal amount of Series 2022 Bonds that can be issued pursuant to Sections 1 and 5 thereof from \$21,000,000 to \$22,350,000, to increase the amount of the Series 2022 Project to be financed by the Series 2022 Bonds; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Scenic Terrace South Community Development District, as follows:

Section 1. Defined Terms. Any term used herein and not otherwise defined shall have the meaning given to such term in the Original Delegation Resolution.

Section 2. Amendment to Preambles of the Original Delegation Resolution. The preambles of the Original Delegation Resolution are hereby amended and/or superseded by the addition of the intervening events described above. References to the Master Assessment Methodology Report shall be deemed to refer to the Master Assessment Report as supplemented by the Supplemental Assessment Methodology.

Section 3. Amendment of Section 1 of the Original Delegation Resolution. Section 1 of the Original Delegation Resolution is hereby amended in its entirety to read as follows:

"There are hereby authorized and directed to be issued: the Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022 (the "Series 2022 Bonds") in an aggregate principal amount not to exceed \$22,350,000, for the purposes of (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2022 Project, (ii) making a deposit to the Series 2022 Reserve Account in an amount equal to the Series 2022 Reserve Requirement, (iii) funding a portion of the interest coming due on the Series 2022 Bonds, and (iv) paying certain costs of issuance in respect of the Series 2022 Bonds. The Series 2022 Bonds shall be issued under and secured by the Indenture, the form of which by reference is hereby incorporated into this resolution as if set forth in full herein."

Section 4. Amendment of Section 5(iii) of the Original Delegation Resolution. Section 5(iii) of the Original Delegation Resolution is hereby amended in its entirety to read as follows:

"(iii) The aggregate principal amount of the Series 2022 Bonds shall not exceed \$22,350,000;"

Section 5. Public Meetings. It is hereby found and determined that all formal actions of the District concerning and relating to the adoption of this Resolution and the consummation of the transactions contemplated by this Resolution were adopted in open meetings of the District, and that all deliberations of the District that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 6. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Section 7. Inconsistent Proceedings. All resolutions or proceedings, or parts thereof, in conflict with the provisions hereof are to the extent of such conflict hereby repealed or amended to the extent of such inconsistency.

Section 8. Ratification of Original Delegation Resolution. Except to the extent previously modified and/or hereby modified, the Original Delegation Resolution of the District is hereby ratified, confirmed and approved in all respects.

Section 9. Effective Date. This Resolution shall take effect immediately upon its adoption.

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

PASSED in Public Session of the Board of Supervisors of Scenic Terrace South Community Development District, this 16th day of March, 2022.

**SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT
DISTRICT**

Attest:

Secretary, Board of Supervisors

Chairperson, Board of Supervisors

SECTION V

RESOLUTION 2022-41

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT SETTING FORTH THE SPECIFIC TERMS OF THE DISTRICT'S SPECIAL ASSESSMENT BONDS, SERIES 2022; CONFIRMING THE DISTRICT'S PROVISION OF IMPROVEMENTS; CONFIRMING THE AMENDED ENGINEER'S REPORT AND SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT; CONFIRMING, ALLOCATING AND AUTHORIZING THE COLLECTION OF SPECIAL ASSESSMENTS SECURING THE SERIES 2022 BONDS; PROVIDING FOR THE APPLICATION OF TRUE-UP PAYMENTS; PROVIDING FOR THE SUPPLEMENTATION OF THE IMPROVEMENT LIEN BOOK; PROVIDING FOR THE RECORDING OF A NOTICE OF SERIES 2022 SPECIAL ASSESSMENTS; PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Scenic Terrace South Community Development District (“**District**”) has previously indicated its intention to undertake, install, establish, construct or acquire certain public improvements and to finance such public improvements through the imposition of special assessments on benefited property within the District and the issuance of bonds; and

WHEREAS, the District’s Board of Supervisors (“**Board**”) has previously adopted, after notices and public hearings, Resolution No. 2022-34, relating to the imposition, levy, collection and enforcement of such special assessments; and

WHEREAS, pursuant to and consistent with the terms of Resolution No. 2022-34, this Resolution shall set forth the terms of bonds actually issued by the District, and apply the adopted special assessment methodology to the actual scope of the project to be completed with such series of bonds and the terms of the bond issue; and

WHEREAS, on March 15, 2022, the District entered into a Bond Purchase Contract, whereby it agreed to sell \$22,350,000 of its Special Assessment Bonds, Series 2022 (the “**Series 2022 Bonds**”); and

WHEREAS, pursuant to and consistent with Resolution No. 2022-34, the District desires to set forth the particular terms of the sale of the Series 2022 Bonds and to confirm the liens of the levy of special assessments securing the Series 2022 Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT AS FOLLOWS:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Florida law, including Chapters 170, 190 and 197, *Florida Statutes*, and Resolution 2022-34.

SECTION 2. FINDINGS. The Board of Supervisors of the Scenic Terrace South Community Development District hereby finds and determines as follows:

(a) On November 17, 2021, the District, after due notice and public hearing, adopted Resolution 2022-34 which, among other things, equalized, approved, confirmed and levied special assessments on property benefiting from the improvements authorized by the District. Each Resolution provides that as each series of bonds is issued to fund all or any portion of the District's improvements, a supplemental resolution will be adopted to set forth the specific terms of each series of the bonds and certifying the amount of the liens of the special assessments securing any portion of the bonds, including interest, costs of issuance, the number of payments due, any True-Up amounts and the application of receipt of any True-Up proceeds.

(b) *The Scenic Terrace South Community Development District Engineer's Report-Revised and Amended*, dated March 2, 2022 (the "**Engineer's Report**"), attached to this Resolution as **Exhibit A**, identifies and describes the presently expected components of the infrastructure improvements ("**Series 2022 Project**"), to be financed all or in part with the Series 2022 Bonds (the "**Improvements**"), and indicates the estimated costs of the Series 2022 Project as \$32,825,460. The District hereby confirms that the Series 2022 Project serves a proper, essential and valid public purpose. The Engineer's Report is hereby approved, adopted, and confirmed. The District ratifies its use in connection with the sale of the Series 2022 Bonds.

(c) The *Master Assessment Methodology*, dated October 13, 2021 (the "**Master Methodology**"), as supplemented by that *Supplemental Assessment Methodology*, dated March 16, 2022 ("**Supplemental Methodology**"), and together with the Master Methodology, the "**Assessment Report**"), attached to this Resolution as **Composite Exhibit B**, applies the Assessment Report to the Improvements and the actual terms of the Series 2022 Bonds. The Assessment Report is hereby approved, adopted and confirmed. The District ratifies its use in connection with the sale of the Series 2022 Bonds.

(d) The Series 2022 Project will specially benefit certain property within the District ("**Series 2022 Assessment Area**"), the legal description of the assessable property therein is attached hereto as **Exhibit C**. It is reasonable, proper, just and right to assess the portion of the costs of the Series 2022 Project financed with the Series 2022 Bonds, the specially benefited properties within the District as set forth in Resolution 2022-34, and this Resolution.

SECTION 3. SETTING FORTH THE TERMS OF THE SERIES 2022 BONDS; CONFIRMATION OF MAXIMUM ASSESSMENT LIEN FOR SERIES 2022 BONDS. As provided in Resolution 2022-34, this Resolution is intended to set forth the terms of the Series 2022 Bonds and the final amount of the liens of the special assessments securing those bonds.

(a) The Series 2022 Bonds, in a par amount of \$22,350,000, shall bear such rates of interest and maturity as shown on **Exhibit D**, attached hereto. The final payment on the Series 2022 Bonds shall be due on May 1, 2053. The estimated sources and uses of funds of the Series 2022 Bonds shall be as set forth in **Exhibit E**. The debt service due on the Series 2022 Bonds is set forth on **Exhibit F** attached hereto.

(b) The lien of the special assessments securing the Series 2022 Bonds on Series 2022 Assessment Area (the “**Series 2022 Special Assessments**”), shall be the principal amount due on the Series 2022 Bonds, together with accrued but unpaid interest thereon, and together with the amount by which annual assessments are grossed up to include early payment discounts required by law and costs of collection. The Series 2022 Bonds are secured solely by the Series 2022 Assessment Area Pledged Revenues (as defined in the Indenture (hereinafter defined)), which is comprised in part by the lien against Series 2022 Assessment Area.

SECTION 4. ALLOCATION OF ASSESSMENTS SECURING THE SERIES 2022 BONDS; ADDRESSING COLLECTION OF THE SAME.

(a) The special assessments for the Series 2022 Bonds shall be allocated in accordance with Composite Exhibit B, which allocation shall initially be on an acreage basis and further allocated as lands are platted. The Supplemental Methodology is consistent with the District’s Master Methodology. The Supplemental Methodology, considered herein, reflects the actual terms of the issuance of the District’s Series 2022 Bonds. The estimated costs of collection of the special assessments for the Series 2022 Bonds are as set forth in the Supplemental Methodology.

(b) The lien of the special assessments securing the Series 2022 Bonds includes all property within Series 2022 Assessment Area, and as such land is ultimately defined and set forth in any plats, certificates of occupancy or other designations of developable acreage.

(c) Taking into account capitalized interest and earnings on certain funds and accounts as set forth in the Assessment Report, the District shall, for Fiscal Year 2022/2023, begin annual collection of special assessments for the Series 2022 Bonds debt service payments due starting November 1, 2022, using the methods available to it by law. Debt service payments, including semi-annual installments of interest, are reflected on **Exhibit F** for Series 2022 Assessment Area. The Series 2022 Bonds include an amount for capitalized interest through May 1, 2023.

(d) The Series 2022 Special Assessments may be paid in not more than thirty (30) substantially equal consecutive annual installments of principal and interest. Series 2022 Special Assessments may be paid in full without interest at any time within thirty (30) days after the completion of the Improvements and the adoption by the Board of a resolution accepting the Improvements; provided, however, that the Board shall at any time make such adjustments by resolution, at a noticed meeting of the Board, to that payment schedule as may be necessary and in the best interests of the District to account for changes in long and short term debt as actually issued by the District. All impact fee credits received shall be applied against the outstanding indebtedness of any debt issuance that funded the improvement giving rise to the credits which application may be addressed by such resolutions. At any time subsequent to thirty (30) days after the Improvements have been completed and a resolution accepting the Improvements has been adopted by the Board, the Series 2022 Special Assessments may be prepaid in full including interest amounts to the next succeeding interest payment date or to the second succeeding interest payment date if such a prepayment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of bonds secured by the debt assessment in question). The

owner of property subject to Series 2022 Special Assessments may prepay the entire remaining balance of the Series 2022 Special Assessments at any time, or a portion of the remaining balance of the Series 2022 Special Assessments one time if there is also paid, in addition to the prepaid principal balance of the Series 2022 Special Assessments, an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding interest payment date, or, if prepaid during the forty-five day period preceding such interest payment date, to the interest payment date following such next succeeding interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of bonds secured by the debt assessment in question). Prepayment of Series 2022 Special Assessments does not entitle the property owner to any discounts for early payment.

(e) The District hereby certifies the Series 2022 Special Assessments for collection and directs staff to take all actions necessary to meet the time and other deadlines imposed by Polk County and Florida law for collection. The District intends, to the extent possible and subject to entering into the appropriate agreements with the Polk County Tax Collector and Polk County Property Appraiser (or other appropriate Polk County, Florida officials) to collect the Series 2022 Special Assessments on platted lands contained within a plat or certificate of occupancy using the Uniform Method in Chapter 197, *Florida Statutes*. The District intends, to the extent possible, to directly bill, collect and enforce the Series 2022 Special Assessments on lands not included within an approved plat or certificate of occupancy unless in any year, the District determines it to be in its best interest to collect such assessments using the Uniform Method in Chapter 197, *Florida Statutes*. The District Manager shall prepare or cause to be prepared each year an assessment roll for purposes of effecting the collection of the Series 2022 Special Assessments and present same to the District Board as required by law. The District Manager is further directed and authorized to take all actions necessary to collect special assessments on property using methods available to the District authorized by Florida law in order to provide for the timely payment of debt service.

SECTION 5. APPROVAL OF TRUE-UP PROCESS AND APPLICATION OF TRUE-UP PAYMENTS.

(a) Pursuant to Resolution 2022-34, there may be required from time to time certain True-Up payments. As parcels of land are included in a plat or certificate of occupancy, the special assessments securing the Series 2022 Bonds shall be allocated as set forth in Resolution 2022-34, this Resolution and the Assessment Report, including, without limitation, the application of the True-Up process set forth in the Assessment Report.

(b) Based on the final par amount of \$22,350,000 in Series 2022 Bonds, the True-Up calculations will be made in accordance with the process set forth in the Assessment Report. The District shall apply all True-Up payments related to the Series 2022 Bonds only to the credit of the Series 2022 Bonds. All True-Up payments, as well as all other prepayments of assessments, shall be deposited into the accounts specified in the Supplemental Indenture.

SECTION 6. IMPROVEMENT LIEN BOOK. Immediately following the adoption of this Resolution, these special assessments as reflected herein shall be recorded by the Secretary of the Board of the District in the District's Improvement Lien Book. The special assessment or assessments against each respective parcel shall be and shall remain a legal, valid

and binding first lien on such parcel until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

SECTION 7. OTHER PROVISIONS REMAIN IN EFFECT. This Resolution is intended to supplement Resolution 2022-34, both of which remain in full force and effect. This Resolution and Resolution 2022-34 shall be construed to the maximum extent possible to give full force and effect to the provisions of each resolution. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

SECTION 8. ASSESSMENT NOTICE. The District's Secretary is hereby directed to record a Notice of Series 2022 Special Assessments securing the Series 2022 Bonds, in the Official Records of Polk County, Florida, or such other instrument evidencing the actions taken by the District.

SECTION 9. SEVERABILITY. If any section or part of a section of this Resolution be declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.

SECTION 10. EFFECTIVE DATE. This Resolution shall become effective upon its adoption.

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APPROVED AND ADOPTED this 16th day of March, 2022.

ATTEST:

**SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

Exhibit A: *The Scenic Terrace South Community Development District Engineer's Report-Revised and Amended*, dated March 2, 2022
Comp. Exhibit B: *Master Assessment Methodology*, dated October 13, 2021, as supplemented by that *Supplemental Assessment Methodology*, dated March 16, 2022
Exhibit C: Legal Description of Series 2022 Assessment Area
Exhibit D: Maturities and Coupons of Series 2022 Bonds
Exhibit E: Sources and Uses of Funds for Series 2022 Bonds
Exhibit F: Debt Service for Series 2022 Bonds

Exhibit A:

A horizontal bar composed of three colored segments: green, orange, and blue.

Scenic Terrace South Community Development District

Town of Hamilton

Engineer's Report - Revised and Amended

**October 13, 2021
Revised March 2, 2022**

SUBMITTED BY:

Dewberry Engineers Inc.
800 North Magnolia Avenue
Suite 1000
Orlando, Florida 32803
407-843-5120

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COMPANY CONFIDENTIAL AND PROPRIETARY: Use or disclosure of data contained on this sheet is subject to restriction on the title page of this proposal.

Scenic Terrace South Community Development District

INTRODUCTION

The Scenic Terrace South Community Development District (the "District" or "CDD") is located at Scenic Highway (SR 17) and Hughes Road and within the Town of Lake Hamilton (the "Town"). The District currently contains approximately 188.33 acres and is expected to consist of 744 residential lots of various sizes for single-family dwellings with recreation/amenity areas, parks, and associated infrastructure for the development.

The CDD was established under Town Ordinance No. O-21-19, which was approved by the Town of Lake Hamilton Commission on October 5, 2021. The District will own and operate the public roadways, utility systems, and stormwater management facilities, as well as the landscape, irrigation, signage, and recreational facilities within the development.

The Master Developer ("Developer") Atlantic Blue Communities II, LLC is based in Lake Wales, Florida. The Development is approved as a Planned Unit Development (PUD) for residential units and is divided into two phases. A land use summary is presented in Table 1.

Public improvements and facilities financed, acquired, and/or constructed by the District will be designed and constructed to conform to regulatory criteria from the Town, county, Southwest Florida Water Management District (SWFWMD), and other applicable agencies with regulatory jurisdiction over the development, an overall estimate of the probable cost of the public improvements are provided in Exhibit 7 of this report.

The Capital Improvement Plan (CIP) or this Engineer's Report reflects the present intentions of the District and the landowners. It should be noted that the location of the proposed facilities and improvements may be adjusted during the final design, permitting, and implementation phases. It should also be noted that these modifications are not expected to diminish the benefits to the property within the District. The District reserves the right to make reasonable adjustments to the development plan to meet applicable regulatory requirements of agencies with jurisdiction over the development while maintaining a comparable level of benefits to the lands served by the improvements. Changes and modifications are expected as changes in regulatory criteria are implemented.

TABLE 1	AREA
Master Stormwater System	40.94 ac
Residential Land (Single-Family 40-ft and 50-ft Lots)	73.95 ac
Roadways Infrastructure & Public Facilities	60.18 ac
Open Space/Conservation Areas/Parks	13.26 ac
TOTAL	188.33 ac

TABLE 3 LOT TYPES		
LOT TYPE	UNITS	AREA (AC)
40-ft Lots	264	22.01 ac
50-ft Lots	480	51.94 ac
TOTAL LOTS IN THE DISTRICT	744	73.95 ac

Implementation of any proposed facilities or improvements outlined in this report requires written approval from the District's Board of Supervisors. Estimated costs outlined in this report are based on the best available information, which includes but is not limited to previous experience with similar projects. Actual costs could be different than estimates as final engineering and specific field conditions may affect construction costs.

All roadway improvements including sidewalks in the right-of-way and storm drainage collection systems (from the curb inlets to their connection to the stormwater ponds) within the development will be maintained by the District. Water distribution and wastewater collection systems (gravity lines, force mains, and lift stations) will be dedicated to the Town of Lake Hamilton and Haines City for ownership and maintenance upon completion.

PURPOSE AND SCOPE

The purpose of this report is to provide engineering support for the funding of the proposed improvements within the District. This report will identify the proposed public infrastructure to be constructed or acquired by the District along with an Opinion of Probable Construction Costs. The District will finance, construct, acquire, operate, and maintain all or specific portions of the proposed public infrastructure.

The predominant portion of this report provides descriptions of the proposed public infrastructure improvements, determination of estimated probable construction costs, and the corresponding benefits associated with the implementation of the described improvements. Detailed site construction plans and specifications have not yet been completed and permitted for the improvements described herein. The engineer has considered and, in specific instances, has relied upon the information and documentation prepared or supplied by others to prepare this Engineer's Report.

THE DEVELOPMENT

The development will consist of a total of 744 residential units and associated infrastructure. The development is a planned residential community consisting of 188.33 acres on the east and west sides of SR 17 Scenic Highway and the north and south sides of Hughes Road. The District is located within the Town of Lake Hamilton in Polk County. The future land use is Residential Lands – 5 (RL-5) and zoning is Planned Unit Development (PUD). The development will be constructed in two phases.

CAPITAL IMPROVEMENTS

The CIP consists of public infrastructure in the development. The primary portions of the CIP will provide for stormwater pond construction, roadways built to an urban roadway typical section, water, and sewer facilities including a lift station, and off-site improvements (including turn lanes and extension of water and sewer mains to serve the development).

There will also be stormwater structures and conveyance culverts within the CIP, which will outfall into the various on-site stormwater ponds. These structures and pond areas comprise the overall stormwater facilities of the CIP. Installation of the water distribution and wastewater collection system will also occur at this time as well as the lift

station serving the project. Below-ground installation of telecommunications and cable television will occur but will not be funded by the District. Installation of streetlights and undergrounding of power within the public rights-of-way or easements will be funded by the District.

As a part of the recreational component of the CIP, there are conservation areas that can serve as passive parks within the development that are available to the public for utilization of the facilities. The recreational areas will have connectivity via sidewalks to the other portions of the District. The recreational areas will be accessed by the public roadways and sidewalks.

CAPITAL IMPROVEMENT PLAN COMPONENTS

The CIP for the District includes the following:

Stormwater Management Facilities

Stormwater management facilities consisting of storm conveyance systems and retention/detention ponds are contained within the District boundaries. Stormwater will be discharged via roadway curb and gutter and storm inlets. Storm culverts convey the runoff into the proposed retention ponds for water quality treatment and attenuation. The proposed stormwater systems will utilize dry retention and wet retention for biological pollutant assimilation to achieve water quality treatment. The design criteria for the District's stormwater treatment systems are regulated by the Town, the county, and SWFWMD. There are very few conservation areas throughout the District, which will be preserved in the existing condition and will accept stormwater discharges from our ponds as shown in Exhibit 6.

Federal Emergency Management Agency Flood Insurance Rate Map (FEMA FIRM) Panel Numbers 12105C0380G and 12105C0390G demonstrates that the property is located within Flood Zones AE and X. Based on this information and the site topography, it appears that 100-year compensation will be done in areas where we will impact existing depressions throughout the development and the 100-year flood volumes will be compensated as it is required the county and FEMA.

During the construction of stormwater management facilities, utilities, and roadway improvements the contractor will be required to adhere to a Stormwater Pollution Prevention Plan (SWPPP) as required by the FDEP as delegated by the Environmental Protection Agency (EPA). The SWPPP will be prepared to depict the proposed recommended locations of required erosion control measures and staked turbidity barriers specifically along the downgradient side of any proposed construction activity. The site contractor will be required to provide the necessary reporting as required by the National Pollutant Discharge Elimination System (NPDES) General Permit with erosion control, its maintenance, and any rainfall events that occur during construction activity.

Public Roadways

The proposed public roadway sections include a 24-foot roadway consisting of asphalt and with Miami curbs or Type F curb and gutter on both sides along with a 50-foot right-of-way. The proposed roadway section will consist of stabilized subgrade, a lime rock, crushed concrete, or cement-treated base and asphalt type roadway wearing surface. The proposed curb is to be 2-feet wide and placed along the edge of the proposed roadway section for purposes of protecting the integrity of the pavement, and also to provide stormwater runoff conveyance to the proposed stormwater inlets.

The proposed roadways will also require signing and pavement markings within the public rights-of-way, as well as street signs depicting street name identifications, and addressing, which will be utilized by the residents and public. As stated above, the District's funding of roadway construction will occur for all public roadways.

Water and Wastewater Facilities

A potable drinking water system inclusive of a water main, gate valves, fire hydrants, and appurtenances will be installed for the District. The water service provider will be the Town of Lake Hamilton or Haines City Public Utilities. The water system will be designed to provide an equally distributed system that provides redundancy to the system. These facilities will be installed within the proposed public rights-of-way and will provide potable drinking water (domestic) and fire protection services to serve the entire District.

A domestic wastewater collection system inclusive of gravity sanitary sewer mains and sewer laterals will be installed. The gravity sanitary sewer mains will be a minimum of eight (8)-inch diameter PVC pipe systems. The gravity sanitary sewer lines will be placed inside of the proposed public rights-of-way, under the proposed paved roadways. Sewer laterals will branch off from these sewer lines to serve the development. Lift stations are anticipated for this CIP. Flow from the lift station shall be connected to a proposed force main that will pump to an existing force main that will connect to the Town's or Haines City's wastewater treatment facility.

The Town of Lake Hamilton Public Utilities and/or Haines City will provide the reclaimed water to be used for all irrigation within the CDD. The reclaimed water will be funded by the District and installed onsite within the roadways to provide for irrigation within the public right-of-way or any areas needing irrigation. Any water, sewer, or reclaim water pipes or facilities placed on private property will not be publicly funded.

Off-Site Improvements

The District will provide funding for the anticipated turn lanes at the development entrances. The site construction activities associated with the CIP are anticipated to be completed in the next two (2) to three (3) years. Upon completion of each phase, the improvements will be through the required inspections as well as final certifications of completions will be obtained from SWFWMD, Polk County Health Department (water distribution system), FDEP (wastewater collection), Town of Lake Hamilton Public Utilities, and the county.

Amenities and Parks

The District will provide funding for an amenity center to include the following: parking areas, pavilion with restroom facilities, pool, all-purpose playfields, and walking trails between the phases and villages to provide connectivity to the various amenity centers within the CDD. In addition, there will be passive parks throughout the development, which will include benches and walking trails.

Electric Utilities and Lighting

The electric distribution system thru the District is currently planned to be underground. The District presently intends to fund and construct the undergrounding of the electric conduits, transformer/cabinet pads, and electric manholes required by Duke Energy (Duke). Electric facilities will be maintained by Duke after the dedication, with Duke providing underground electrical service to the Development. The CDD presently intends to fund the cost to purchase and install the street lighting along the internal roadways within the CDD.

Entry Feature

Landscaping, irrigation, entry features, and walls at the entrances and along the outside boundary of the Development will be provided by the District. The irrigation system will use an irrigation well. The well and irrigation water mains to the various phases of the development will be constructed and acquired by the CDD with District funds and operated and maintained by the CDD. Landscaping for the roadways will consist of sod, annual flowers, shrubs, ground cover, and trees for the internal roadways within the CDD. Perimeter fencing will be provided at the site entrances and perimeters. These items will be funded, owned, and maintained by the CDD.

Miscellaneous

The stormwater improvements, landscaping and irrigation, recreational improvements, street lighting, and certain permits and professional fees as described in this report are being financed by the District to benefit all of the developable real property within the District. The construction and maintenance of the proposed public improvements will benefit the development for the intended use as a single-family/residential planned development.

Permitting

Construction permits for all phases are required and include the SWFWMD ERP, Polk County Health Department, FDEP, and Town of Lake Hamilton construction plan approval.

Following is a summary of required permits obtained or pending approval for the construction of the public infrastructure improvements for the District:

Phase 1	
Permits/Approvals	Approval/Expected Date
Zoning Approval	Residential Planned Unit Development (RPUD) – Approved June 1, 2021
Preliminary Plat	To be obtained
SWFWMD ERP	To be obtained
Construction Permits	To be obtained
Town of Lake Hamilton Public Utilities and/or Haines City- Water/Sewer	To be obtained
FDEP Sanitary Sewer General Permit	To be obtained
FDEP Water Distribution General Permit	To be obtained
FDEP NOI	To be obtained

RECOMMENDATION

As previously explained within this report, the public infrastructure, as described, is necessary for the development and functional operation as required by the Town. The site planning, engineering design, and construction plans for the infrastructure are in accordance with the applicable requirements of the Town of Lake Hamilton, Polk County, and the SWFWMD. It should be noted that the infrastructure will provide its intended use and function so long as the construction and installation are in substantial conformance with the design construction plans and regulatory permits.

Items utilized in the Opinion of Probable Costs for this report are based upon the proposed plan infrastructure as shown on construction drawings incorporating specifications in the most current SWFWMD, Polk County, and the Town regulations.

REPORT MODIFICATION

During the development and implementation of the designed public infrastructure improvements, it may be necessary to make modifications and/or deviations to the plans. However, if such deviations and/or revisions do not change the overall primary objective of the plan for such improvements, then the cost differences would not materially affect the proposed construction cost estimates.

SUMMARY AND CONCLUSION

The improvements as outlined are necessary for the functional development of the Project. The Project is being designed in accordance with current government regulatory requirements. The Project will serve its intended function provided the construction is in substantial compliance with the design. Items of construction for the Project are based upon current development plans.

ENGINEER'S CERTIFICATION

It is our professional opinion that the public infrastructure costs for the CIP provided in this report are reasonable to complete the construction of the public infrastructure improvements. Furthermore, the public infrastructure improvements will benefit and add value to lands within the District and the value is at least the same as the costs for said improvements.

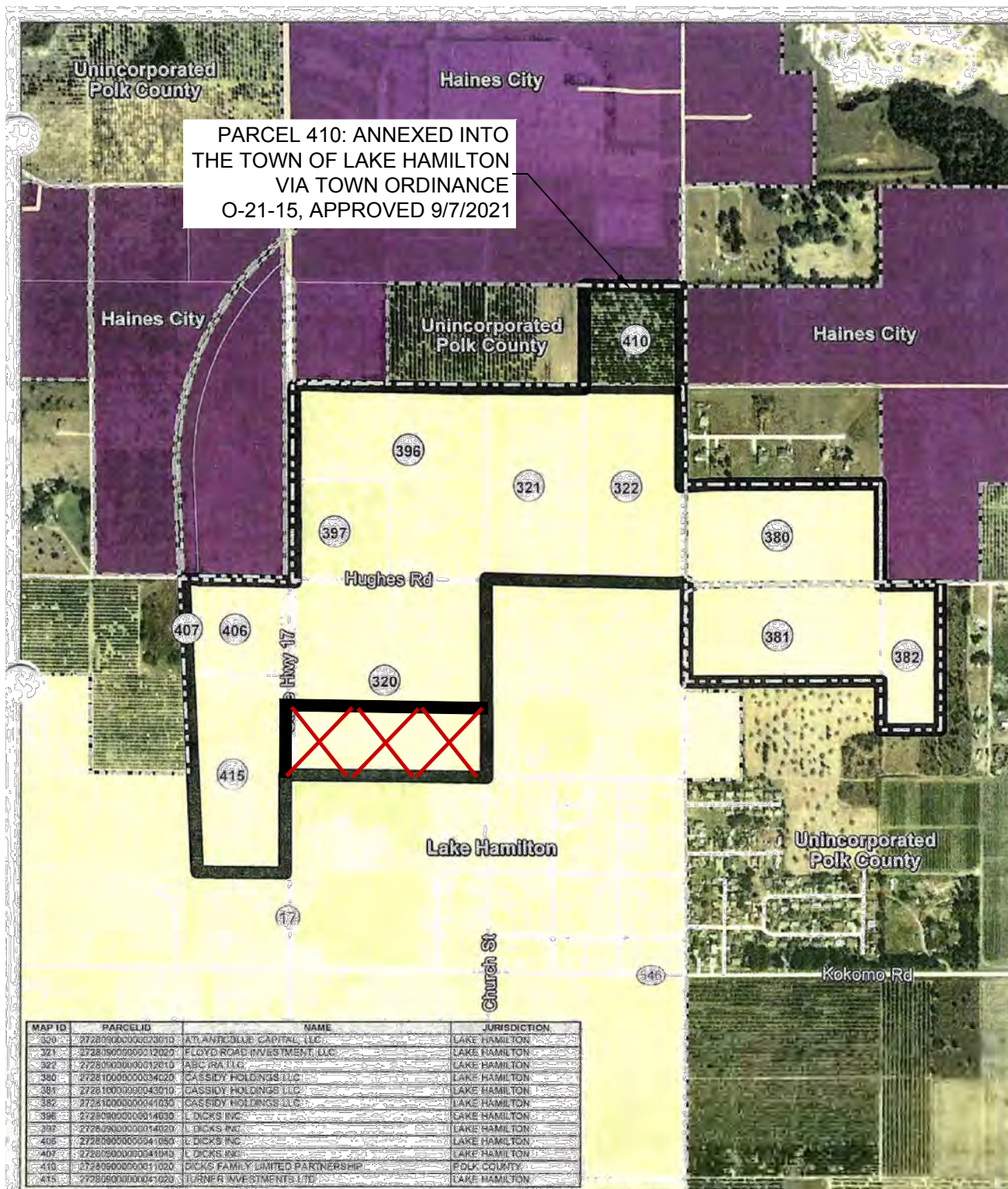
The Opinion of Probable Costs for the public infrastructure improvements is only an estimate and is not a guaranteed maximum price. The estimated costs are based upon current unit prices and on our experience with ongoing and similar projects and basis in the county and the Town. However; labor market, future costs of equipment; materials, changes to the regulatory permitting agencies' activities, and the actual construction processes employed by the chosen site contractor are beyond the engineer's control. Due to this inherent opportunity for changes (upward or downward) in the construction costs, the total, final construction cost may be more or less than this estimate.

Based upon the presumption that the CIP construction continues in a timely manner, it is our opinion that the costs of the CIP proposed represent a system of improvements benefitting all developable property located within the District, are fair and reasonable, and that the District-funded improvements are assessable improvements within the meaning of Chapter 190, F.S. We have no reason to believe that the CIP improvements cannot be constructed at the cost described in this report. We expect the improvements to be constructed or acquired by the District with bond proceeds, as indicated within this report. We believe that the District will be well served by the improvements discussed in this report.

I hereby certify that the foregoing is a true and correct copy of the engineer's report for the Scenic Terrace South Community Development District.



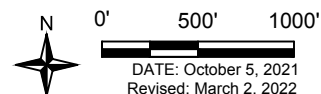
Reinardo Malavé, P.E.
Florida License No. 31588



SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 1 - LOCATION MAP SCENIC TERRACE SOUTH CDD



**SCENIC TERRACE SOUTH CDD
EXHIBIT 2 - LEGAL DESCRIPTION**

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS **DESCRIPTION:** A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

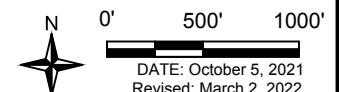
BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

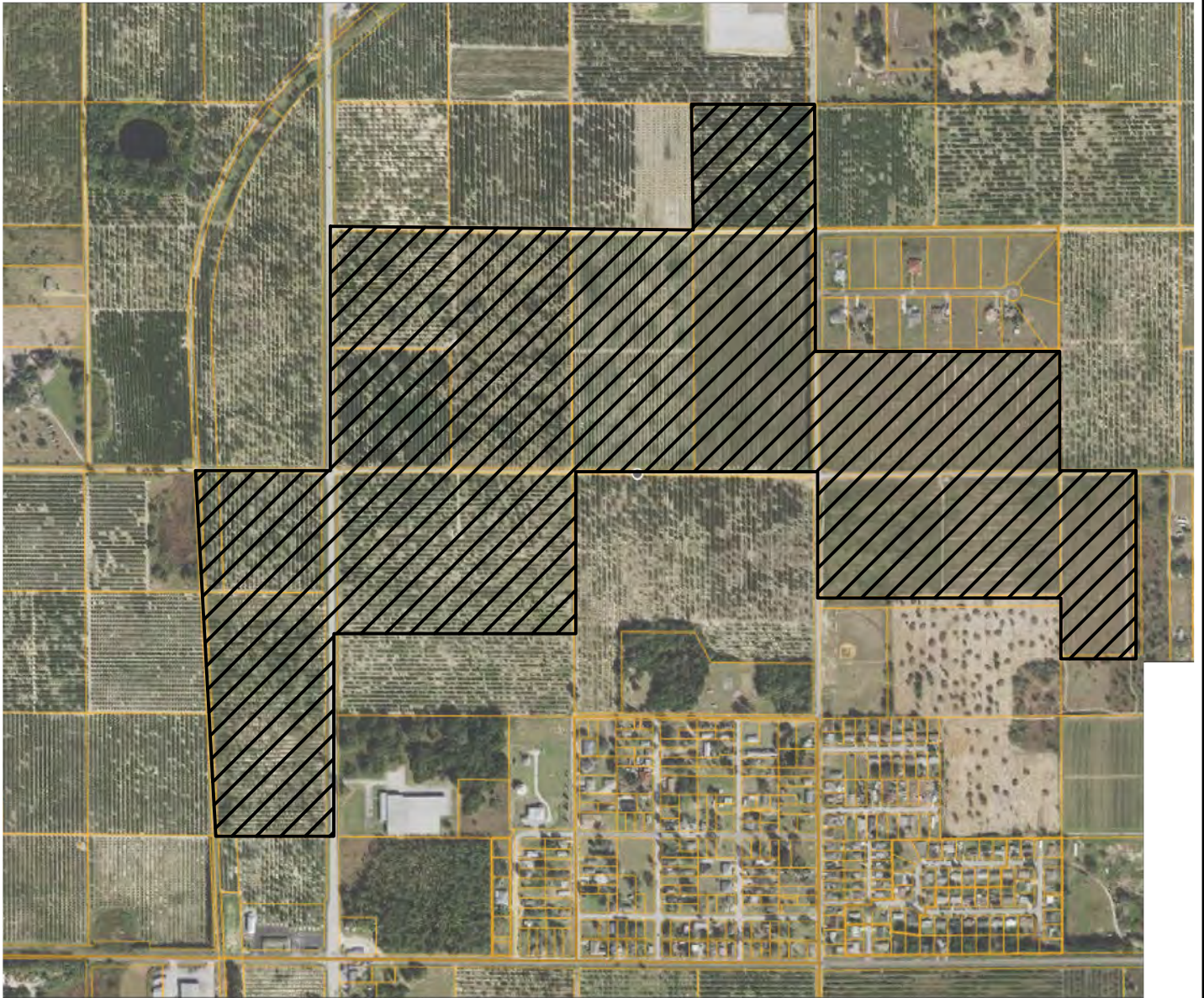
CONTAINING 188.33 ACRES, MORE OR LESS.

SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

**EXHIBIT 2 - LEGAL DESCRIPTION
SCENIC TERRACE SOUTH CDD**

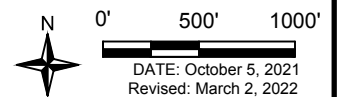


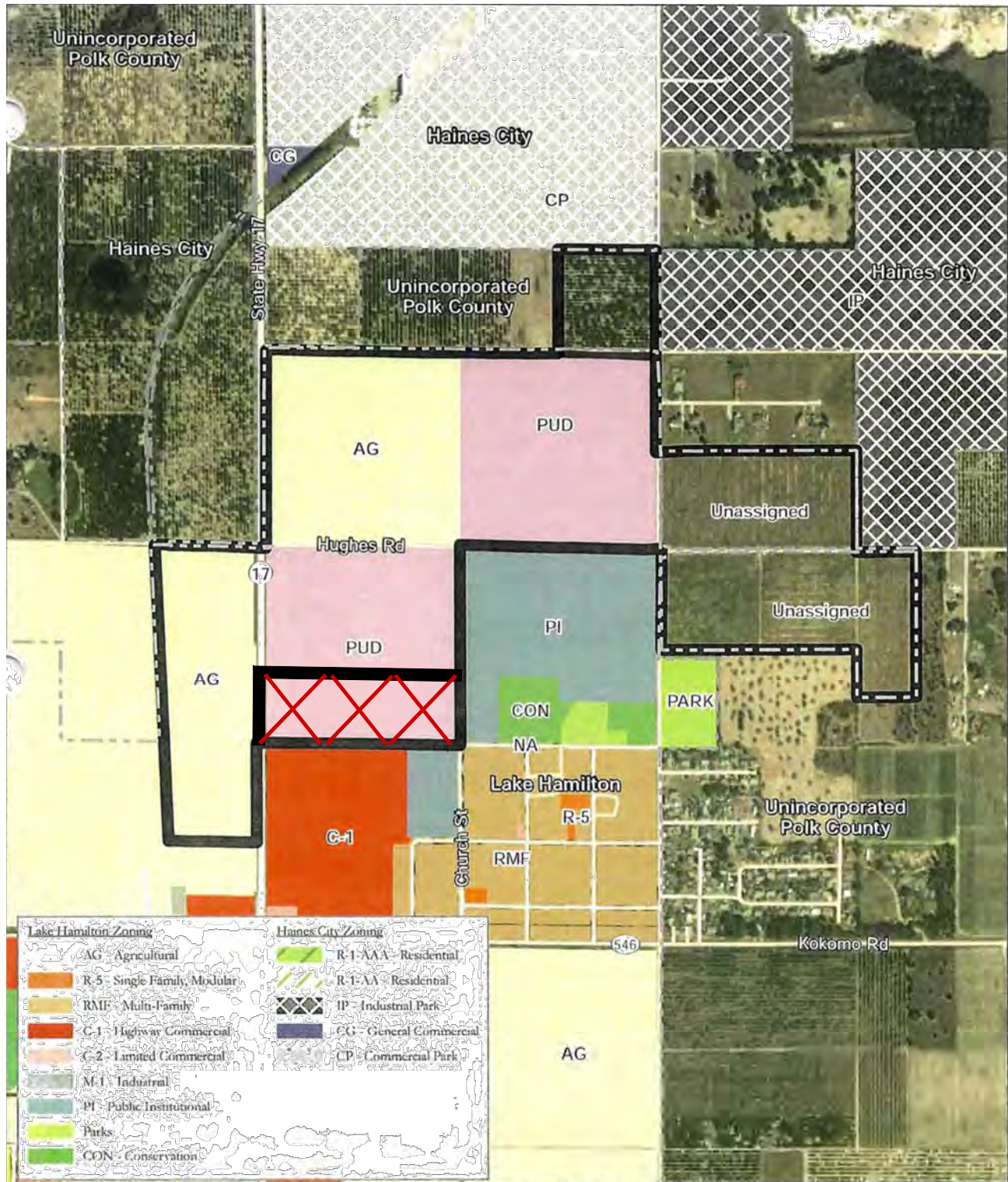


SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 3 - BOUNDARY MAP SCENIC TERRACE SOUTH CDD





SECTS 9 & 10, T27S, R28E

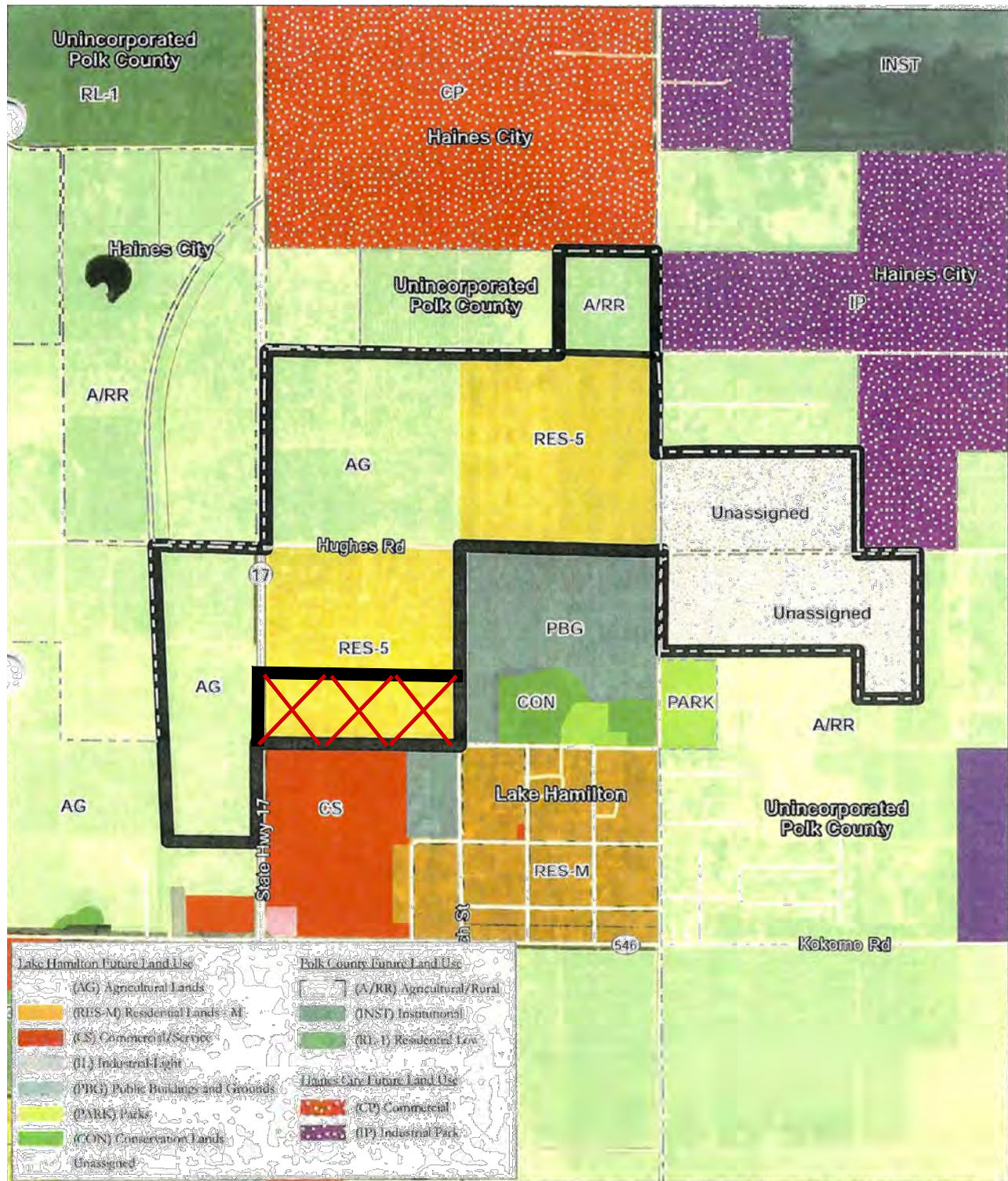
APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 4 - EXISTING LAND USE MAP SCENIC TERRACE SOUTH CDD



0' 500' 1000'

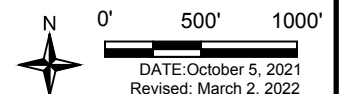
DATE: October 5, 2021
Revised: March 2, 2022

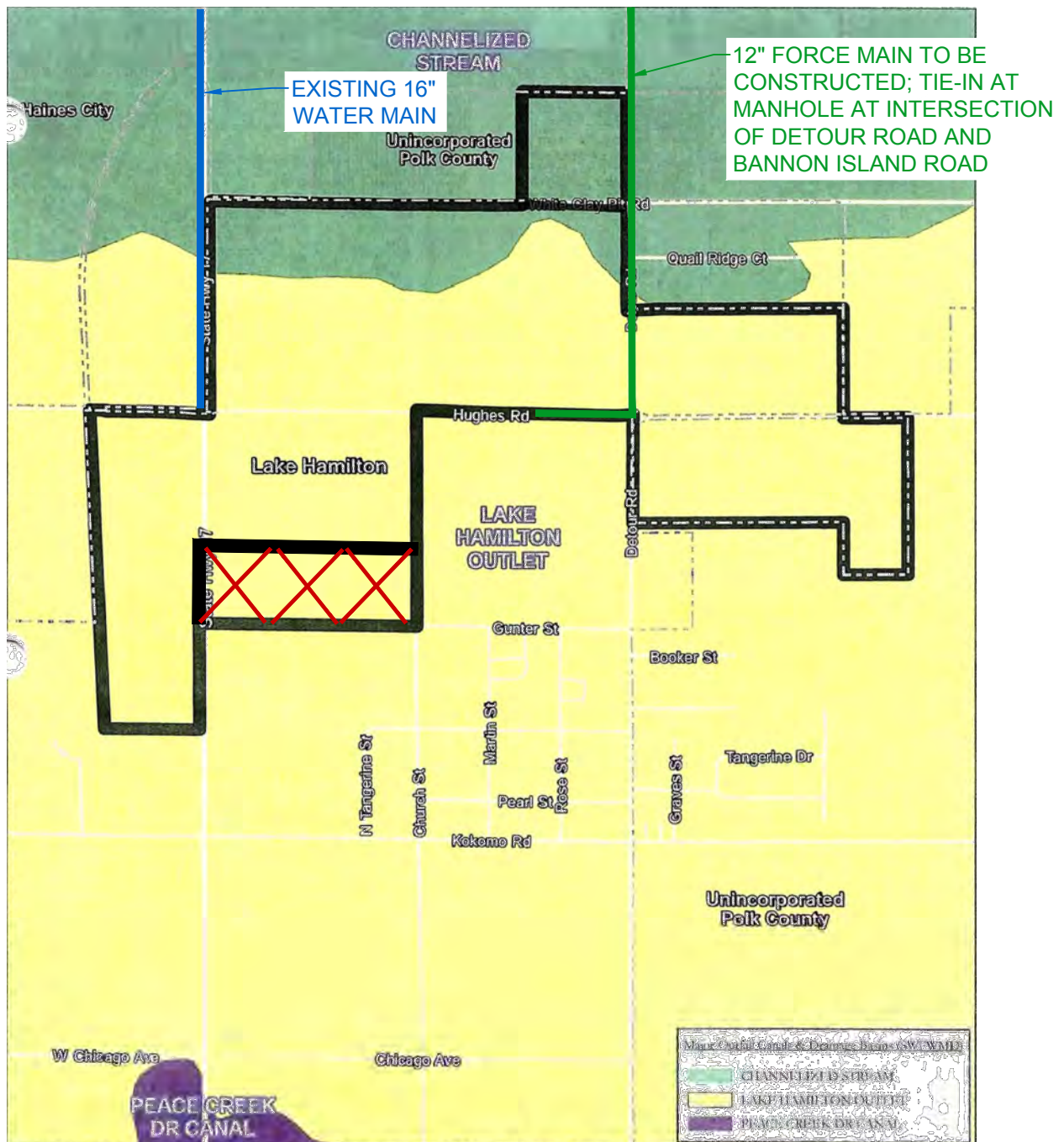


SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 5 - EXISTING FUTURE LAND USE MAP **SCENIC TERRACE SOUTH CDD**





SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 6 - DRAINAGE AND UTILITIES SCENIC TERRACE SOUTH CDD



0' 500' 1000'

DATE: October 5, 2021
Revised: March 2, 2022

Exhibit 7A - Cost Estimate
Scenic Terrace South CDD

Facility	Phase 1 2021-2023	Phase 2 2023-2024	Total Lots (744 Lots)
Earthwork	\$ 1,454,030	\$ 891,179	\$ 2,345,209
Roadway	\$ 2,797,550	\$ 1,714,627	\$ 4,512,177
Stormwater System	\$ 2,147,198	\$ 1,316,025	\$ 3,463,223
Wastewater System	\$ 2,213,168	\$ 1,356,458	\$ 3,569,626
Potable Water Distribution System	\$ 1,253,457	\$ 768,248	\$ 2,021,705
Reclaimed Water Distribution System	\$ 801,396	\$ 491,178	\$ 1,292,574
Electrical Undergrounding	\$ 1,095,850	\$ 671,650	\$ 1,767,500
Landscape & Hardscape	\$ 1,342,223	\$ 822,653	\$ 2,164,876
Amenities (Cabana, Tot Lots, and Recreation Areas)	\$ 930,000	\$ 570,000	\$ 1,500,000
Offsite Improvements	\$ 4,491,589	\$ -	\$ 4,491,589
Subtotal	\$ 18,526,461	\$ 8,602,018	\$ 27,128,479
Professional Fees (10%)			\$ 2,712,848
Subtotal			\$ 29,841,327
Contingency (10%)			\$ 2,984,133
Total			\$ 32,825,460

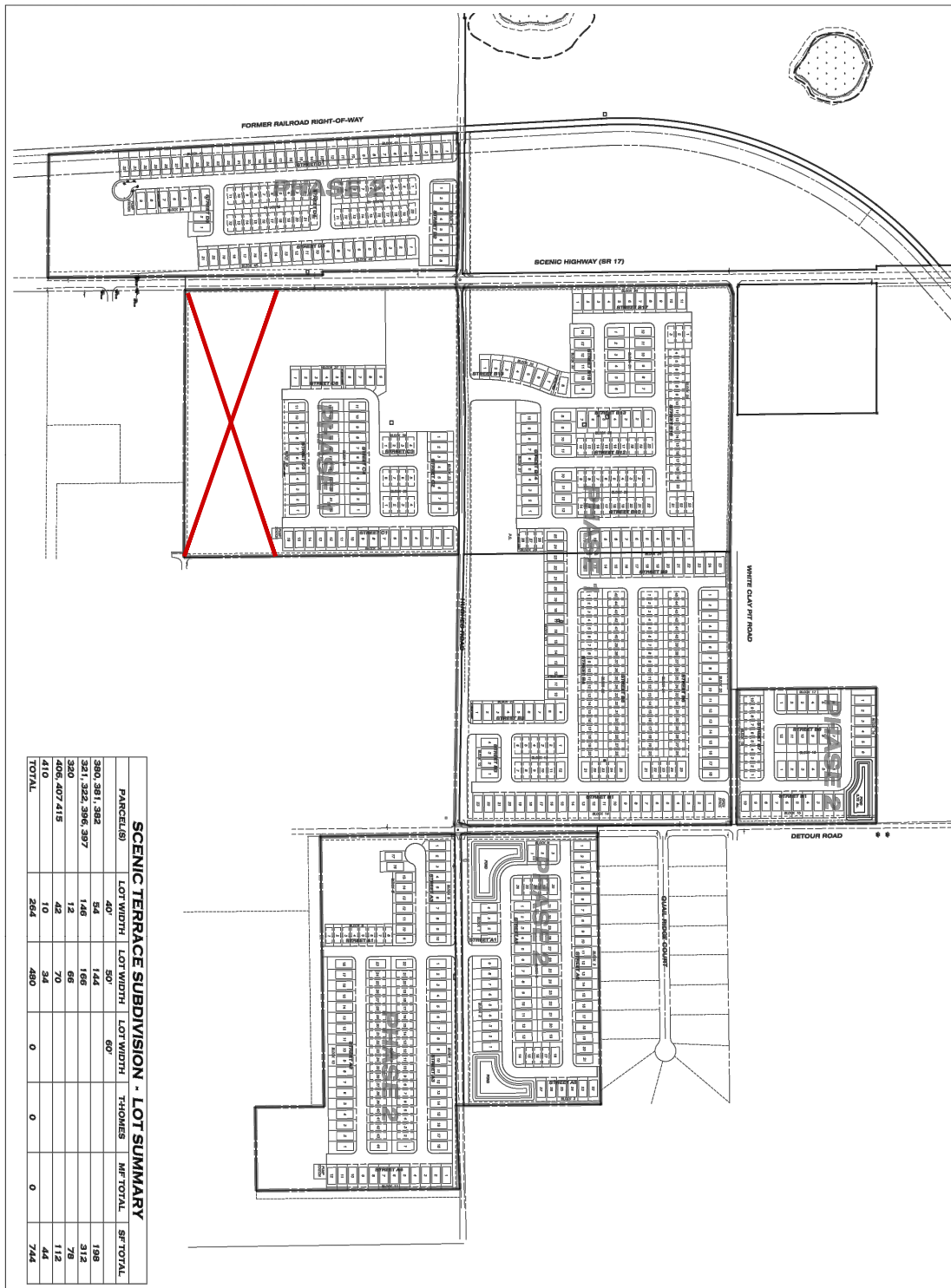
Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, master sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another governmental entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2020 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the street light poles and lighting service. Includes only the cost of undergrounding.
10. Estimates based on 744 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

Scenic Terrace South CDD
Exhibit 7B - Summary of Proposed District Facilities

District Infrastructure	Construction	Ownership	Capital Financing*	Operation and Maintenance
Stormwater Facilities	District	District	District Bonds	District
Lift Stations/Water/Sewer	District	Lake Hamilton	District Bonds	Lake Hamilton/Haines City
Street Lighting	District	District	District Bonds	District/Duke Energy
Onsite Road Construction	District	District	District Bonds	District
Offsite Road Construction	District	Lake Hamilton	District Bonds	Lake Hamilton/Polk County
Entry Feature & Signage	District	District	District Bonds	District
Recreation Facilities/Amenities	District	District	District Bonds	District

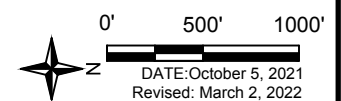
*Costs not funded by bonds will be funded by the developer.



SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 8 - SITE PLAN SCENIC TERRACE SOUTH CDD



Composite Exhibit B:

**MASTER
ASSESSMENT METHODOLOGY

FOR

SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT DISTRICT**

Date: October 13, 2021

Prepared by

**Governmental Management Services - Central Florida, LLC
219 E. Livingston St.
Orlando, FL 32801**

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

1.0 Introduction

The Scenic Terrace South Community Development District (the “District”) is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes as amended. The District anticipates the issuance at this time of not to exceed \$42,000,000 of tax-exempt bonds in one or more series (the “Bonds”) for the purpose of financing certain infrastructure improvements (“Capital Improvement Plan”) within the District more specifically described in the Engineer’s Report, dated October 13, 2021 prepared by Dewberry Engineers Inc. as may be amended and supplemented from time to time (the “Engineer’s Report”). The District anticipates the construction of all or a portion of the Capital Improvements or Capital Improvement Plan (“Capital Improvements”) that benefit property owners within the District.

1.1 Purpose

This Master Assessment Methodology (the “Assessment Report”) provides for an assessment methodology that allocates the debt to be incurred by the District to benefiting properties within the District. This Assessment Report allocates the debt to properties based on the special benefits each receives from the Capital Improvements. This Assessment Report will be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of each series of Bonds issued to finance all or a portion of the Capital Improvements. This Assessment Report is designed to conform to the requirements of Chapters 190 and 170, Florida Statutes, with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to levy, impose and collect non ad valorem special assessments (“Special Assessments”) on the benefited lands within the District securing repayment of the Bonds based on this Assessment Report. It is anticipated that all of the proposed Special Assessments will be collected through the Uniform Method of Collection described in Section 197.3632, Florida Statutes or any other legal means available to the District. It is not the intent of this Assessment Report to address any other assessments, if applicable, that may be levied by the District including those for maintenance and operation of the Bonds, a homeowner’s association, or any other unit of government.

1.2 Background

The District currently includes approximately 206.56 gross developable acres within Town of Lake Hamilton, Florida and Polk County. The development program for the District currently envisions approximately 744 residential units. The proposed development program is depicted in Table 1. It is recognized that such development plan may change, and this Assessment Report will be modified or supplemented accordingly.

The Capital Improvements contemplated by the District in the Capital Improvement Plan will provide facilities that benefit certain property within the District. Specifically, the District will construct and/or acquire certain offsite improvements, stormwater management facilities, mass grading and master systems, utility facilities, roadways, entry

features, and park and amenity features. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

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

1.3 Special Benefits and General Benefits

Capital Improvements undertaken by the District create special and peculiar benefits to the property, different in kind and degree, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to property within the District. The implementation of the Capital Improvement Plan enables properties within the boundaries of the District to be developed. Without the District's Capital Improvement Plan, there would be no infrastructure to support development of land within the District. Without these improvements, development of the property within District would be prohibited by law.

The general public and property owners outside of the District may benefit from the provision of the Capital Improvements. However, any such benefit will be incidental for the purpose of the Capital Improvement Plan, which is designed solely to meet the needs of property within the District. Properties outside of the District boundaries do not depend upon the District's Capital Improvements. The property owners within the District are therefore receiving special benefits not received by the general public and those outside of the District's boundaries.

1.4 Requirements of a Valid Assessment Methodology

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

- 1) The properties must receive a special benefit from the Capital Improvements being paid for.

- 2) The assessments must be fairly and reasonably allocated or apportioned to the properties being assessed based on the special benefit such properties receive.

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

1.5 Special Benefits Will Equal or Exceed the Costs Allocated

The special benefits provided to the property within the District will be equal to or greater than the costs associated with providing these benefits. The District Engineer estimates that the District's Capital Improvement Plan that is necessary to support full development of property within the District will cost approximately \$32,825,460. The District's Underwriter projects that financing costs required to fund the Capital Improvement Plan costs, the cost of issuance of the Bonds, the funding of a debt service reserve account and capitalized interest, will be approximately \$42,000,000. Without the Capital Improvement Plan, the property within the District would not be able to be developed and occupied by future residents of the community.

2.0 Assessment Methodology

2.1 Overview

The District anticipates issuing approximately \$42,000,000 in Bonds in one or more series to fund the District's entire Capital Improvement Plan, provide for capitalized interest, a debt service reserve account and pay cost of issuance. It is the purpose of this Assessment Report to allocate the \$42,000,000 in debt to the properties within the District benefiting from the Capital Improvement Plan. This report will be supplemented to reflect actual bond terms.

Table 1 identifies the land uses and lot sizes in the development as identified by the Developer within the District. The District has commissioned an Engineer's Report that includes estimated construction costs for the Capital Improvements needed to support the development; these construction costs are outlined in Table 2. The Capital Improvements needed to support the development are described in detail in the Engineer's Report and are estimated to cost \$32,825,460. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for the Capital Improvements and related costs was determined by the District's Underwriter to total approximately \$42,000,000. Table 3 shows the breakdown of the Bond sizing.

2.2 Allocation of Debt

Allocation of debt is a continuous process until the development plan for the District are completed. Until the platting process occurs, the Capital Improvements funded by District Bonds benefits all acres within the District.

The initial assessments will be levied on an equal basis to all gross acreage within the District. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits. At this point all of the lands within the District are benefiting from the Capital Improvements.

Once platting or the recording of a declaration of condominium of any portion of the District into individual lots or units ("Assigned Properties") has begun, the Special Assessments will be levied to the Assigned Properties based on the benefits they receive, on a first platted, first assigned basis. The "Unassigned Properties" defined as property that has not been platted or subjected to a declaration of condominium, will continue to be assessed on a per acre basis. Eventually the development plan will be completed and the debt relating to the Bonds will be allocated to the assigned properties within the District, which are the beneficiaries of the Capital Improvement Plan, as depicted in Table 5 and Table 6. If there are changes to development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. The process is outlined in Section 3.0.

The assignment of debt in this Assessment Report sets forth the process by which debt is apportioned. As mentioned herein, this Assessment Report will be supplemented from time to time.

2.3 Allocation of Benefit

The Capital Improvement Plan consists of offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and amenity features and professional fees along with related incidental costs. There are two product types within the planned development. The single-family 40' home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of benefit to the particular product type. It is important to note that the benefit derived from the Capital Improvements on a particular unit will exceed the cost that the unit will be paying for such benefits.

2.4 Lienability Test: Special and Peculiar Benefit to the Property

Construction and/or acquisition by the District of its proposed Capital Improvements will provide several types of systems, facilities and services for its residents. These include offsite improvements, stormwater management facilities, mass grading and

master systems, utility facilities, roadways, entry features, and park and amenity features. The benefit from the Capital Improvements accrue in differing amounts and are somewhat dependent on the product type receiving the special benefits peculiar to that property type, which flow from the logical relationship of the Capital Improvements to the assigned properties.

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

For the provision of the Capital Improvement Plan, the special and peculiar benefits are:

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

These special and peculiar benefits are real and ascertainable but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual Special Assessment levied for the Improvement as allocated.

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

A reasonable estimate of the proportion of special and peculiar benefits received from the public improvements described in the Capital Improvement Plan is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type). This is also shown on Table 7 depicting Allocation of Par Debt per Product Type.

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of the Capital Improvement Plan have been apportioned to the property within the District according to reasonable estimates of the special and peculiar benefits provided consistent with the product type of assignable properties.

Accordingly, no acre or parcel of property within the boundaries of the District will have a lien for the payment of any Special Assessment more than the determined special benefit particular to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for each

product type (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated assigned properties are built and sold as planned, and the entire proposed Capital Improvement Plan is constructed.

3.0 True Up Mechanism

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is approved, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein ("Assigned Property"). In addition, the District must also prevent any buildup of debt on property or land that could be fully conveyed and/or platted without all of the debt being allocated ("Unassigned Property"). To preclude this, when platting for 25%, 50%, 75% and 100% of the units planned for platting has occurred within the District, the District will determine the amount of anticipated Bond Special Assessment revenue that remains on the Unassigned Properties, taking into account the full development plan of the District. If the total anticipated Bond Special Assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no debt reduction or true-up payment is required. In the case that the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

If a true-up payment is made less than 45 days prior to an interest payment date, the amount of accrued interest will be calculated to the next succeeding interest payment date.

4.0 Assessment Roll

The District will initially distribute the Special Assessments across the property within the District boundaries on a gross acreage basis. As Assigned Properties become known with certainty, the District will refine its allocation of debt from a per acre basis to a per unit basis as shown in Table 6. If the land use plan or product type changes, then the District will update Table 6 to reflect the changes as part of the foregoing true-up process. As a result, the assessment liens are not finalized with certainty on any acre of land in the District prior to the time final Assigned Properties become known. The preliminary assessment roll is attached as Table 7.

TABLE 1
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
MASTER ASSESSMENT METHODOLOGY

Land Use*	ERUs per Unit (1)		Total ERUs
Single Family - 40'	264	1	264
Single Family - 50'	480	1.25	600
Total Units	744		864

(1) Benefit is allocated on an ERU basis; based on density of planned development, SF 40' lot at 1 ERU

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

TABLE 2
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT PLAN COST ESTIMATES
MASTER ASSESSMENT METHODOLOGY

Capital Improvement Plan ("CIP") (1)	Total Cost Estimate
Offsite Improvements	\$ 4,491,589
Stormwater Management	\$ 3,463,223
Mass Grading and Master Systems	\$ 2,345,209
Utilities (Water, Sewer, Electrical & Street Lighting	\$ 8,651,405
Roadway	\$ 4,512,177
Landscaping & Entry Feature	\$ 2,164,876
Parks and Amenities	\$ 1,500,000
Contingencies	\$ 5,696,981
	\$ 32,825,460

(1) A detailed description of these improvements is provided in the Engineer's Report dated October 13, 2021.

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 3
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
BOND SIZING
MASTER ASSESSMENT METHODOLOGY

Bond Sizing		
Description		Total
Construction Funds	\$	32,825,460
Debt Service Reserve	\$	3,051,254
Capitalized Interest	\$	5,040,000
Underwriters Discount	\$	840,000
Cost of Issuance	\$	220,000
Contingency	\$	23,286
Par Amount*	\$	42,000,000

Bond Assumptions:		
Average Coupon		6.00%
Amortization	*	30 years
Capitalized Interest		36 months
Debt Service Reserve		Max Annual
Underwriters Discount		2%

* Par amount is subject to change based on the actual terms at the :

Prepared by: Governmental Management Services - Central Florida,

TABLE 4
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
ALLOCATION OF IMPROVEMENT COSTS
MASTER ASSESSMENT METHODOLOGY

Land Use	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements Costs Per Product Type	Improvement Costs Per Unit
Single Family - 40'	264	1	264	30.56%	\$ 10,030,002	\$ 37,992
Single Family - 50'	480	1.25	600	69.44%	\$ 22,795,458	\$ 47,491
	<u>744</u>		<u>864</u>		<u>\$ 32,825,460</u>	

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

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 5
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
ALLOCATION OF TOTAL PAR DEBT TO EACH PRODUCT TYPE
MASTER ASSESSMENT METHODOLOGY

Land Use	No. of Units *	Total Improvements		Allocation of Par	
		Costs Per Product	Type	Debt Per Product	Type
Single Family - 40'	264	\$ 10,030,002	\$	12,833,333	\$ 48,611
Single Family - 50'	480	\$ 22,795,458	\$	29,166,667	\$ 60,764
	744	\$ 32,825,460	\$	42,000,000	

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

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 6
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE
MASTER ASSESSMENT METHODOLOGY

Land Use	No. of Units *	Allocation of Par		Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit		Gross Annual Debt Assessment Per Unit (1)	
		Debt Per Product Type	Type			Assessment Per Unit	Assessment Per Unit	Assessment Per Unit (1)	Assessment Per Unit (1)
Single Family - 40'	264	\$ 12,833,333	\$	\$ 48,611	\$ 932,328	\$ 3,532	\$ 3,532	\$ 3,797	\$ 3,797
Single Family - 50'	480	\$ 29,166,667	\$	\$ 60,764	\$ 2,118,926	\$ 4,414	\$ 4,414	\$ 4,747	\$ 4,747
	744	\$ 42,000,000	\$		\$ 3,051,254				

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

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

TABLE 7
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
PRELIMINARY ASSESSMENT ROLL
MASTER ASSESSMENT METHODOLOGY

Owner	Property ID #'s*	Acres	Total Par Debt Allocation Per Acre	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Atlantic Blue Capital LLC	272809000000023000	43.8	\$ 203,331	\$ 8,905,887	\$ 647,003	\$ 695,702
Floyd Road Investment LLC	2728090000000012000	19.49	\$ 203,331	\$ 3,962,916	\$ 287,902	\$ 309,572
Scenic Terrace Investment LLC	2728090000000012000	19.23	\$ 203,331	\$ 3,910,050	\$ 284,061	\$ 305,442
Scenic Terrace Investment LLC	2728100000000034020	19.7	\$ 203,331	\$ 4,005,616	\$ 291,004	\$ 312,907
Scenic Terrace Investment LLC	27281000000000043000	19.36	\$ 203,331	\$ 3,936,483	\$ 285,981	\$ 307,507
Scenic Terrace Investment LLC	27281000000000041030	8.96	\$ 203,331	\$ 1,821,844	\$ 132,355	\$ 142,317
Atlantic Blue Capital LLC	2728090000000014030	28.5	\$ 203,331	\$ 5,794,926	\$ 420,995	\$ 452,683
Atlantic Blue Capital LLC	2728090000000014020	9.24	\$ 203,331	\$ 1,878,776	\$ 136,491	\$ 146,765
HMD West LLC	27280900000000041050	8.08	\$ 203,331	\$ 1,642,912	\$ 119,356	\$ 128,340
HMD West LLC	27280900000000041040	1.5	\$ 203,331	\$ 304,996	\$ 22,158	\$ 23,825
Atlantic Blue Capital LLC	2728090000000011020	9.93	\$ 203,331	\$ 2,019,074	\$ 146,684	\$ 157,724
Turner Investments LTD	27280900000000041000	18.77	\$ 203,331	\$ 3,816,518	\$ 277,266	\$ 298,135
Totals		206.56		\$ 42,000,000	\$ 3,051,254	\$ 3,280,918

Annual Assessment Periods	30
Projected Bond Rate (%)	6.00%
Maximum Annual Debt Service	\$3,051,254

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

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**SCENIC TERRACE SOUTH CDD
EXHIBIT 2 – LEGAL DESCRIPTION**

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71

FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W. CONTAINING 206.56 ACRES, MORE OR LESS.

**SUPPLEMENTAL
ASSESSMENT METHODOLOGY

FOR

SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT DISTRICT**

Date: March 16, 2022

Prepared by

**Governmental Management Services - Central Florida, LLC
219 E. Livingston St.
Orlando, FL 32801**

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

1.0 Introduction

The Scenic Terrace South Community Development District (the “District”) is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes as amended. The District anticipates the issuance at this time of not to exceed \$22,350,000 of tax-exempt bonds in one or more series (the “Bonds”) for the purpose of financing certain infrastructure improvements (“Capital Improvement Plan”) within the District more specifically described in the Engineer’s Report, dated October 13, 2021, revised March 2, 2022, prepared by Dewberry Engineers Inc. as may be amended and supplemented from time to time (the “Engineer’s Report”). The District anticipates the construction of all or a portion of the Capital Improvements or Capital Improvement Plan (“Capital Improvements”) that benefit property owners within the District.

1.1 Purpose

This Supplemental Assessment Methodology supplements the Master Assessment Methodology, dated October 13, 2021 (the “Assessment Report”), provides for an assessment methodology that allocates the debt to be incurred by the District to benefiting properties within the District. This Assessment Report allocates the debt to properties based on the special benefits each receives from the Capital Improvements. This Assessment Report is designed to conform to the requirements of Chapters 190 and 170, Florida Statutes, with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to levy, impose and collect non ad valorem special assessments (“Special Assessments”) on the benefited lands within the District securing repayment of the Bonds based on this Assessment Report. It is anticipated that all of the proposed Special Assessments will be collected through the Uniform Method of Collection described in Section 197.3632, Florida Statutes or any other legal means available to the District. It is not the intent of this Assessment Report to address any other assessments, if applicable, that may be levied by the District including those for maintenance and operation of the Bonds, a homeowner’s association, or any other unit of government.

1.2 Background

The District currently includes approximately 188.33 gross developable acres within Town of Lake Hamilton, Florida and Polk County. The development program for the District currently envisions approximately 744 residential units. The proposed development program is depicted in Table 1. It is recognized that such development plan may change, and this Assessment Report will be modified or supplemented accordingly.

The Capital Improvements contemplated by the District in the Capital Improvement Plan will provide facilities that benefit certain property within the District. Specifically, the District will construct and/or acquire certain offsite improvements, stormwater management facilities, mass grading and master systems, utility facilities, roadways, entry

features, and park and amenity features. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

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

1.3 Special Benefits and General Benefits

Capital Improvements undertaken by the District create special and peculiar benefits to the property, different in kind and degree, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to property within the District. The implementation of the Capital Improvement Plan enables properties within the boundaries of the District to be developed. Without the District's Capital Improvement Plan, there would be no infrastructure to support development of land within the District. Without these improvements, development of the property within District would be prohibited by law.

The general public and property owners outside of the District may benefit from the provision of the Capital Improvements. However, any such benefit will be incidental for the purpose of the Capital Improvement Plan, which is designed solely to meet the needs of property within the District. Properties outside of the District boundaries do not depend upon the District's Capital Improvements. The property owners within the District are therefore receiving special benefits not received by the general public and those outside of the District's boundaries.

1.4 Requirements of a Valid Assessment Methodology

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

- 1) The properties must receive a special benefit from the Capital Improvements being paid for.

- 2) The assessments must be fairly and reasonably allocated or apportioned to the properties being assessed based on the special benefit such properties receive.

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

1.5 Special Benefits Will Equal or Exceed the Costs Allocated

The special benefits provided to the property within the District will be equal to or greater than the costs associated with providing these benefits. The District Engineer estimates that the District's Capital Improvement Plan that is necessary to support full development of property within the District will cost approximately \$32,825,460. The District's Underwriter projects that financing costs required to fund the Capital Improvement Plan costs, the cost of issuance of the Bonds, the funding of a debt service reserve account and capitalized interest, will be approximately \$22,350,000. Without the Capital Improvement Plan, the property within the District would not be able to be developed and occupied by future residents of the community.

2.0 Assessment Methodology

2.1 Overview

The District anticipates issuing approximately \$22,350,000 in Bonds in one or more series to fund the District's entire Capital Improvement Plan, provide for capitalized interest, a debt service reserve account and pay cost of issuance. It is the purpose of this Assessment Report to allocate the \$22,350,000 in debt to the properties within the District benefiting from the Capital Improvement Plan. This report will be supplemented to reflect actual bond terms.

Table 1 identifies the land uses and lot sizes in the development as identified by the Developer within the District. The District has commissioned an Engineer's Report that includes estimated construction costs for the Capital Improvements needed to support the development; these construction costs are outlined in Table 2. The Capital Improvements needed to support the development are described in detail in the Engineer's Report and are estimated to cost \$32,825,460. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for the Capital Improvements and related costs was determined by the District's Underwriter to total approximately \$22,350,000. Table 3 shows the breakdown of the Bond sizing.

2.2 Allocation of Debt

Allocation of debt is a continuous process until the development plan for the District are completed. Until the platting process occurs, the Capital Improvements funded by District Bonds benefits all acres within the District.

The initial assessments will be levied on an equal basis to all gross acreage within the District. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits. At this point all of the lands within the District are benefiting from the Capital Improvements.

Once platting or the recording of a declaration of condominium of any portion of the District into individual lots or units ("Assigned Properties") has begun, the Special Assessments will be levied to the Assigned Properties based on the benefits they receive, on a first platted, first assigned basis. The "Unassigned Properties" defined as property that has not been platted or subjected to a declaration of condominium, will continue to be assessed on a per acre basis. Eventually the development plan will be completed and the debt relating to the Bonds will be allocated to the assigned properties within the District, which are the beneficiaries of the Capital Improvement Plan, as depicted in Table 5 and Table 6. If there are changes to development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. The process is outlined in Section 3.0.

The assignment of debt in this Assessment Report sets forth the process by which debt is apportioned. As mentioned herein, this Assessment Report will be supplemented from time to time.

2.3 Allocation of Benefit

The Capital Improvement Plan consists of offsite improvements, stormwater management facilities, utility facilities, roadways, entry features, and park and amenity features and professional fees along with related incidental costs. There are two product types within the planned development. The single-family 40' home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of benefit to the particular product type. It is important to note that the benefit derived from the Capital Improvements on a particular unit will exceed the cost that the unit will be paying for such benefits.

2.4 Lienability Test: Special and Peculiar Benefit to the Property

Construction and/or acquisition by the District of its proposed Capital Improvements will provide several types of systems, facilities and services for its residents. These include offsite improvements, stormwater management facilities, mass grading and

master systems, utility facilities, roadways, entry features, and park and amenity features. The benefit from the Capital Improvements accrue in differing amounts and are somewhat dependent on the product type receiving the special benefits peculiar to that property type, which flow from the logical relationship of the Capital Improvements to the assigned properties.

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

For the provision of the Capital Improvement Plan, the special and peculiar benefits are:

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

These special and peculiar benefits are real and ascertainable but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual Special Assessment levied for the Improvement as allocated.

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

A reasonable estimate of the proportion of special and peculiar benefits received from the public improvements described in the Capital Improvement Plan is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type). This is also shown on Table 7 depicting Allocation of Par Debt per Product Type.

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of the Capital Improvement Plan have been apportioned to the property within the District according to reasonable estimates of the special and peculiar benefits provided consistent with the product type of assignable properties.

Accordingly, no acre or parcel of property within the boundaries of the District will have a lien for the payment of any Special Assessment more than the determined special benefit particular to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for each

product type (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated assigned properties are built and sold as planned, and the entire proposed Capital Improvement Plan is constructed.

3.0 True Up Mechanism

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is approved, the District must allocate a portion of its debt to the property according to this Assessment Report outlined herein ("Assigned Property"). In addition, the District must also prevent any buildup of debt on property or land that could be fully conveyed and/or platted without all of the debt being allocated ("Unassigned Property"). To preclude this, when platting for 25%, 50%, 75% and 100% of the units planned for platting has occurred within the District, the District will determine the amount of anticipated Bond Special Assessment revenue that remains on the Unassigned Properties, taking into account the full development plan of the District. If the total anticipated Bond Special Assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no debt reduction or true-up payment is required. In the case that the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

If a true-up payment is made less than 45 days prior to an interest payment date, the amount of accrued interest will be calculated to the next succeeding interest payment date.

4.0 Assessment Roll

The District will initially distribute the Special Assessments across the property within the District boundaries on a gross acreage basis. As Assigned Properties become known with certainty, the District will refine its allocation of debt from a per acre basis to a per unit basis as shown in Table 6. If the land use plan or product type changes, then the District will update Table 6 to reflect the changes as part of the foregoing true-up process. As a result, the assessment liens are not finalized with certainty on any acre of land in the District prior to the time final Assigned Properties become known. The preliminary assessment roll is attached as Table 7.

TABLE 1
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Land Use*	ERUs per Unit (1)		Total ERUs
Single Family - 40'	264	1	264
Single Family - 50'	480	1.25	600
Total Units	744		864

(1) Benefit is allocated on an ERU basis; based on density of planned development, SF 40' lot at 1 ERU

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

TABLE 2
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT PLAN COST ESTIMATES
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Capital Improvement Plan ("CIP") (1)	Total Cost Estimate
Offsite Improvements	\$ 4,491,589
Stormwater Management	\$ 3,463,223
Mass Grading and Master Systems	\$ 2,345,209
Utilities (Water, Sewer, Electrical & Street Lighting	\$ 8,651,405
Roadway	\$ 4,512,177
Landscaping & Entry Feature	\$ 2,164,876
Parks and Amenities	\$ 1,500,000
Contingencies	\$ 5,696,981
	\$ 32,825,460

(1) A detailed description of these improvements is provided in the Engineer's Report dated October 13, 2021, revised March 2, 2022.

TABLE 3
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
BOND SIZING
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Bond Sizing	
Description	Total
2022 Construction Funds	\$ 17,920,128
2022 Escrow	\$ 1,320,000
Debt Service Reserve	\$ 1,368,497
Capitalized Interest	\$ 1,069,050
Underwriters Discount	\$ 447,000
Cost of Issuance	\$ 225,325
Par Amount*	\$ 22,350,000

Bond Assumptions:	
Average Coupon	4.56%
Amortization	30 years
Capitalized Interest	13 months
Debt Service Reserve	Max Annual
Underwriters Discount	2%

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

Prepared by: Governmental Management Services - Central Florida,

TABLE 4
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
ALLOCATION OF IMPROVEMENT COSTS
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Land Use	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements		Improvement Costs Per Unit
					Costs Per Product Type	Type	
Single Family - 40'	264	1	264	30.56%	\$ 10,030,002	\$	37,992
Single Family - 50'	480	1.25	600	69.44%	\$ 22,795,458	\$	47,491
	<u>744</u>		<u>864</u>		<u>\$ 32,825,460</u>		

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

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 5
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
ALLOCATION OF TOTAL PAR DEBT TO EACH PRODUCT TYPE
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Land Use	No. of Units *	Total Improvements		Allocation of Par Debt Per Product			Allocation of Par Debt Per Product			Par Per Unit - After Developer Contribution	
		Costs Per Product	Type	Type Before		Developer Contribution	Type After		Developer Contribution		
				Developer	Contribution		Developer	Contribution			
Single Family - 40'	264	\$	10,030,002	\$	7,930,645	\$	-	\$	7,930,645	\$	30,040
Single Family - 50'	480	\$	22,795,458	\$	18,024,194	\$	3,604,839	\$	14,419,355	\$	30,040
	744	\$	32,825,460	\$	25,954,839	\$	3,604,839	\$	22,350,000		

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

Prepared by: Governmental Management Services - Central Florida, LLC

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

Land Use	No. of Units *	Allocation of Par Debt Per Product Type - After Developer Contribution		Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit		Gross Annual Debt Assessment Per Unit (1)	
						Assessment	Per Unit	Assessment	Per Unit (1)
Single Family - 40'	264	\$	7,930,645	\$ 30,040	\$ 485,596	\$ 1,839	\$	\$ 1,978	
Single Family - 50'	480	\$	14,419,355	\$ 30,040	\$ 882,901	\$ 1,839	\$	\$ 1,978	
	744	\$	22,350,000		\$ 1,368,497				

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

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

TABLE 7
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT
PRELIMINARY ASSESSMENT ROLL
SUPPLEMENTAL ASSESSMENT METHODOLOGY

Owner	Property ID #'s	Acres	Total Par Debt Allocation Per Acre	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Atlantic Blue Communities II	See attached legal	188.33	\$ 118,675	\$ 22,350,000	\$ 1,368,497	\$ 1,471,502
Totals		188.33		\$ 22,350,000	\$ 1,368,497	\$ 1,471,502

Annual Assessment Periods	30
Average Coupon Rate (%)	4.56%
Maximum Annual Debt Service	\$1,368,497

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

Prepared by: Governmental Management Services - Central Florida, LLC

**SCENIC TERRACE SOUTH CDD
EXHIBIT 2 - LEGAL DESCRIPTION**

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS DESCRIPTION: A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.93 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.

CONTAINING 188.33 ACRES, MORE OR LESS.

SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

**EXHIBIT 2 - LEGAL DESCRIPTION
SCENIC TERRACE SOUTH CDD**



Exhibit C

Legal Description of Series 2022 Assessment Area

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71

FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS DESCRIPTION: A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

CONTAINING 188.33 ACRES, MORE OR LESS.

Exhibit D: Maturities and Coupons of Series 2022 Bonds

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(Scenic Terrace South CDD 2022:STS-2022) Page 10

BOND SUMMARY STATISTICS

Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022 (Series 2022 Project)

Dated Date	04/06/2022
Delivery Date	04/06/2022
Last Maturity	05/01/2053
Arbitrage Yield	4.545400%
True Interest Cost (TIC)	4.710103%
Net Interest Cost (NIC)	4.662945%
All-In TIC	4.795056%
Average Coupon	4.562006%
Average Life (years)	19.814
Weighted Average Maturity (years)	19.814
Duration of Issue (years)	12.491
Par Amount	22,350,000.00
Bond Proceeds	22,350,000.00
Total Interest	20,202,481.47
Net Interest	20,649,481.47
Total Debt Service	42,552,481.47
Maximum Annual Debt Service	1,368,496.88
Average Annual Debt Service	1,369,592.61
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Term 1	1,590,000.00	100.000	3.750%	3.617
Term 2	2,375,000.00	100.000	4.125%	8.154
Term 3	6,615,000.00	100.000	4.500%	15.942
Term 4	11,770,000.00	100.000	4.625%	26.531
	22,350,000.00			19.814

	TIC	All-In TIC	Arbitrage Yield
Par Value	22,350,000.00	22,350,000.00	22,350,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-447,000.00	-447,000.00	
- Cost of Issuance Expense		-225,325.00	
- Other Amounts			
Target Value	21,903,000.00	21,677,675.00	22,350,000.00
Target Date	04/06/2022	04/06/2022	04/06/2022
Yield	4.710103%	4.795056%	4.545400%

Exhibit E: Sources and Uses of Funds for Series 2022 Bonds

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(Scenic Terrace South CDD 2022:STS-2022) Page 1

SOURCES AND USES OF FUNDS

Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022 (Series 2022 Project)

Sources:

Bond Proceeds:	
Par Amount	22,350,000.00
	<u>22,350,000.00</u>

Uses:

Project Fund Deposits:	
2022 Acquisition and Construction Account	17,920,128.03
2022 Escrow Subaccount	<u>1,320,000.00</u>
	19,240,128.03
Other Fund Deposits:	
DSRF (MADS)	1,368,496.88
Capitalized Interest Fund (through 5/1/2023)	<u>1,069,050.09</u>
	2,437,546.97
Delivery Date Expenses:	
Cost of Issuance	225,325.00
Underwriter's Discount	<u>447,000.00</u>
	672,325.00
	<u>22,350,000.00</u>

Exhibit F: Annual Debt Service Payment Due on Series 2022 Bonds

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BOND DEBT SERVICE					
Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022 (Series 2022 Project)					
Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2022			569,234.46	569,234.46	569,234.46
05/01/2023			499,815.63	499,815.63	
11/01/2023			499,815.63	499,815.63	999,631.26
05/01/2024	375,000	3.750%	499,815.63	874,815.63	
11/01/2024			492,784.38	492,784.38	1,367,600.01
05/01/2025	390,000	3.750%	492,784.38	882,784.38	
11/01/2025			485,471.88	485,471.88	1,368,256.26
05/01/2026	405,000	3.750%	485,471.88	890,471.88	
11/01/2026			477,878.13	477,878.13	1,368,350.01
05/01/2027	420,000	3.750%	477,878.13	897,878.13	
11/01/2027			470,003.13	470,003.13	1,367,881.26
05/01/2028	435,000	4.125%	470,003.13	905,003.13	
11/01/2028			461,031.25	461,031.25	1,366,034.38
05/01/2029	455,000	4.125%	461,031.25	916,031.25	
11/01/2029			451,646.88	451,646.88	1,367,678.13
05/01/2030	475,000	4.125%	451,646.88	926,646.88	
11/01/2030			441,850.00	441,850.00	1,368,496.88
05/01/2031	495,000	4.125%	441,850.00	936,850.00	
11/01/2031			431,640.63	431,640.63	1,368,490.63
05/01/2032	515,000	4.125%	431,640.63	946,640.63	
11/01/2032			421,018.75	421,018.75	1,367,659.38
05/01/2033	535,000	4.500%	421,018.75	956,018.75	
11/01/2033			408,981.25	408,981.25	1,365,000.00
05/01/2034	560,000	4.500%	408,981.25	968,981.25	
11/01/2034			396,381.25	396,381.25	1,365,362.50
05/01/2035	585,000	4.500%	396,381.25	981,381.25	
11/01/2035			383,218.75	383,218.75	1,364,600.00
05/01/2036	615,000	4.500%	383,218.75	998,218.75	
11/01/2036			369,381.25	369,381.25	1,367,600.00
05/01/2037	640,000	4.500%	369,381.25	1,009,381.25	
11/01/2037			354,981.25	354,981.25	1,364,362.50
05/01/2038	670,000	4.500%	354,981.25	1,024,981.25	
11/01/2038			339,906.25	339,906.25	1,364,887.50
05/01/2039	700,000	4.500%	339,906.25	1,039,906.25	
11/01/2039			324,156.25	324,156.25	1,364,062.50
05/01/2040	735,000	4.500%	324,156.25	1,059,156.25	
11/01/2040			307,618.75	307,618.75	1,366,775.00
05/01/2041	770,000	4.500%	307,618.75	1,077,618.75	
11/01/2041			290,293.75	290,293.75	1,367,912.50
05/01/2042	805,000	4.500%	290,293.75	1,095,293.75	
11/01/2042			272,181.25	272,181.25	1,367,475.00
05/01/2043	840,000	4.625%	272,181.25	1,112,181.25	
11/01/2043			252,756.25	252,756.25	1,364,937.50
05/01/2044	880,000	4.625%	252,756.25	1,132,756.25	
11/01/2044			232,406.25	232,406.25	1,365,162.50
05/01/2045	920,000	4.625%	232,406.25	1,152,406.25	
11/01/2045			211,131.25	211,131.25	1,363,537.50
05/01/2046	965,000	4.625%	211,131.25	1,176,131.25	
11/01/2046			188,815.63	188,815.63	1,364,946.88
05/01/2047	1,010,000	4.625%	188,815.63	1,198,815.63	
11/01/2047			165,459.38	165,459.38	1,364,275.01
05/01/2048	1,060,000	4.625%	165,459.38	1,225,459.38	
11/01/2048			140,946.88	140,946.88	1,366,406.26
05/01/2049	1,110,000	4.625%	140,946.88	1,250,946.88	
11/01/2049			115,278.13	115,278.13	1,366,225.01

BOND DEBT SERVICE

Scenic Terrace South Community Development District
Special Assessment Bonds, Series 2022 (Series 2022 Project)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/01/2050	1,160,000	4.625%	115,278.13	1,275,278.13	
11/01/2050			88,453.13	88,453.13	1,363,731.26
05/01/2051	1,215,000	4.625%	88,453.13	1,303,453.13	
11/01/2051			60,356.25	60,356.25	1,363,809.38
05/01/2052	1,275,000	4.625%	60,356.25	1,335,356.25	
11/01/2052			30,871.88	30,871.88	1,366,228.13
05/01/2053	1,335,000	4.625%	30,871.88	1,365,871.88	
11/01/2053					1,365,871.88
	22,350,000		20,202,481.47	42,552,481.47	42,552,481.47

SECTION VI

SECTION A

This instrument was prepared by and
upon recording should be returned to:

(This space reserved for Clerk)

Roy Van Wyk, Esq.
KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303

**AGREEMENT BETWEEN THE SCENIC TERRACE SOUTH COMMUNITY
DEVELOPMENT DISTRICT, AND ATLANTIC BLUE COMMUNITIES II, LLC.,
REGARDING TRUE-UP AS TO SERIES 2022 ASSESSMENTS**

THIS TRUE-UP AGREEMENT (“Agreement”) is made and entered into this 6th day of April 2022, by and between (together, the “Parties”):

SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in the Town of Lake Hamilton, Polk County, Florida, with a mailing address of 219 East Livingston Street, Orlando, Florida 32801 (the “District”), and

ATLANTIC BLUE COMMUNITIES II, LLC, a Florida limited liability company, the Developer and owner of certain lands within the District, with a mailing address of 212 E Stuart Avenue, Lake Wales, Florida 33853, and its successors and assigns (“Developer” or “Landowner”).

RECITALS

WHEREAS, the District was established by an ordinance adopted by the Town Commission of the Town of Lake Hamilton, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (the “Act”) and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the District, pursuant to Chapter 190, *Florida Statutes*, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District’s activities and services; and

WHEREAS, Landowner is the owner and/or developer of certain lands within the District and a Landowner of all or portions of the same, which lands are described in **Exhibit A** (“Series 2022 Assessment Area”); and

WHEREAS, the District has adopted an improvement plan to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements, facilities, and services, as detailed in the *Scenic Terrace South Community Development District Engineer’s Report-Revised and Amended*, dated March 2, 2022 (together, the “Engineer’s Report”) for the improvements associated with the development of Phase 2 (the “Series 2022 Project”), attached to

this Agreement as **Exhibit B** and the estimated costs of the improvements related to Series 2022 Project is identified therein; and

WHEREAS, the District intends to finance a portion of the Series 2022 Project, through the anticipated issuance of its Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022, (Series 2022 Project) in the principal amount of \$22,350,000 (the “Series 2022 Bonds”); and

WHEREAS, pursuant to Resolutions 2022-27, 2022-28, 2022-34 and 2022-41 (the “Assessment Resolutions”), the District imposed special assessments on Series 2022 Assessment Area within the District to secure the repayment of the Series 2022 Bonds; and

WHEREAS, Landowner agrees that all developable lands within Series 2022 Assessment Area, including Landowner’s property, benefit from the timely design, construction, or acquisition of the Series 2022 Project; and

WHEREAS, Landowner agrees that the Series 2022 Assessment Area which were imposed on Series 2022 Assessment Area within the District, have been validly imposed and constitute valid, legal and binding liens upon Series 2022 Assessment Area, which Series 2022 Assessment Area remain unsatisfied; and

WHEREAS, to the extent permitted by law, Landowner waives any defect in notice or publication or in the proceedings to levy, impose and collect the Series 2022 Assessment Area on Series 2022 Assessment Area within the District; and

WHEREAS, the *Master Assessment Methodology*, dated October 13, 2021, as supplemented by that *Supplemental Assessment Methodology*, dated March 16, 2022 (collectively, the “Assessment Report”), provides that as the Series 2022 Assessment Area is platted or re-platted, the allocation of the amounts assessed to and constituting a lien upon Series 2022 Assessment Area within the District would be allocated and calculated based upon certain density assumptions relating to the number of each type of single-family units to be constructed on Series 2022 Assessment Area within the District, which assumptions were provided by Landowner; and

WHEREAS, Landowner intends that Series 2022 Assessment Area within the District will be platted, planned and developed based on then-existing market conditions, and the actual densities developed may be at some density less than the densities assumed in the District's Assessment Report; and

WHEREAS, the District's Assessment Report anticipates a mechanism by which Landowner shall, if required, make certain payments to the District in order to satisfy, in whole or in part, the assessments allocated and the liens imposed pursuant to the Assessment Resolutions, the amount of such payments being determined generally by a calculation of the remaining unallocated debt prior to the recording of any plat or site plan for a parcel or tract, as described in the District’s Assessment Report (which payments shall collectively be referenced as the “True-Up Payment”); and

WHEREAS, Landowner and the District desire to enter into an agreement to confirm Landowner's intention and obligation, if required, to make the True-Up Payment related to the Series 2022 Assessment Area, subject to the terms and conditions contained herein.

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

SECTION 1. RECITALS. The recitals stated above are true and correct and by this reference are incorporated into and form a material part of this Agreement.

SECTION 2. COVENANTS.

A. The provisions of this Agreement shall constitute a covenant running with Series 2022 Assessment Area lands, which lands are described herein in **Exhibit A**, and shall remain in full force and effect and be binding upon Landowner, its heirs, legal representatives, estates, successors, grantees, and assigns until released pursuant to the terms herein.

B. Landowner agrees that to the extent Landowner fails to timely pay all Series 2022 Assessment Area collected by mailed notice of the District, said unpaid Series 2022 Assessment Area (including True-Up Payments), may be placed on the tax roll by the District for collection by the Tax Collector pursuant to Section 197.3632, *Florida Statutes*, in any subsequent year.

SECTION 3. SPECIAL ASSESSMENT REALLOCATION.

A. *Assumptions as to the Series 2022 Assessment Area.* As of the date of the execution of this Agreement, Landowner has informed the District that Landowner intends to plat Series 2022 Assessment Area into a total of 744 single family lots.

B. *Process for Reallocation of Assessments.* The Series 2022 Assessment Area will be reallocated among Series 2022 Assessment Area as Series 2022 Assessment Area is platted or re-platted (hereinafter referred to as "plat" or "platted"). In connection with such platting of Series 2022 Assessment Area of the District, the Series 2022 Assessment Area imposed on the lands being platted will be allocated based upon the precise number of lots within the area being platted. It is intended that all the Series 2022 Assessment Area will be assigned to the 744 lots platted in Series 2022 Assessment Area. In furtherance thereof, at such time as Series 2022 Assessment Area is to be platted, Landowner covenants that such plat or plats shall be presented to the District. The District shall allocate the Series 2022 Assessment Area to the number of lots being platted and the remaining lands in Series 2022 Assessment Area in accordance with the District's Assessment Report and cause such reallocation to be recorded in the District's Improvement Lien Book.

(i) It is an express condition of the liens established by the Assessment Resolutions that any and all plats containing any portion of Series 2022 Assessment Area within the District owned by Landowner shall be presented to the District for review and allocation of the Series 2022 Assessment Area to the lots being platted and the remaining property within Series 2022 Assessment Area in accordance with the Assessment Report ("Reallocation"). Landowner covenants to comply with this requirement for the Reallocation. The District agrees that no further action by the Board of Supervisors shall

be required. The District's review of the plats shall be limited solely to the Reallocation of Series 2022 Assessment Area and enforcement of the District's assessment liens. Nothing herein shall in any way operate to or be construed as providing any other plat and plan approval or disapproval powers to the District.

(ii) The purpose of the True-Up calculation is to ensure that the bond debt will be able to be assigned to at least 744 platted lots within Series 2022 Assessment Area of the District. Thus, at the time of platting of any portion of Series 2022 Assessment Area, or any re-platting thereof, there must be at least 744 platted lots in Series 2022 Assessment Area to assign the bond debt to. If not, subject to subsection (v) below, the District would require a True-Up Payment from Landowner or the person or entity seeking to file such plat in an amount sufficient to reduce the remaining bond debt to the actual number of lots platted in Series 2022 Assessment Area as in the par amount per platted lot as set forth in the Assessment Report.

(iii) The True-Up calculation shall be performed at the time Series 2022 Assessment Area is platted.

(iv) If at the time the True-Up calculation is performed, it is determined that less than 200 lots are to be platted within Series 2022 Assessment Area, a True-Up Payment shall become due and payable by Landowner. Any such True-Up Payment determined to be due by Landowner shall be paid in full prior to approval of the plat. Such True-Up Payment shall be in addition to the regular Series 2022 Assessment Area installment payable for Series 2022 Assessment Area owned by Landowner. The District will take all necessary steps to ensure that True-Up Payments are made in a timely fashion to ensure its debt service obligations are met, and in all cases, Landowner agrees that such payments shall be made in order to ensure the District's timely payment of the debt service obligations on the Series 2022 Bonds. The District shall record all True-Up Payments in its Improvement Lien book. If such True-Up Payment is made at least 35 days prior to an interest payment date on the Series 2022 Bonds, Landowner shall include accrued interest as part of the True-Up Payment to such interest payment date. If such True-Up Payment becomes due within 35 days of the next interest payment date, accrued interest shall be calculated to the next succeeding interest payment date.

(v) The foregoing is based on the District's understanding with Landowner that Landowner will plat or cause to be platted at least 744 residential lots within Series 2022 Assessment Area as identified in the Assessment Report and Engineer's Report. However, the District agrees that nothing herein prohibits more or less than the anticipated residential dwelling units from being platted. In the event Landowner plats less than 200 lots within Series 2022 Assessment Area, the Landowner may either make a True-Up Payment or leave unassigned Series 2022 Assessment Area on un-platted lands within Series 2022 Assessment Area provided the maximum debt allocation per acre as set forth in the Assessment Resolution is not exceeded. In no event shall the District collect Series 2022 Assessment Area pursuant to the Assessment Resolutions in excess of the total debt service related to the Series 2022 Project, including all costs of financing and interest. The District, however, may collect Series 2022 Assessment Area in excess of the annual debt service related to the Series 2022 Project, including all costs of financing and interest, which shall be applied to prepay the Series 2022 Bonds. If the strict application of the True-Up

methodology to any Reallocation for any plat pursuant to this paragraph would result in Series 2022 Assessment Area collected in excess of the District's total debt service obligation for the Series 2022 Project, the District agrees to take appropriate action by resolution to equitably Reallocate the assessments.

SECTION 3. ENFORCEMENT. This Agreement is intended to be an additional method of enforcement of Landowner's obligation to pay the Series 2022 Assessment Area and to abide by the requirements of the Reallocation of Series 2022 Assessment Area, including the making of the True-Up Payment, if any, as set forth in the Assessment Resolutions. A default by any Party under this Agreement shall entitle any other Party to all remedies available at law or in equity, but excluding special, consequential or punitive damages.

SECTION 4. RECOVERY OF COSTS AND FEES. In the event any Party is required to enforce this Agreement by court proceedings or otherwise, then the substantially prevailing party, as determined by the applicable court or other dispute resolution provider, shall be entitled to recover from the other(s) all fees and costs incurred, including reasonable attorneys' fees and costs incurred prior to or during any litigation or other dispute resolution and including all fees and costs incurred in appellate proceedings.

SECTION 5. NOTICE. All notices, requests, consents and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, by overnight delivery service, or electronic or hand delivered to the Parties, as follows:

- | | | |
|-----------|---------------------|--|
| A. | If to the District: | Scenic Terrace South
Community Development District
219 East Livingston Street
Orlando, Florida 32801
Attn: District Manager |
| | With a copy to: | KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303
Attn: Roy Van Wyk |
| B. | If to Landowner: | Atlantic Blue Communities II, LLC
212 E Stuart Avenue
Lake Wales, Florida 33853
Attn: John D. Alexander |

With a copy to:

Straughn & Turner, P.A.
255 Magnolia Avenue
Lake Hamilton, Florida 33800
Attn: Richard Straughn

Except as otherwise provided herein, any Notice shall be deemed received only upon actual delivery at the address or telecopy number set forth herein. If mailed as provided above, Notices shall be deemed delivered on the third business day unless actually received earlier. Notices hand delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the Parties may deliver Notice on behalf of the Parties. Any Party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name, address or telecopy number to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

Notwithstanding the foregoing, to the extent Florida law requires notice to enforce the collection of any assessments placed on Series 2022 Assessment Area by the District, then the provision of such notice shall be in lieu of any additional notice required by this Agreement.

SECTION 6. ASSIGNMENT.

A. Landowner may not assign its duties or obligations under this Agreement except in accordance with the terms of this Section 7(C) below. This Agreement shall constitute a covenant running with title to all or any portion of the Series 2022 Assessment Area, binding upon Landowner and its successors and assigns including, without limitation, any purchaser and its successors and assigns as to Series 2022 Assessment Area or portions thereof, and any transferee of any portion of Series 2022 Assessment Area, but shall not be binding upon transferees permitted by Sections 7(B)(i), (ii) or (iii) below.

B. No portion of Series 2022 Assessment Area may be transferred to any third party without complying with the terms of Section 7(C) below, other than:

- (i)** Platted and fully-developed lots to homebuilders restricted from re-platting.
- (ii)** Platted and fully-developed lots to end users.

(iii) Portions of Series 2022 Assessment Area exempt from debt special assessments or to be dedicated to the Town, County, the District, or other governmental agencies.

Any transfer of any portion of Series 2022 Assessment Area pursuant to subsections (i), (ii) or (iii) of this Section 7(B), shall constitute an automatic release of such portion of Series 2022 Assessment Area from the scope and effect of this Agreement.

C. Landowner shall not transfer any portion of Series 2022 Assessment Area to any third party, except as permitted by Sections 7(B)(i), (ii) or (iii) above, without satisfying the following conditions (“Transfer Conditions”):

- (i) delivering a recorded copy of this Agreement to such third party; and
- (ii) satisfying any True-Up Payment that results from a True-Up analysis that will be performed by the District Manager prior and as a condition to such transfer.

Any transfer that is consummated pursuant to this Section 7(C) shall operate as a release of Landowner from its obligations under this Agreement as to such portion of Series 2022 Assessment Area only arising from and after the date of such transfer and satisfaction of all of the Transfer Conditions including payment of any True-Up Payment due pursuant to subsection 7(C)(ii) above, and the transferee shall be deemed to have assumed Landowner’s obligations in accordance herewith and shall be deemed the “Landowner” from and after such transfer for all purposes as to such portion of Series 2022 Assessment Area so transferred.

SECTION 7. AMENDMENT. This Agreement shall constitute the entire agreement between the Parties regarding the subject matter discussed herein and may be modified in writing only by the mutual agreement of all Parties. This Agreement may not be amended without the prior written consent of the Trustee on behalf and acting at the direction of the bondholders owning more than 50% of the aggregate principal amount of the applicable Series 2022 Bonds then outstanding.

SECTION 8. TERMINATION. This Agreement shall continue in effect until it is rescinded in writing by the mutual assent of each Party, provided, however, that this Agreement and the covenants contained herein may not be terminated or released prior to platting and development of all Series 2022 Assessment Area without the prior written consent of the Trustee on behalf and acting at the direction of bondholders owning more than 50% of the aggregate principal amount of the applicable Series 2022 Bonds then outstanding.

SECTION 9. NEGOTIATION AT ARM’S LENGTH. This Agreement has been negotiated fully between the Parties as an arm’s length transaction. The Parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, The Parties are deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against either Party.

SECTION 10. THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of the District and Landowner and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Except as provided in the immediately succeeding sentence, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or entity other than the District and Landowner any

right, remedy or claim under or by reason of this Agreement or any provisions or conditions of this Agreement; and all of the provisions, representations, covenants and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and Landowner and their respective representatives, successors and assigns. Notwithstanding anything herein to the contrary, the Trustee for the Series 2022 Bonds, on behalf of the owners of the Series 2022 Bonds, shall be a direct third-party beneficiary of the terms and conditions of this Agreement and shall be entitled to enforce Landowner's obligations hereunder. The Trustee shall not be deemed to have assumed any obligations hereunder.

SECTION 11. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

SECTION 12. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted, and controlled according to the laws of the State of Florida. Each Party consents that the exclusive venue for any litigation arising out of or related to this Agreement shall be in a court of appropriate jurisdiction, in and for Polk County, Florida.

SECTION 13. PUBLIC RECORDS. Landowner understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and may require treatment as such in accordance with Florida law.

SECTION 14. EXECUTION IN COUNTERPARTS. This instrument may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

SECTION 15. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

SECTION 16. EFFECTIVE DATE. This Agreement shall become effective after execution by the Parties hereto on the date reflected above.

[Remainder of this page left intentionally blank]

WITNESSES:

**ATLANTIC BLUE COMMUNITIES II,
LLC**, a Florida limited liability company

By: Atlanticblue Capital, LLC
Its: Manager

[Print Name]

By: John D. Alexander
Its: Manager

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence
or ☐ online notarization this ____ day of _____, 2022, by John D. Alexander as Manager
of Atlanticblue Capital, LLC, Manager of Atlantic Blue Communities II, LLC, on behalf of the
Company.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

WITNESSES:

**SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT
DISTRICT**

[Print Name]

Lauren O. Schwenk
Chairperson, Board of Supervisors

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence
or ☐ online notarization this ____ day of _____, 2022, by Lauren O. Schwenk, as
Chairperson of the Board of Supervisors of the Scenic Terrace South Community Development
District.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

Exhibit A:
Exhibit B:

Legal Description of Series 2022 Assessment Area
*Scenic Terrace South Community Development District Engineer's
Report-Revised and Amended, dated March 2, 2022*

Exhibit A
Legal Description of Series 2022 Assessment Area

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN

SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS DESCRIPTION: A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

CONTAINING 188.33 ACRES, MORE OR LESS.

Exhibit B
Engineer's Report



Scenic Terrace South Community Development District

Town of Hamilton

Engineer's Report - Revised and Amended

**October 13, 2021
Revised March 2, 2022**

SUBMITTED BY:

Dewberry Engineers Inc.
800 North Magnolia Avenue
Suite 1000
Orlando, Florida 32803
407-843-5120

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COMPANY CONFIDENTIAL AND PROPRIETARY: Use or disclosure of data contained on this sheet is subject to restriction on the title page of this proposal.

Scenic Terrace South Community Development District

INTRODUCTION

The Scenic Terrace South Community Development District (the "District" or "CDD") is located at Scenic Highway (SR 17) and Hughes Road and within the Town of Lake Hamilton (the "Town"). The District currently contains approximately 188.33 acres and is expected to consist of 744 residential lots of various sizes for single-family dwellings with recreation/amenity areas, parks, and associated infrastructure for the development.

The CDD was established under Town Ordinance No. O-21-19, which was approved by the Town of Lake Hamilton Commission on October 5, 2021. The District will own and operate the public roadways, utility systems, and stormwater management facilities, as well as the landscape, irrigation, signage, and recreational facilities within the development.

The Master Developer ("Developer") Atlantic Blue Communities II, LLC is based in Lake Wales, Florida. The Development is approved as a Planned Unit Development (PUD) for residential units and is divided into two phases. A land use summary is presented in Table 1.

Public improvements and facilities financed, acquired, and/or constructed by the District will be designed and constructed to conform to regulatory criteria from the Town, county, Southwest Florida Water Management District (SWFWMD), and other applicable agencies with regulatory jurisdiction over the development, an overall estimate of the probable cost of the public improvements are provided in Exhibit 7 of this report.

The Capital Improvement Plan (CIP) or this Engineer's Report reflects the present intentions of the District and the landowners. It should be noted that the location of the proposed facilities and improvements may be adjusted during the final design, permitting, and implementation phases. It should also be noted that these modifications are not expected to diminish the benefits to the property within the District. The District reserves the right to make reasonable adjustments to the development plan to meet applicable regulatory requirements of agencies with jurisdiction over the development while maintaining a comparable level of benefits to the lands served by the improvements. Changes and modifications are expected as changes in regulatory criteria are implemented.

TABLE 1	AREA
Master Stormwater System	40.94 ac
Residential Land (Single-Family 40-ft and 50-ft Lots)	73.95 ac
Roadways Infrastructure & Public Facilities	60.18 ac
Open Space/Conservation Areas/Parks	13.26 ac
TOTAL	188.33 ac

TABLE 3 LOT TYPES		
LOT TYPE	UNITS	AREA (AC)
40-ft Lots	264	22.01 ac
50-ft Lots	480	51.94 ac
TOTAL LOTS IN THE DISTRICT	744	73.95 ac

Implementation of any proposed facilities or improvements outlined in this report requires written approval from the District's Board of Supervisors. Estimated costs outlined in this report are based on the best available information, which includes but is not limited to previous experience with similar projects. Actual costs could be different than estimates as final engineering and specific field conditions may affect construction costs.

All roadway improvements including sidewalks in the right-of-way and storm drainage collection systems (from the curb inlets to their connection to the stormwater ponds) within the development will be maintained by the District. Water distribution and wastewater collection systems (gravity lines, force mains, and lift stations) will be dedicated to the Town of Lake Hamilton and Haines City for ownership and maintenance upon completion.

PURPOSE AND SCOPE

The purpose of this report is to provide engineering support for the funding of the proposed improvements within the District. This report will identify the proposed public infrastructure to be constructed or acquired by the District along with an Opinion of Probable Construction Costs. The District will finance, construct, acquire, operate, and maintain all or specific portions of the proposed public infrastructure.

The predominant portion of this report provides descriptions of the proposed public infrastructure improvements, determination of estimated probable construction costs, and the corresponding benefits associated with the implementation of the described improvements. Detailed site construction plans and specifications have not yet been completed and permitted for the improvements described herein. The engineer has considered and, in specific instances, has relied upon the information and documentation prepared or supplied by others to prepare this Engineer's Report.

THE DEVELOPMENT

The development will consist of a total of 744 residential units and associated infrastructure. The development is a planned residential community consisting of 188.33 acres on the east and west sides of SR 17 Scenic Highway and the north and south sides of Hughes Road. The District is located within the Town of Lake Hamilton in Polk County. The future land use is Residential Lands – 5 (RL-5) and zoning is Planned Unit Development (PUD). The development will be constructed in two phases.

CAPITAL IMPROVEMENTS

The CIP consists of public infrastructure in the development. The primary portions of the CIP will provide for stormwater pond construction, roadways built to an urban roadway typical section, water, and sewer facilities including a lift station, and off-site improvements (including turn lanes and extension of water and sewer mains to serve the development).

There will also be stormwater structures and conveyance culverts within the CIP, which will outfall into the various on-site stormwater ponds. These structures and pond areas comprise the overall stormwater facilities of the CIP. Installation of the water distribution and wastewater collection system will also occur at this time as well as the lift

station serving the project. Below-ground installation of telecommunications and cable television will occur but will not be funded by the District. Installation of streetlights and undergrounding of power within the public rights-of-way or easements will be funded by the District.

As a part of the recreational component of the CIP, there are conservation areas that can serve as passive parks within the development that are available to the public for utilization of the facilities. The recreational areas will have connectivity via sidewalks to the other portions of the District. The recreational areas will be accessed by the public roadways and sidewalks.

CAPITAL IMPROVEMENT PLAN COMPONENTS

The CIP for the District includes the following:

Stormwater Management Facilities

Stormwater management facilities consisting of storm conveyance systems and retention/detention ponds are contained within the District boundaries. Stormwater will be discharged via roadway curb and gutter and storm inlets. Storm culverts convey the runoff into the proposed retention ponds for water quality treatment and attenuation. The proposed stormwater systems will utilize dry retention and wet retention for biological pollutant assimilation to achieve water quality treatment. The design criteria for the District's stormwater treatment systems are regulated by the Town, the county, and SWFWMD. There are very few conservation areas throughout the District, which will be preserved in the existing condition and will accept stormwater discharges from our ponds as shown in Exhibit 6.

Federal Emergency Management Agency Flood Insurance Rate Map (FEMA FIRM) Panel Numbers 12105C0380G and 12105C0390G demonstrates that the property is located within Flood Zones AE and X. Based on this information and the site topography, it appears that 100-year compensation will be done in areas where we will impact existing depressions throughout the development and the 100-year flood volumes will be compensated as it is required the county and FEMA.

During the construction of stormwater management facilities, utilities, and roadway improvements the contractor will be required to adhere to a Stormwater Pollution Prevention Plan (SWPPP) as required by the FDEP as delegated by the Environmental Protection Agency (EPA). The SWPPP will be prepared to depict the proposed recommended locations of required erosion control measures and staked turbidity barriers specifically along the downgradient side of any proposed construction activity. The site contractor will be required to provide the necessary reporting as required by the National Pollutant Discharge Elimination System (NPDES) General Permit with erosion control, its maintenance, and any rainfall events that occur during construction activity.

Public Roadways

The proposed public roadway sections include a 24-foot roadway consisting of asphalt and with Miami curbs or Type F curb and gutter on both sides along with a 50-foot right-of-way. The proposed roadway section will consist of stabilized subgrade, a lime rock, crushed concrete, or cement-treated base and asphalt type roadway wearing surface. The proposed curb is to be 2-feet wide and placed along the edge of the proposed roadway section for purposes of protecting the integrity of the pavement, and also to provide stormwater runoff conveyance to the proposed stormwater inlets.

The proposed roadways will also require signing and pavement markings within the public rights-of-way, as well as street signs depicting street name identifications, and addressing, which will be utilized by the residents and public. As stated above, the District's funding of roadway construction will occur for all public roadways.

Water and Wastewater Facilities

A potable drinking water system inclusive of a water main, gate valves, fire hydrants, and appurtenances will be installed for the District. The water service provider will be the Town of Lake Hamilton or Haines City Public Utilities. The water system will be designed to provide an equally distributed system that provides redundancy to the system. These facilities will be installed within the proposed public rights-of-way and will provide potable drinking water (domestic) and fire protection services to serve the entire District.

A domestic wastewater collection system inclusive of gravity sanitary sewer mains and sewer laterals will be installed. The gravity sanitary sewer mains will be a minimum of eight (8)-inch diameter PVC pipe systems. The gravity sanitary sewer lines will be placed inside of the proposed public rights-of-way, under the proposed paved roadways. Sewer laterals will branch off from these sewer lines to serve the development. Lift stations are anticipated for this CIP. Flow from the lift station shall be connected to a proposed force main that will pump to an existing force main that will connect to the Town's or Haines City's wastewater treatment facility.

The Town of Lake Hamilton Public Utilities and/or Haines City will provide the reclaimed water to be used for all irrigation within the CDD. The reclaimed water will be funded by the District and installed onsite within the roadways to provide for irrigation within the public right-of-way or any areas needing irrigation. Any water, sewer, or reclaim water pipes or facilities placed on private property will not be publicly funded.

Off-Site Improvements

The District will provide funding for the anticipated turn lanes at the development entrances. The site construction activities associated with the CIP are anticipated to be completed in the next two (2) to three (3) years. Upon completion of each phase, the improvements will be through the required inspections as well as final certifications of completions will be obtained from SWFWMD, Polk County Health Department (water distribution system), FDEP (wastewater collection), Town of Lake Hamilton Public Utilities, and the county.

Amenities and Parks

The District will provide funding for an amenity center to include the following: parking areas, pavilion with restroom facilities, pool, all-purpose playfields, and walking trails between the phases and villages to provide connectivity to the various amenity centers within the CDD. In addition, there will be passive parks throughout the development, which will include benches and walking trails.

Electric Utilities and Lighting

The electric distribution system thru the District is currently planned to be underground. The District presently intends to fund and construct the undergrounding of the electric conduits, transformer/cabinet pads, and electric manholes required by Duke Energy (Duke). Electric facilities will be maintained by Duke after the dedication, with Duke providing underground electrical service to the Development. The CDD presently intends to fund the cost to purchase and install the street lighting along the internal roadways within the CDD.

Entry Feature

Landscaping, irrigation, entry features, and walls at the entrances and along the outside boundary of the Development will be provided by the District. The irrigation system will use an irrigation well. The well and irrigation water mains to the various phases of the development will be constructed and acquired by the CDD with District funds and operated and maintained by the CDD. Landscaping for the roadways will consist of sod, annual flowers, shrubs, ground cover, and trees for the internal roadways within the CDD. Perimeter fencing will be provided at the site entrances and perimeters. These items will be funded, owned, and maintained by the CDD.

Miscellaneous

The stormwater improvements, landscaping and irrigation, recreational improvements, street lighting, and certain permits and professional fees as described in this report are being financed by the District to benefit all of the developable real property within the District. The construction and maintenance of the proposed public improvements will benefit the development for the intended use as a single-family/residential planned development.

Permitting

Construction permits for all phases are required and include the SWFWMD ERP, Polk County Health Department, FDEP, and Town of Lake Hamilton construction plan approval.

Following is a summary of required permits obtained or pending approval for the construction of the public infrastructure improvements for the District:

Phase 1	
Permits/Approvals	Approval/Expected Date
Zoning Approval	Residential Planned Unit Development (RPUD) – Approved June 1, 2021
Preliminary Plat	To be obtained
SWFWMD ERP	To be obtained
Construction Permits	To be obtained
Town of Lake Hamilton Public Utilities and/or Haines City- Water/Sewer	To be obtained
FDEP Sanitary Sewer General Permit	To be obtained
FDEP Water Distribution General Permit	To be obtained
FDEP NOI	To be obtained

RECOMMENDATION

As previously explained within this report, the public infrastructure, as described, is necessary for the development and functional operation as required by the Town. The site planning, engineering design, and construction plans for the infrastructure are in accordance with the applicable requirements of the Town of Lake Hamilton, Polk County, and the SWFWMD. It should be noted that the infrastructure will provide its intended use and function so long as the construction and installation are in substantial conformance with the design construction plans and regulatory permits.

Items utilized in the Opinion of Probable Costs for this report are based upon the proposed plan infrastructure as shown on construction drawings incorporating specifications in the most current SWFWMD, Polk County, and the Town regulations.

REPORT MODIFICATION

During the development and implementation of the designed public infrastructure improvements, it may be necessary to make modifications and/or deviations to the plans. However, if such deviations and/or revisions do not change the overall primary objective of the plan for such improvements, then the cost differences would not materially affect the proposed construction cost estimates.

SUMMARY AND CONCLUSION

The improvements as outlined are necessary for the functional development of the Project. The Project is being designed in accordance with current government regulatory requirements. The Project will serve its intended function provided the construction is in substantial compliance with the design. Items of construction for the Project are based upon current development plans.

ENGINEER'S CERTIFICATION

It is our professional opinion that the public infrastructure costs for the CIP provided in this report are reasonable to complete the construction of the public infrastructure improvements. Furthermore, the public infrastructure improvements will benefit and add value to lands within the District and the value is at least the same as the costs for said improvements.

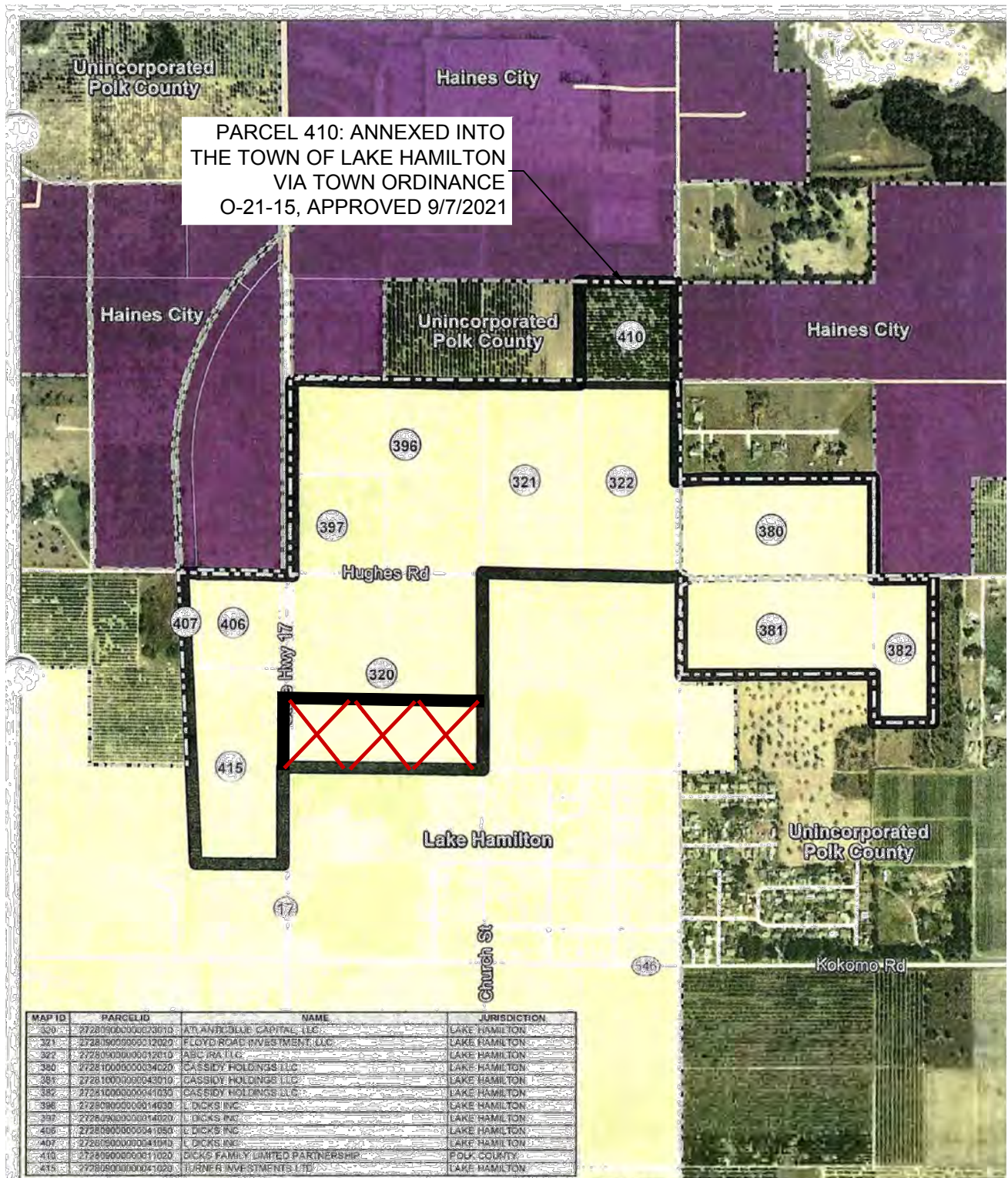
The Opinion of Probable Costs for the public infrastructure improvements is only an estimate and is not a guaranteed maximum price. The estimated costs are based upon current unit prices and on our experience with ongoing and similar projects and basis in the county and the Town. However; labor market, future costs of equipment; materials, changes to the regulatory permitting agencies' activities, and the actual construction processes employed by the chosen site contractor are beyond the engineer's control. Due to this inherent opportunity for changes (upward or downward) in the construction costs, the total, final construction cost may be more or less than this estimate.

Based upon the presumption that the CIP construction continues in a timely manner, it is our opinion that the costs of the CIP proposed represent a system of improvements benefitting all developable property located within the District, are fair and reasonable, and that the District-funded improvements are assessable improvements within the meaning of Chapter 190, F.S. We have no reason to believe that the CIP improvements cannot be constructed at the cost described in this report. We expect the improvements to be constructed or acquired by the District with bond proceeds, as indicated within this report. We believe that the District will be well served by the improvements discussed in this report.

I hereby certify that the foregoing is a true and correct copy of the engineer's report for the Scenic Terrace South Community Development District.



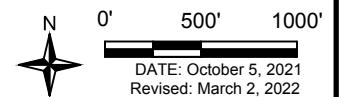
Reinardo Malavé, P.E.
Florida License No. 31588



SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 1 - LOCATION MAP SCENIC TERRACE SOUTH CDD



**SCENIC TERRACE SOUTH CDD
EXHIBIT 2 - LEGAL DESCRIPTION**

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS **DESCRIPTION:** A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

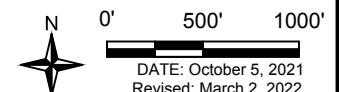
BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

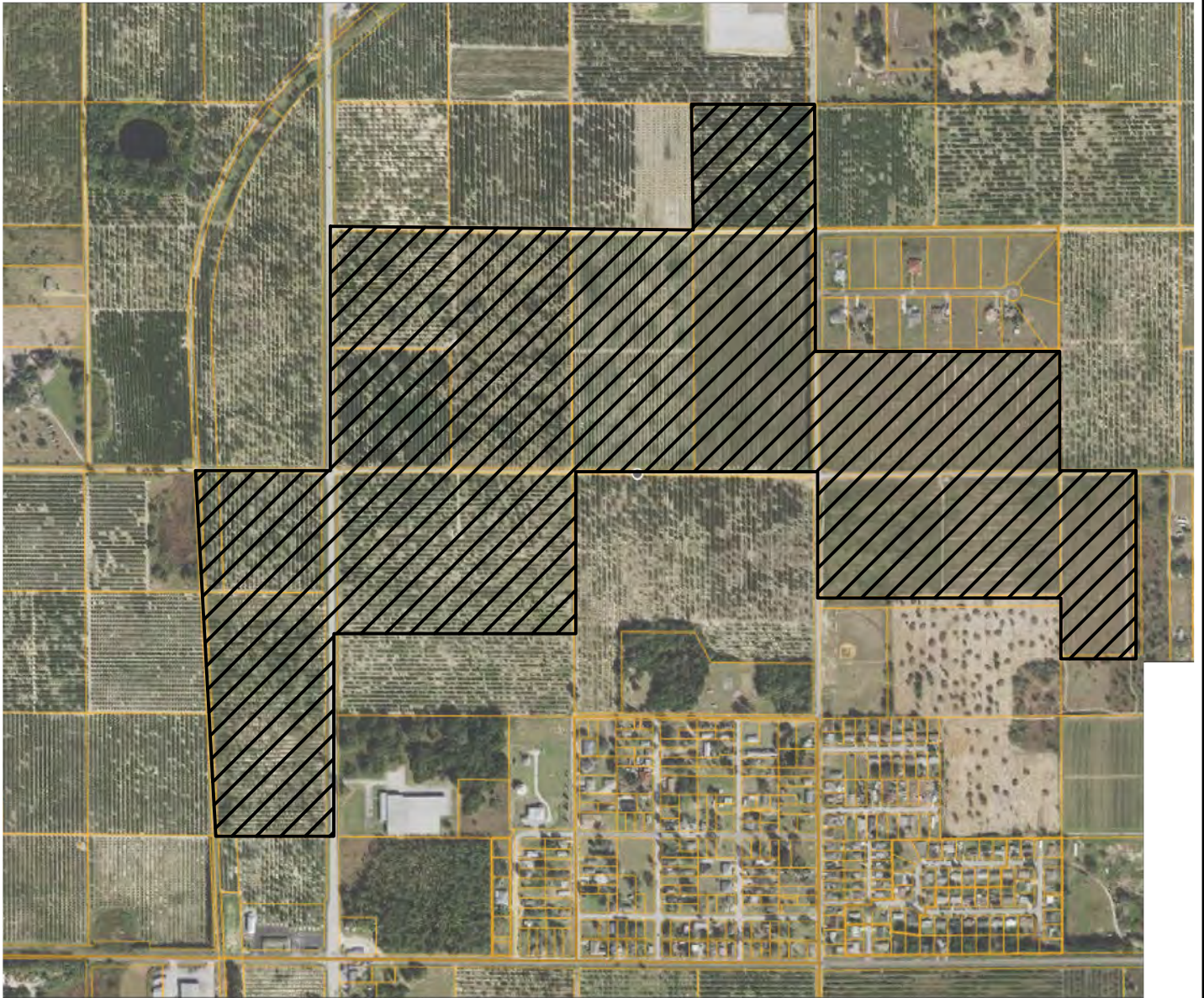
CONTAINING 188.33 ACRES, MORE OR LESS.

SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

**EXHIBIT 2 - LEGAL DESCRIPTION
SCENIC TERRACE SOUTH CDD**

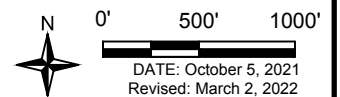


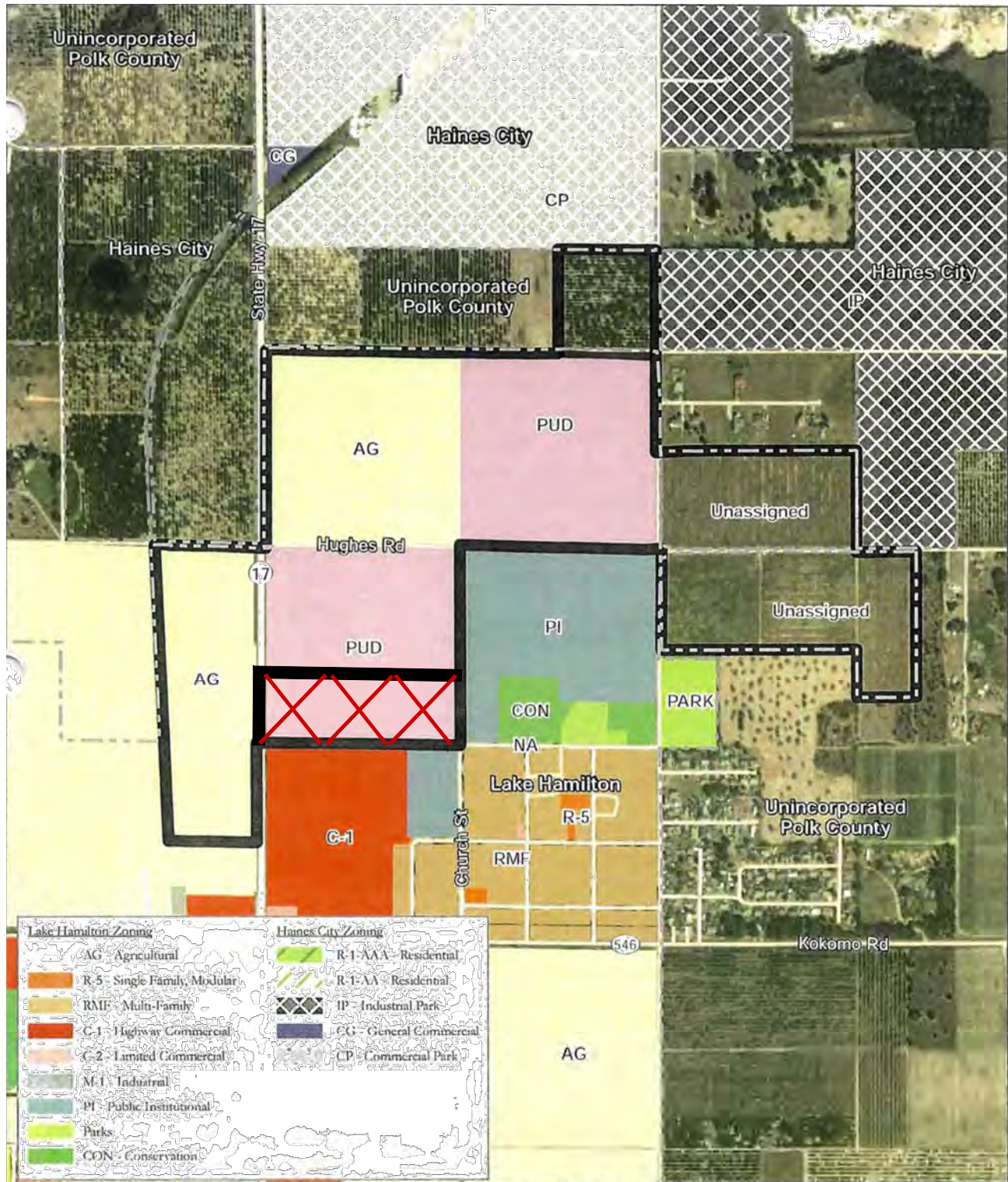


SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 3 - BOUNDARY MAP SCENIC TERRACE SOUTH CDD





SECTS 9 & 10, T27S, R28E

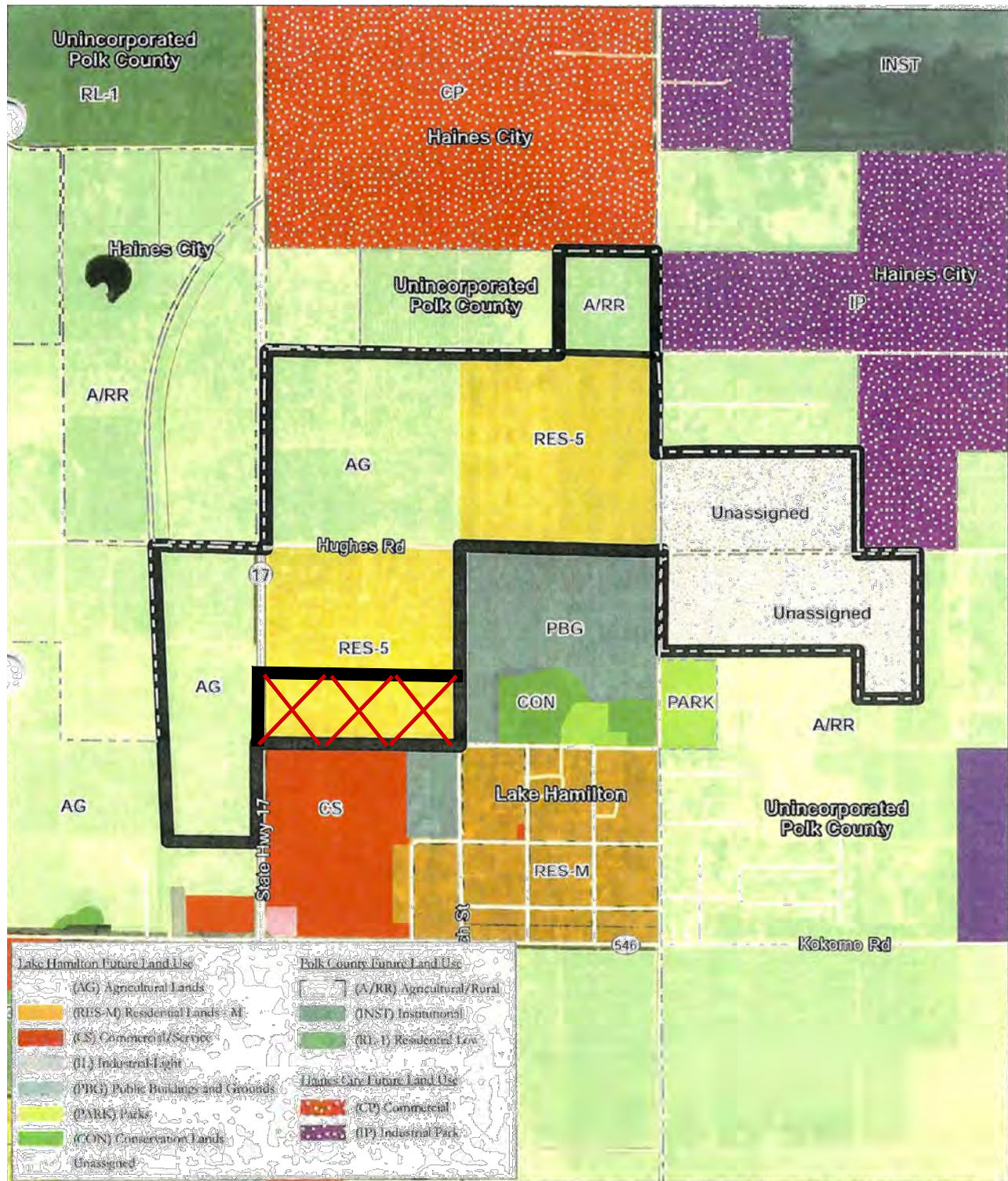
APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 4 - EXISTING LAND USE MAP SCENIC TERRACE SOUTH CDD



0' 500' 1000'

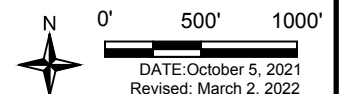
DATE: October 5, 2021
Revised: March 2, 2022

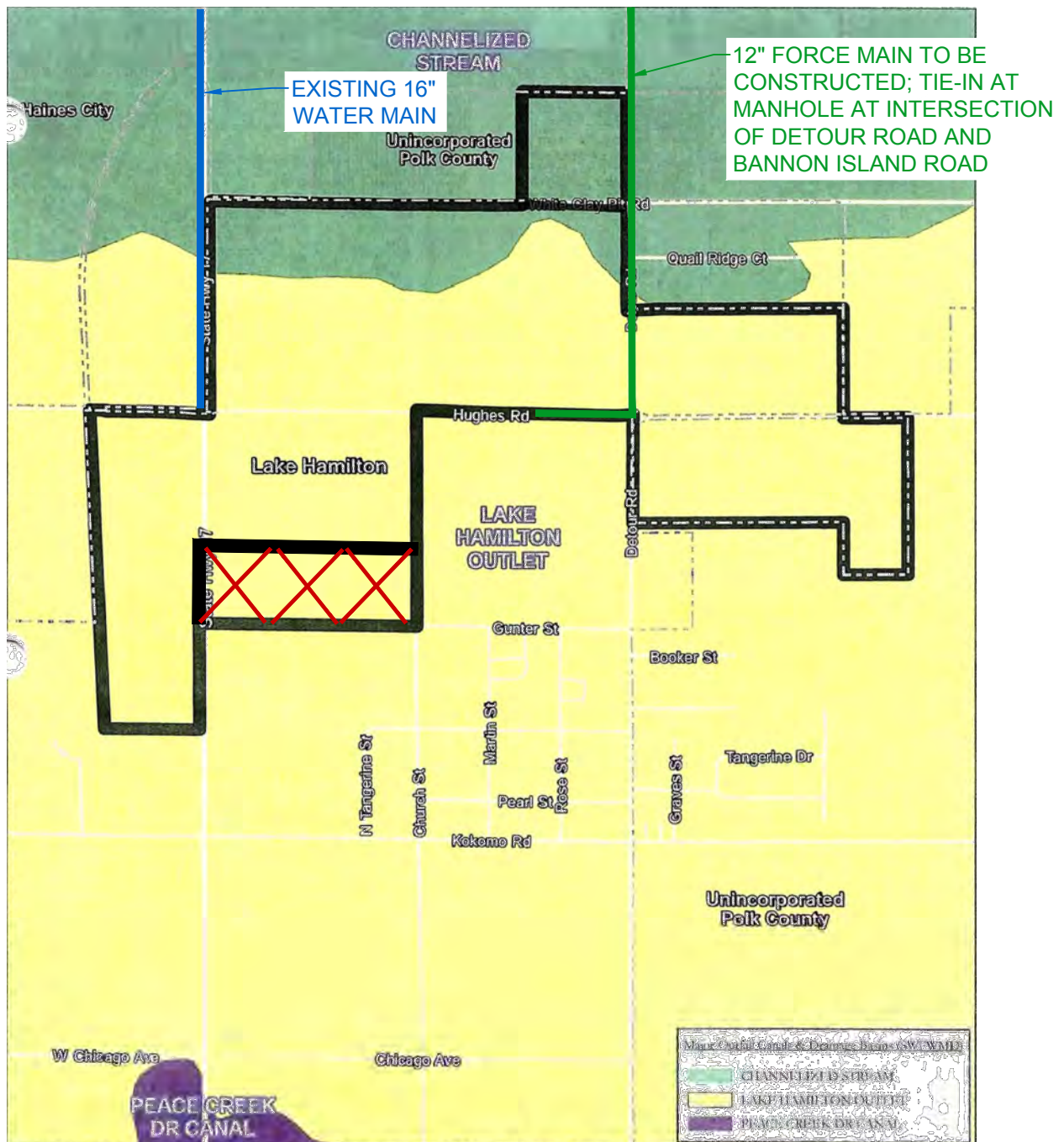


SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 5 - EXISTING FUTURE LAND USE MAP **SCENIC TERRACE SOUTH CDD**





SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 6 - DRAINAGE AND UTILITIES SCENIC TERRACE SOUTH CDD



0' 500' 1000'

DATE: October 5, 2021
Revised: March 2, 2022

Exhibit 7A - Cost Estimate
Scenic Terrace South CDD

Facility	Phase 1 2021-2023	Phase 2 2023-2024	Total Lots (744 Lots)
Earthwork	\$ 1,454,030	\$ 891,179	\$ 2,345,209
Roadway	\$ 2,797,550	\$ 1,714,627	\$ 4,512,177
Stormwater System	\$ 2,147,198	\$ 1,316,025	\$ 3,463,223
Wastewater System	\$ 2,213,168	\$ 1,356,458	\$ 3,569,626
Potable Water Distribution System	\$ 1,253,457	\$ 768,248	\$ 2,021,705
Reclaimed Water Distribution System	\$ 801,396	\$ 491,178	\$ 1,292,574
Electrical Undergrounding	\$ 1,095,850	\$ 671,650	\$ 1,767,500
Landscape & Hardscape	\$ 1,342,223	\$ 822,653	\$ 2,164,876
Amenities (Cabana, Tot Lots, and Recreation Areas)	\$ 930,000	\$ 570,000	\$ 1,500,000
Offsite Improvements	\$ 4,491,589	\$ -	\$ 4,491,589
Subtotal	\$ 18,526,461	\$ 8,602,018	\$ 27,128,479
Professional Fees (10%)			\$ 2,712,848
Subtotal			\$ 29,841,327
Contingency (10%)			\$ 2,984,133
Total			\$ 32,825,460

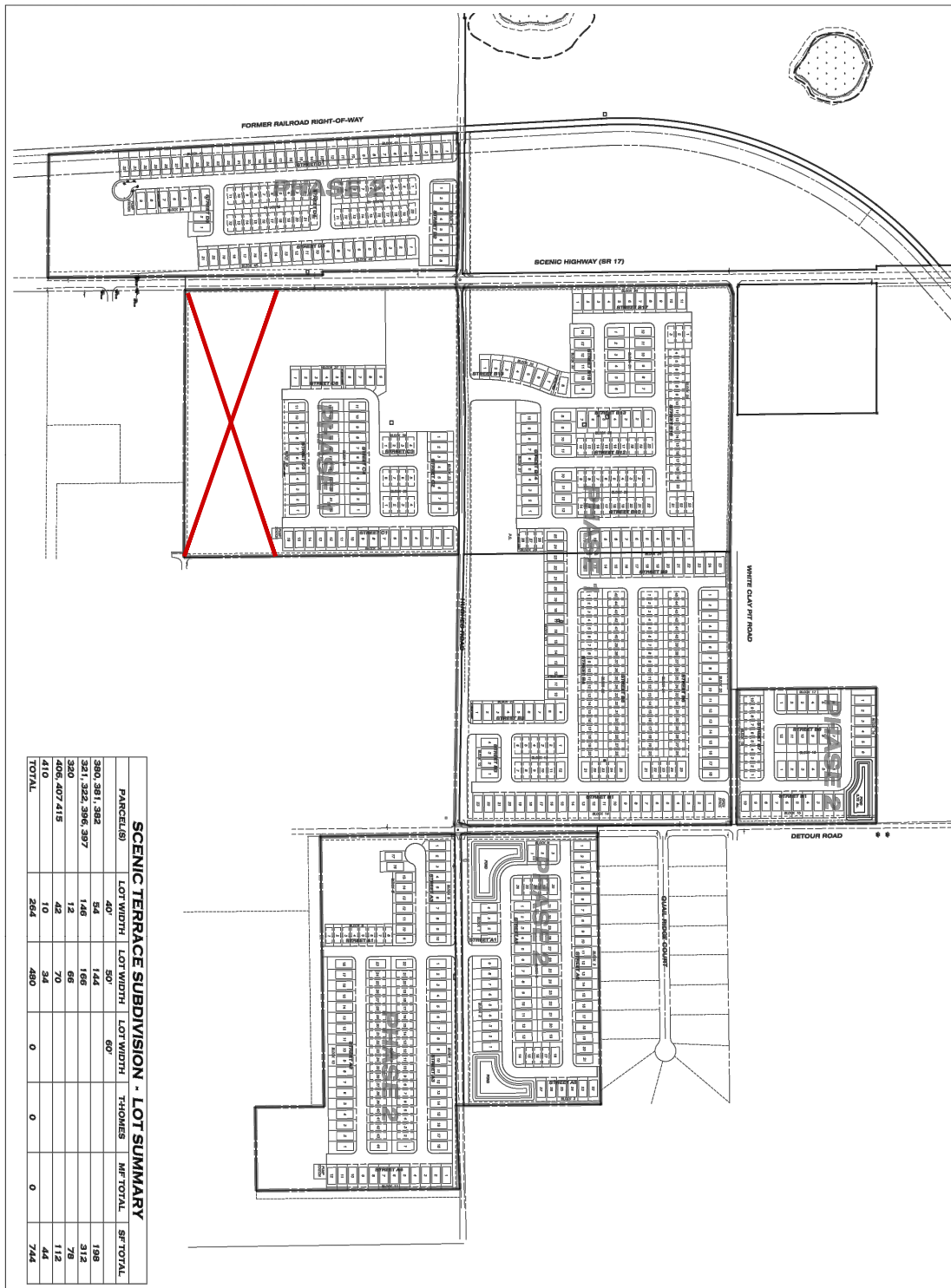
Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, master sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another governmental entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2020 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the street light poles and lighting service. Includes only the cost of undergrounding.
10. Estimates based on 744 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

Scenic Terrace South CDD
Exhibit 7B - Summary of Proposed District Facilities

District Infrastructure	Construction	Ownership	Capital Financing*	Operation and Maintenance
Stormwater Facilities	District	District	District Bonds	District
Lift Stations/Water/Sewer	District	Lake Hamilton	District Bonds	Lake Hamilton/Haines City
Street Lighting	District	District	District Bonds	District/Duke Energy
Onsite Road Construction	District	District	District Bonds	District
Offsite Road Construction	District	Lake Hamilton	District Bonds	Lake Hamilton/Polk County
Entry Feature & Signage	District	District	District Bonds	District
Recreation Facilities/Amenities	District	District	District Bonds	District

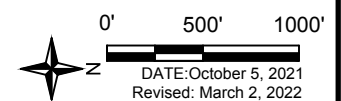
*Costs not funded by bonds will be funded by the developer.



SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 8 - SITE PLAN SCENIC TERRACE SOUTH CDD



SECTION B

This instrument was prepared by and
upon recording should be returned to:

(This space reserved for Clerk)

Roy Van Wyk, Esq.
KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303

**COLLATERAL ASSIGNMENT AND ASSUMPTION OF
DEVELOPMENT RIGHTS RELATING TO THE
SERIES 2022 PROJECT**

THIS COLLATERAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT RIGHTS RELATING TO THE SERIES 2022 PROJECT (“Assignment”) is made this 6th day of April 2022, by and between (together, the “Parties”):

SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in the Town of Lake Hamilton, Polk County, Florida, with a mailing address of 219 East Livingston Street, Orlando, Florida 32801 (the “District”), and

ATLANTIC BLUE COMMUNITIES II, LLC, a Florida limited liability company, the Developer and owner of certain lands within the District, with a mailing address of 212 E Stuart Avenue, Lake Wales, Florida 33853, and its successors and assigns (“Developer” or “Landowner”).

RECITALS

WHEREAS, Landowner is the owner of the real property within the District as more particularly described in **Exhibit A**, attached hereto and incorporated herein (“Series 2022 Assessment Area”); and

WHEREAS, the District proposes to issue its \$22,350,000 Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022 (“Series 2022 Bonds”), to finance certain improvements which will benefit all the Series 2022 Assessment Area; and

WHEREAS, among the security for the repayment of the Series 2022 Bonds are the debt special assessments levied against the Series 2022 Assessment Area (“Series 2022 Assessments”); and

WHEREAS, the Parties intend that the Series 2022 Assessment Area will be platted and fully developed into a total of 744 residential units (“Lots”), and the Lots will be ultimately owned by homebuilders or end users, unrelated to the Landowner or its affiliated entities

(“Development Completion”), as contemplated by the *Master Assessment Methodology*, dated October 13, 2021, as supplemented by that *Supplemental Assessment Methodology*, dated March 16, 2022 (together, the “Assessment Report”), all of such Lots and associated improvements being referred to herein as the “Development”; and

WHEREAS, the Development, which is being partially financed with the proceeds of the Series 2022 Bonds is described as “Series 2022” in the *Scenic Terrace South Community Development District Engineer’s Report-Revised and Amended*, dated March 2, 2022 (the “Engineer’s Report”), and is referred to as the “Series 2022 Project”; and

WHEREAS, in the event of default in the payment of the Series 2022 Assessments securing the Series 2022 Bonds, or in the payment of a True-Up Obligation (as defined in the *Agreement between the Scenic Terrace Community Development District and Atlantic Blue Communities II, LLC Regarding True-Up as to Series 2022 Assessments*, dated April 6, 2022), or in the event of any other Event of Default (as defined herein), the District requires, in addition to the remedies afforded the District under the *Master Trust Indenture* dated as of March 1, 2022 (the “Master Indenture”), as supplemented by that *First Supplemental Trust Indenture* dated as of March 1, 2022 (the “Third Supplemental Indenture”; together with the Master Indenture, the “Indenture”), pursuant to which the Series 2022 Bonds are being issued, and the other Agreements being entered into by Landowner concurrent herewith with respect to the Series 2022 Bonds and the Series 2022 Assessments (the Indentures and Agreements being referred to collectively as (the “Bond Documents”) and such remedies being referred to collectively as (the “Remedial Rights”), certain remedies with respect to the Development Rights (defined below) in order to complete or enable a third party to complete development of the Series 2022 Project.

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

1. RECITALS. The recitals stated above are true and correct and by this reference are incorporated herein and form a material part of this Agreement.

2. COLLATERAL ASSIGNMENT.

(a) Subject to the terms and conditions of this Assignment, Landowner hereby collaterally assigns to the District, to the extent assignable, all of Landowner’s development rights, permits, entitlements and work product relating to development of Series 2022 Project, and Landowner’s rights as declarant of any property owner or homeowner association with respect to Series 2022 Project (collectively, the “Development Rights”), as security for Landowner’s payment and performance of all of its obligations arising under the Bond Documents, including, without limitation, payment of the Series 2022 Assessments levied against Series 2022 Project that is owned by Landowner, its successors and assigns, and any True-Up Obligation. The Development Rights shall include, without limitation, the items listed in subsections (i) through (viii) below as they pertain to development of the Series 2022 Project, but shall specifically exclude any portion of the Development Rights which relate solely to (x) Lots which

have been or are conveyed to homebuilders unaffiliated with the Landowner or homebuyers effective as of such conveyance, or (y) any portion of Series 2022 Project which has been transferred, dedicated and/or conveyed, or is in the future conveyed, to the Town of Lake Hamilton, Florida (the “Town”), Polk County (the “County”), the District, any utility provider, governmental or quasi-governmental entity, any homeowner’s or property owner’s association or other governing entity or association as may be required by applicable permits, approvals, plats or entitlements or regulations affecting the District, if any, in each case effective as of such transfer, conveyance and/or dedication, as applicable:

(i) Zoning approvals, density approvals and entitlements, concurrency and capacity certificates, and development assignments;

(ii) Engineering and construction plans and specifications for grading, roadways, site drainage, storm water drainage, signage, water distribution, waste water collection, recreational facilities and other improvements;

(iii) Preliminary and final site plans and plats;

(iv) Architectural plans and specifications for recreational buildings and other improvements to the developable property within the District;

(v) Permits, approvals, resolutions, variances, licenses, and franchises granted by governmental authorities, or any of their respective agencies, for or affecting the Series 2022 Project or the construction of improvements within Series 2022 Project, or off-site to the extent such off-site improvements are necessary or required to complete the Series 2022 Project;

(vi) Contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the construction of the Series 2022 Project or the construction of improvements within Series 2022 Project;

(vii) All prepaid impact fees and impact fee credits; and

(viii) All future creations, changes, extensions, revisions, modifications, substitutions, and replacements of any of the foregoing.

(b) This Assignment is not intended to and shall not impair or interfere with the development of the Series 2022 Project, including, without limitation, Landowner’s contracts with homebuilders, if any, and end users (collectively, “Sales Contracts”), and shall only be inchoate and shall become an effective and absolute assignment and assumption of the Development Rights, from time to time, only upon the District’s exercise of its rights hereunder upon a failure of Landowner to pay the Series 2022 Assessments levied against the portion of Series 2022 Assessment Area owned by Landowner, from time to time, failure of Landowner to satisfy a True-Up Obligation, or

any other Event of Default hereunder. The District shall not be deemed to have assumed any obligations associated with the Development Rights unless and until the District exercises its rights under this Assignment, and then only to the extent of such exercise.

(c) If this Assignment has not become absolute, it shall automatically terminate upon the earliest to occur of the following events: (i) payment in full of the principal and interest associated with the Series 2022 Bonds; (ii) Development Completion; (iii) transfer of any Development Rights to the Town, the County, the State, the District, any utility provider, any other governmental or quasi-governmental entity, or any homeowners' or property owner's association but only to the extent of such transfer; or (iv) transfer of any portion of Series 2022 Project to an unaffiliated homebuilder or end user but only as to such portion transferred, from time to time.

3. WARRANTIES BY LANDOWNER. Landowner represents and warrants to the District that:

(a) Landowner is not prohibited under any agreement with any other person or under any judgment or decree from the execution, delivery and performance of this Assignment.

(b) No action has been brought or threatened which would in any way interfere with the right of Landowner to execute this Assignment and perform all of Landowner's obligations herein contained.

(c) Any transfer, conveyance or sale of the Series 2022 Project shall subject any and all affiliates or successors-in-interest of Landowner as to the Series 2022 Project or any portion thereof, to this Assignment to the extent of the portion of the Series 2022 Project so conveyed, except to the extent described in Section 2 above.

4. COVENANTS. Landowner covenants with the District that for so long as this Assignment shall remain in effect pursuant to the terms hereof:

(a) Landowner will use reasonable, good faith efforts to (i) fulfill, perform, and observe each and every material condition and covenant of Landowner relating to the Development Rights, and (ii) give notice to District of any default with respect to any of the Development Rights.

(b) The Development Rights include all of Landowner's rights to modify the Development Rights, to terminate the Development Rights, and to waive or release the performance or observance of any obligation or condition of the Development Rights; provided, however, that this Assignment does not and shall not (i) pertain to lands outside of the District not relating or necessary to development of the Series 2022 Project, or (ii) limit Landowner's right, from time to time, to modify, waive or release the Development Rights, subject to Section 3(c) below and Landowner's obligations under the Bond Documents.

(c) Landowner agrees not to take any action that would decrease the development entitlements to a level below the amount necessary to support the then-outstanding Series 2022 Assessments or would materially impair or impede the ability to achieve Development Completion.

5. EVENTS OF DEFAULT. Any breach of Landowner's warranties contained in Section 3 hereof, any breach of covenants contained in Section 3 hereof which is not cured within sixty (60) days after receipt of written notice thereof, or any breach of Landowner under any other Bond Documents, which default is not cured within any applicable cure period, will constitute an "Event of Default", under this Assignment.

6. REMEDIES UPON DEFAULT. Upon an Event of Default, or the transfer of title to any portion of Series 2022 Project owned by Landowner to the District or its designee pursuant to a judgment of foreclosure entered by a court of competent jurisdiction or a deed in lieu of foreclosure to the District or its designee or the acquisition of title to such property through the sale of tax certificates, the District may, as the District's sole and exclusive remedies under this Assignment, take any or all of the following actions, at the District's option:

(a) Perform or cause to be performed any and all obligations of Landowner relating to the Development Rights and exercise or cause to be exercised any and all rights of Landowner therein as fully as Landowner could;

(b) Initiate, appear in, or defend any action arising out of or affecting the Development Rights; and,

(c) Further assign any and all of the Development Rights to a third party acquiring title to the Series 2022 Project or any portion thereof from the District or at a District foreclosure sale.

7. AUTHORIZATION IN EVENT OF DEFAULT. In the Event of Default, Landowner does hereby authorize and shall direct any party to any agreements relating to the Development Rights to tender performance thereunder to the District upon written notice and request from the District. Any such performance in favor of the District shall constitute a full release and discharge to the extent of such performance as fully as though made directly to Landowner. Notwithstanding the foregoing or anything to the contrary set forth in this Assignment, no exercise by the District or the District's rights under this Assignment shall operate to release Landowner from its obligations under this Assignment.

8. ATTORNEYS' FEES AND COSTS. In the event that any Party is required to enforce this Assignment by court proceedings or otherwise, then the Parties agree that the substantially prevailing party shall be entitled to recover from the other(s) all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

9. AUTHORIZATION. The execution of this Assignment has been duly authorized by the appropriate body or official of the Parties; the Parties have complied with all the

requirements of law; and the Parties have full power and authority to comply with the terms and provisions of this instrument.

10. NOTICES. All notices, requests, consents and other communications under this Assignment (“Notices”) shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the Parties, at the addresses first set forth above. Except as otherwise provided in this Assignment, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Assignment would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Landowner may deliver Notice on behalf of the District and the Landowner, respectively. Any Party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the Parties and addressees set forth herein.

11. ARM’S LENGTH TRANSACTION. This Assignment has been negotiated fully between the Parties as an arm’s length transaction. Both Parties participated fully in the preparation of this Assignment and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Assignment, both Parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Landowner.

12. THIRD PARTY BENEFICIARIES. The Parties hereto agree that the trustee under the Indenture (“Trustee”), on behalf of the bondholders, shall be a direct third-party beneficiary of the terms and conditions of this Assignment and entitled to enforce Landowner’s obligations hereunder at the direction of the bondholders owning more than 50% of the aggregate principal amount of the Series 2022 Bonds then outstanding. The Trustee shall not be deemed by virtue of this Assignment to have assumed any obligations or duties.

13. AMENDMENT. This Assignment may be amended by an instrument in writing executed by all of the Parties hereto, but only with the written consent of the Trustee acting at the direction of bondholders owning more than 50% of the aggregate principal amount of the applicable Series 2022 Bonds then outstanding with respect to amendments having a material effect on the District’s ability to pay debt service on the Series 2022 Bonds.

14. MISCELLANEOUS. Unless the context requires otherwise, whenever used herein, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. The terms “person” and “party” shall include individuals, firms, associations, joint ventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups and combinations. Titles of paragraphs contained herein are inserted only as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope of this Assignment or the intent of any provisions hereunder. This Assignment shall be construed under Florida law.

15. APPLICABLE LAW AND VENUE. This Assignment and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the exclusive venue for any litigation arising out of or related to this Assignment shall be in a court of appropriate jurisdiction, in and for Polk County, Florida.

16. PUBLIC RECORDS. The Landowner understands and agrees that all documents of any kind provided to the District in connection with this Assignment may be public records and treated as such in accordance with Florida law.

17. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Assignment shall not affect the validity or enforceability of the remaining portions of this Assignment, or any part of this Assignment not held to be invalid or unenforceable.

18. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Assignment shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in section 768.28, *Florida Statutes*, or other law, and nothing in this Assignment shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred by sovereign immunity or by other operation of law.

19. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Assignment are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Assignment.

20. COUNTERPARTS. This instrument may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

[Remainder of this page left intentionally blank]

IN WITNESS WHEREOF, Landowner and the District have caused this Assignment to be executed and delivered on the day and year first written above.

WITNESSES:

Atlantic Blue Communities II, LLC.,
a Florida Limited Liability Company

By: Atlanticblue Capital, LLC
Its: Manager

[Print Name]

By: John D. Alexander
Its: Manager

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of April, 2022, by John D. Alexander as Manager of Atlanticblue Capital, LLC, Manager of Atlantic Blue Communities II, LLC on behalf of the company.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

WITNESSES:

**SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT
DISTRICT**

[Print Name]

Lauren O. Schwenk
Chairperson, Board of Supervisors

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence
or ☐ online notarization this ____ day of April, 2022, by Lauren O. Schwenk, as Chairperson of
the Board of Supervisors of the Scenic Terrace South Community Development District.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

Exhibit A: Legal Description of the Series 2022 Assessment Area

Exhibit A

Legal Description of Series 2022 Assessment Area

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT

RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS DESCRIPTION: A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

CONTAINING 188.33 ACRES, MORE OR LESS.

SECTION C

**AGREEMENT BY AND BETWEEN THE
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT,
AND ATLANTIC BLUE COMMUNITIES II, LLC., REGARDING THE
COMPLETION OF CERTAIN IMPROVEMENTS**

THIS AGREEMENT (“Agreement”) is made and entered into this 6th day of April 2022, by and between (together, the “Parties”):

SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in the Town of Winter Haven, Polk County, Florida, with a mailing address of 219 East Livingston Street, Orlando, Florida 32801 (the “District”), and

ATLANTIC BLUE COMMUNITIES II, LLC, a Florida limited liability company, the Developer and owner of certain lands within the District, with a mailing address of 212 E Stuart Avenue, Lake Wales, Florida 33853, and its successors and assigns (“Developer” or “Landowner”).

RECITALS

WHEREAS, the District was established by an ordinance adopted by the Town Commission of the Town of Lake Hamilton, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (the “Act”) and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the Act authorizes the District to issue bonds for the purpose, among others, of planning, financing, constructing, operating and/or maintaining certain infrastructure, including stormwater management facilities, water and sewer utilities, roadways, irrigation, off-site improvements, landscape and hardscape, street lighting, parks and recreation, and other infrastructure within or without the boundaries of the District; and

WHEREAS, Landowner is the owner and developer of a portion of the lands within the District (“Series 2022 Assessment Area”), described in **Exhibit A**, which will be subject to the proposed issuance of the Series 2022 Bonds, defined herein; and

WHEREAS, the District has adopted an improvement plan to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements, facilities, and services as described in the *Scenic Terrace South Community Development District Engineer’s Report-Revised and Amended*, dated March 2, 2022 (together, the “Engineer’s Report”), attached to this Agreement as **Exhibit B** (“Improvements”), and the estimated costs of the Improvements, described as “Series 2022” (the “Series 2022 Project”), are identified therein; and

WHEREAS, the District has imposed debt special assessments on the Series 2022 Assessment Area within the District (the “Series 2022 Assessments”), to secure financing for the

construction of the Series 2022 Project described in **Exhibit B**, and has validated \$42,000,000 in special assessment bonds to fund the planning, design, permitting, construction and/or acquisition of Improvements including the Series 2022 Project; and

WHEREAS, the District intends to finance a portion of the Series 2022 Project through the anticipated issuance of its Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022 (Series 2022 Project), in the principal amount of \$22,350,000 (the “Series 2022 Bonds”); and

WHEREAS, Landowner has requested that the District limit the amount of Series 2022 Assessments imposed upon the Series 2022 Assessment Area by allowing the Landowner to directly fund a portion of the Series 2022 Project; and

WHEREAS, Landowner has agreed to complete or cause funds to be provided to the District to complete the portion of the Series 2022 Project, as set forth in the Engineer’s Report, not funded by proceeds of the Series 2022 Bonds; and

WHEREAS, in consideration of the District limiting the amount of Series 2022 Assessments on the Series 2022 Assessment Area, Landowner has requested that the District enter into this Agreement and to provide the terms and conditions under which the Series 2022 Project shall be completed; and

WHEREAS, in order to ensure that the Series 2022 Project is completed and funding is available in a timely manner to provide for its completion, Landowner and the District hereby agree that the District will be obligated to issue no more than \$22,350,000 in Series 2022 Bonds to fund the Series 2022 Project and Landowner will complete or will make provision for additional funds that may be needed in the future for the completion of the Series 2022 Project, over and above the amount of the Series 2022 Bonds including, but not limited to, all administrative, legal, warranty, engineering, permitting or other related soft costs.

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

1. INCORPORATION OF RECITALS. The recitals stated above are true and correct and by this reference are incorporated herein and form a material part of this Agreement.

2. COMPLETION OF IMPROVEMENTS. Landowner and the District agree and acknowledge that the District’s proposed Series 2022 Bonds will provide only a portion of the funds necessary to complete the Series 2022 Project. Therefore, Landowner hereby agrees to complete the Series 2022 Project or cause such funds to be provided to the District in an amount sufficient to allow the District to complete those portions of the Series 2022 Project which may remain unfunded including, but not limited to, all administrative, legal, warranty, engineering, permitting or other related soft costs (collectively, the “Remaining Improvements”), whether pursuant to existing contracts, including change orders thereto, or future contracts.

(a) **Subject to Existing Contract.** When all or any portion of the Remaining Improvements are subject to an existing District contract, the Landowner shall provide funds directly to the District in an amount sufficient to complete the Remaining Improvements pursuant to such contract, including change orders thereto.

(b) **Not Subject to Existing Contract.** When any portion of the Remaining Improvements is not the subject of an existing District contract, the Landowner may choose to complete, cause to be completed, or provide funds to the District in an amount sufficient to allow the District to complete or cause to be completed, those Remaining Improvements, subject to a formal determination by the District that the option selected by the Landowner will not materially and adversely impact the District.

Nothing herein shall cause or be construed to require the District to issue additional bonds or indebtedness to provide funds for any portion of the Remaining Improvements. The Parties hereby acknowledge and agree that the District's execution of this Agreement constitutes the manner and means by which any and all portions of Landowner's portion of the Remaining Improvements are to be funded and completed. Notwithstanding the foregoing, in the event the Landowner, either jointly or individually, fails to timely provide funds or to complete the Remaining Improvements, the District may exercise its authority to issue additional bonds and certify for collection additional debt special assessments in an amount sufficient to complete the Remaining Improvements.

3. OTHER CONDITIONS AND ACKNOWLEDGMENTS.

(a) The District and Landowner agree and acknowledge that the exact location, size, configuration, and composition of the Series 2022 Project may change from that described in the Engineer's Report depending upon final design of the development, permitting or other regulatory requirements over time, or other factors. Material changes to the Series 2022 Project shall be made by a written amendment to the Engineer's Report, which shall include an estimate of the cost of the changes. Material changes to the Series 2022 Project shall require the prior written consent of the Trustee acting on behalf and at the direction of the bondholders owning more than 50% of an aggregate principal amount of the applicable Series 2022 Bonds then outstanding.

(b) The District and Landowner acknowledge and agree that the provision of funds under this Agreement or the completion of the Remaining Improvements will be considered a contribution in lieu of the imposition of debt special assessments upon the Series 2022 Assessment Area benefitted by the Series 2022 Project.

(c) Notwithstanding anything to the contrary contained in this Agreement, the payment or performance by Landowner of its obligations hereunder are expressly subject to, dependent and conditioned upon (a) the issuance of \$22,350,000 par amount of Series 2022 Bonds and use of the proceeds thereof to fund a portion of the Series 2022 Project, and (b) the scope, configuration, size and/or composition of the Series 2022 Project not materially changing without the consent of Landowner. Such consent is not necessary, and Landowner must meet the completion obligations, or cause them to be met, when the

scope, configuration, size and/or composition of the Series 2022 Project is materially changed in response to a requirement imposed by a regulatory agency.

4. DEFAULT AND PROTECTION AGAINST THIRD PARTY INTERFERENCE. A default by any Party under this Agreement shall entitle the others to all remedies available at law or in equity, which may include, but not be limited to, the right of actual damages and/or specific performance, but excluding special, consequential or punitive damages. Except as expressly otherwise provided in this Agreement, the District shall be solely responsible for enforcing its rights under this Agreement against any interfering third party. Except as expressly otherwise provided in this Agreement, nothing contained in this Agreement shall limit or impair the District's right to protect its rights under this Agreement from interference by a third party.

5. ENFORCEMENT OF AGREEMENT. In the event that any Party is required to enforce this Agreement by court proceedings or otherwise, then the Parties agree that the substantially prevailing party shall be entitled to recover from the other(s) all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

6. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by all Parties hereto, but only with the written consent of the Trustee acting at the direction of the bondholders owning more than 50% of an aggregate principal amount of the Series 2022 Bonds then outstanding, with respect to amendments having a material effect on the District's ability to pay debt service on the Series 2022 Bonds.

7. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and Landowner, both the District and Landowner have complied with all the requirements of law, and both the District and Landowner have full power and authority to comply with the terms and provisions of this Agreement.

8. NOTICES. All notices, requests, consents and other communications under this Agreement ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the Parties, as follows:

(a) If to the District:	Scenic Terrace South Community Development District 219 East Livingston Street Orlando, Florida 32801 Attn: District Manager
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With a copy to: KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303
Attn: Roy Van Wyk

(b) If to Landowner: Atlantic Blue Communities II, LLC
212 E Stuart Avenue
Lake Wales, Florida 33853
Attn: John D. Alexander

With a copy to: Straughn & Turner, P.A.
255 Magnolia Avenue
Winter Haven, Florida 33800
Attn: Richard Straughn

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for each Party may deliver Notice on behalf of such Party. Any Party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

9. ARM'S LENGTH TRANSACTION. This Agreement has been negotiated fully between the District and Landowner as an arm's length transaction. Both Parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the Parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either Party.

10. THIRD PARTY BENEFICIARIES. Except as otherwise provided in this Section 10 with respect to Trustee, this Agreement is solely for the benefit of the Parties and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Except as otherwise provided in this Section 10 with respect to Trustee, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or entity other than the Parties hereto any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and Landowner and the respective representatives, successors, and assigns of each. Notwithstanding anything herein to the contrary, the Trustee for the Series 2022 Bonds, shall be a direct third-party beneficiary of the terms and

conditions of this Agreement and shall be entitled to enforce the obligations of Landowner hereunder. The Trustee shall not be deemed to have assumed any obligations hereunder.

11. ASSIGNMENT. No Party hereto may assign this Agreement or any monies to become due hereunder without the prior written approval of the other Parties and the Trustee acting on behalf and at the direction of the bondholders owning more than 50% of an aggregate principal amount of the applicable Series 2022 Bonds then outstanding.

12. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the exclusive venue for any litigation arising out of or related to this Agreement shall be in a court of appropriate jurisdiction, in and for Polk County, Florida.

13. EFFECTIVE DATE. This Agreement shall be effective upon execution by all Parties hereto.

14. PUBLIC RECORDS. Landowner understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and treated as such in accordance with Florida law.

15. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

16. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

17. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

18. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute, but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, Landowner and the District have caused this Assignment to be executed and delivered on the day and year first written above.

WITNESSES:

Atlantic Blue Communities II, LLC.,
a Florida limited liability company

By: Atlanticblue Capital, LLC
Its: Manager

[Print Name]

By: John D. Alexander
Its: Manager

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of April, 2022, by John D. Alexander as Manager of Atlanticblue Capital, LLC, Manager of Atlantic Blue Communities II, LLC on behalf of the company.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

Exhibit A: Legal Description of Series 2022 Assessment Area
Composite Exhibit B: *Scenic Terrace South Community Development District Engineer's Report-Revised and Amended*, dated March 2, 2022

Exhibit A
Legal Description of Series 2022 Assessment Area

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN

SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS **DESCRIPTION:** A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

CONTAINING 188.33 ACRES, MORE OR LESS.

Composite Exhibit B
Engineer's Report

A horizontal bar composed of three colored segments: green, orange, and blue.

Scenic Terrace South Community Development District

Town of Hamilton

Engineer's Report - Revised and Amended

**October 13, 2021
Revised March 2, 2022**

SUBMITTED BY:

Dewberry Engineers Inc.
800 North Magnolia Avenue
Suite 1000
Orlando, Florida 32803
407-843-5120

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COMPANY CONFIDENTIAL AND PROPRIETARY: Use or disclosure of data contained on this sheet is subject to restriction on the title page of this proposal.

Scenic Terrace South Community Development District

INTRODUCTION

The Scenic Terrace South Community Development District (the "District" or "CDD") is located at Scenic Highway (SR 17) and Hughes Road and within the Town of Lake Hamilton (the "Town"). The District currently contains approximately 188.33 acres and is expected to consist of 744 residential lots of various sizes for single-family dwellings with recreation/amenity areas, parks, and associated infrastructure for the development.

The CDD was established under Town Ordinance No. O-21-19, which was approved by the Town of Lake Hamilton Commission on October 5, 2021. The District will own and operate the public roadways, utility systems, and stormwater management facilities, as well as the landscape, irrigation, signage, and recreational facilities within the development.

The Master Developer ("Developer") Atlantic Blue Communities II, LLC is based in Lake Wales, Florida. The Development is approved as a Planned Unit Development (PUD) for residential units and is divided into two phases. A land use summary is presented in Table 1.

Public improvements and facilities financed, acquired, and/or constructed by the District will be designed and constructed to conform to regulatory criteria from the Town, county, Southwest Florida Water Management District (SWFWMD), and other applicable agencies with regulatory jurisdiction over the development, an overall estimate of the probable cost of the public improvements are provided in Exhibit 7 of this report.

The Capital Improvement Plan (CIP) or this Engineer's Report reflects the present intentions of the District and the landowners. It should be noted that the location of the proposed facilities and improvements may be adjusted during the final design, permitting, and implementation phases. It should also be noted that these modifications are not expected to diminish the benefits to the property within the District. The District reserves the right to make reasonable adjustments to the development plan to meet applicable regulatory requirements of agencies with jurisdiction over the development while maintaining a comparable level of benefits to the lands served by the improvements. Changes and modifications are expected as changes in regulatory criteria are implemented.

TABLE 1	AREA
Master Stormwater System	40.94 ac
Residential Land (Single-Family 40-ft and 50-ft Lots)	73.95 ac
Roadways Infrastructure & Public Facilities	60.18 ac
Open Space/Conservation Areas/Parks	13.26 ac
TOTAL	188.33 ac

TABLE 3 LOT TYPES		
LOT TYPE	UNITS	AREA (AC)
40-ft Lots	264	22.01 ac
50-ft Lots	480	51.94 ac
TOTAL LOTS IN THE DISTRICT	744	73.95 ac

Implementation of any proposed facilities or improvements outlined in this report requires written approval from the District's Board of Supervisors. Estimated costs outlined in this report are based on the best available information, which includes but is not limited to previous experience with similar projects. Actual costs could be different than estimates as final engineering and specific field conditions may affect construction costs.

All roadway improvements including sidewalks in the right-of-way and storm drainage collection systems (from the curb inlets to their connection to the stormwater ponds) within the development will be maintained by the District. Water distribution and wastewater collection systems (gravity lines, force mains, and lift stations) will be dedicated to the Town of Lake Hamilton and Haines City for ownership and maintenance upon completion.

PURPOSE AND SCOPE

The purpose of this report is to provide engineering support for the funding of the proposed improvements within the District. This report will identify the proposed public infrastructure to be constructed or acquired by the District along with an Opinion of Probable Construction Costs. The District will finance, construct, acquire, operate, and maintain all or specific portions of the proposed public infrastructure.

The predominant portion of this report provides descriptions of the proposed public infrastructure improvements, determination of estimated probable construction costs, and the corresponding benefits associated with the implementation of the described improvements. Detailed site construction plans and specifications have not yet been completed and permitted for the improvements described herein. The engineer has considered and, in specific instances, has relied upon the information and documentation prepared or supplied by others to prepare this Engineer's Report.

THE DEVELOPMENT

The development will consist of a total of 744 residential units and associated infrastructure. The development is a planned residential community consisting of 188.33 acres on the east and west sides of SR 17 Scenic Highway and the north and south sides of Hughes Road. The District is located within the Town of Lake Hamilton in Polk County. The future land use is Residential Lands – 5 (RL-5) and zoning is Planned Unit Development (PUD). The development will be constructed in two phases.

CAPITAL IMPROVEMENTS

The CIP consists of public infrastructure in the development. The primary portions of the CIP will provide for stormwater pond construction, roadways built to an urban roadway typical section, water, and sewer facilities including a lift station, and off-site improvements (including turn lanes and extension of water and sewer mains to serve the development).

There will also be stormwater structures and conveyance culverts within the CIP, which will outfall into the various on-site stormwater ponds. These structures and pond areas comprise the overall stormwater facilities of the CIP. Installation of the water distribution and wastewater collection system will also occur at this time as well as the lift

station serving the project. Below-ground installation of telecommunications and cable television will occur but will not be funded by the District. Installation of streetlights and undergrounding of power within the public rights-of-way or easements will be funded by the District.

As a part of the recreational component of the CIP, there are conservation areas that can serve as passive parks within the development that are available to the public for utilization of the facilities. The recreational areas will have connectivity via sidewalks to the other portions of the District. The recreational areas will be accessed by the public roadways and sidewalks.

CAPITAL IMPROVEMENT PLAN COMPONENTS

The CIP for the District includes the following:

Stormwater Management Facilities

Stormwater management facilities consisting of storm conveyance systems and retention/detention ponds are contained within the District boundaries. Stormwater will be discharged via roadway curb and gutter and storm inlets. Storm culverts convey the runoff into the proposed retention ponds for water quality treatment and attenuation. The proposed stormwater systems will utilize dry retention and wet retention for biological pollutant assimilation to achieve water quality treatment. The design criteria for the District's stormwater treatment systems are regulated by the Town, the county, and SWFWMD. There are very few conservation areas throughout the District, which will be preserved in the existing condition and will accept stormwater discharges from our ponds as shown in Exhibit 6.

Federal Emergency Management Agency Flood Insurance Rate Map (FEMA FIRM) Panel Numbers 12105C0380G and 12105C0390G demonstrates that the property is located within Flood Zones AE and X. Based on this information and the site topography, it appears that 100-year compensation will be done in areas where we will impact existing depressions throughout the development and the 100-year flood volumes will be compensated as it is required the county and FEMA.

During the construction of stormwater management facilities, utilities, and roadway improvements the contractor will be required to adhere to a Stormwater Pollution Prevention Plan (SWPPP) as required by the FDEP as delegated by the Environmental Protection Agency (EPA). The SWPPP will be prepared to depict the proposed recommended locations of required erosion control measures and staked turbidity barriers specifically along the downgradient side of any proposed construction activity. The site contractor will be required to provide the necessary reporting as required by the National Pollutant Discharge Elimination System (NPDES) General Permit with erosion control, its maintenance, and any rainfall events that occur during construction activity.

Public Roadways

The proposed public roadway sections include a 24-foot roadway consisting of asphalt and with Miami curbs or Type F curb and gutter on both sides along with a 50-foot right-of-way. The proposed roadway section will consist of stabilized subgrade, a lime rock, crushed concrete, or cement-treated base and asphalt type roadway wearing surface. The proposed curb is to be 2-feet wide and placed along the edge of the proposed roadway section for purposes of protecting the integrity of the pavement, and also to provide stormwater runoff conveyance to the proposed stormwater inlets.

The proposed roadways will also require signing and pavement markings within the public rights-of-way, as well as street signs depicting street name identifications, and addressing, which will be utilized by the residents and public. As stated above, the District's funding of roadway construction will occur for all public roadways.

Water and Wastewater Facilities

A potable drinking water system inclusive of a water main, gate valves, fire hydrants, and appurtenances will be installed for the District. The water service provider will be the Town of Lake Hamilton or Haines City Public Utilities. The water system will be designed to provide an equally distributed system that provides redundancy to the system. These facilities will be installed within the proposed public rights-of-way and will provide potable drinking water (domestic) and fire protection services to serve the entire District.

A domestic wastewater collection system inclusive of gravity sanitary sewer mains and sewer laterals will be installed. The gravity sanitary sewer mains will be a minimum of eight (8)-inch diameter PVC pipe systems. The gravity sanitary sewer lines will be placed inside of the proposed public rights-of-way, under the proposed paved roadways. Sewer laterals will branch off from these sewer lines to serve the development. Lift stations are anticipated for this CIP. Flow from the lift station shall be connected to a proposed force main that will pump to an existing force main that will connect to the Town's or Haines City's wastewater treatment facility.

The Town of Lake Hamilton Public Utilities and/or Haines City will provide the reclaimed water to be used for all irrigation within the CDD. The reclaimed water will be funded by the District and installed onsite within the roadways to provide for irrigation within the public right-of-way or any areas needing irrigation. Any water, sewer, or reclaim water pipes or facilities placed on private property will not be publicly funded.

Off-Site Improvements

The District will provide funding for the anticipated turn lanes at the development entrances. The site construction activities associated with the CIP are anticipated to be completed in the next two (2) to three (3) years. Upon completion of each phase, the improvements will be through the required inspections as well as final certifications of completions will be obtained from SWFWMD, Polk County Health Department (water distribution system), FDEP (wastewater collection), Town of Lake Hamilton Public Utilities, and the county.

Amenities and Parks

The District will provide funding for an amenity center to include the following: parking areas, pavilion with restroom facilities, pool, all-purpose playfields, and walking trails between the phases and villages to provide connectivity to the various amenity centers within the CDD. In addition, there will be passive parks throughout the development, which will include benches and walking trails.

Electric Utilities and Lighting

The electric distribution system thru the District is currently planned to be underground. The District presently intends to fund and construct the undergrounding of the electric conduits, transformer/cabinet pads, and electric manholes required by Duke Energy (Duke). Electric facilities will be maintained by Duke after the dedication, with Duke providing underground electrical service to the Development. The CDD presently intends to fund the cost to purchase and install the street lighting along the internal roadways within the CDD.

Entry Feature

Landscaping, irrigation, entry features, and walls at the entrances and along the outside boundary of the Development will be provided by the District. The irrigation system will use an irrigation well. The well and irrigation water mains to the various phases of the development will be constructed and acquired by the CDD with District funds and operated and maintained by the CDD. Landscaping for the roadways will consist of sod, annual flowers, shrubs, ground cover, and trees for the internal roadways within the CDD. Perimeter fencing will be provided at the site entrances and perimeters. These items will be funded, owned, and maintained by the CDD.

Miscellaneous

The stormwater improvements, landscaping and irrigation, recreational improvements, street lighting, and certain permits and professional fees as described in this report are being financed by the District to benefit all of the developable real property within the District. The construction and maintenance of the proposed public improvements will benefit the development for the intended use as a single-family/residential planned development.

Permitting

Construction permits for all phases are required and include the SWFWMD ERP, Polk County Health Department, FDEP, and Town of Lake Hamilton construction plan approval.

Following is a summary of required permits obtained or pending approval for the construction of the public infrastructure improvements for the District:

Phase 1	
Permits/Approvals	Approval/Expected Date
Zoning Approval	Residential Planned Unit Development (RPUD) – Approved June 1, 2021
Preliminary Plat	To be obtained
SWFWMD ERP	To be obtained
Construction Permits	To be obtained
Town of Lake Hamilton Public Utilities and/or Haines City- Water/Sewer	To be obtained
FDEP Sanitary Sewer General Permit	To be obtained
FDEP Water Distribution General Permit	To be obtained
FDEP NOI	To be obtained

RECOMMENDATION

As previously explained within this report, the public infrastructure, as described, is necessary for the development and functional operation as required by the Town. The site planning, engineering design, and construction plans for the infrastructure are in accordance with the applicable requirements of the Town of Lake Hamilton, Polk County, and the SWFWMD. It should be noted that the infrastructure will provide its intended use and function so long as the construction and installation are in substantial conformance with the design construction plans and regulatory permits.

Items utilized in the Opinion of Probable Costs for this report are based upon the proposed plan infrastructure as shown on construction drawings incorporating specifications in the most current SWFWMD, Polk County, and the Town regulations.

REPORT MODIFICATION

During the development and implementation of the designed public infrastructure improvements, it may be necessary to make modifications and/or deviations to the plans. However, if such deviations and/or revisions do not change the overall primary objective of the plan for such improvements, then the cost differences would not materially affect the proposed construction cost estimates.

SUMMARY AND CONCLUSION

The improvements as outlined are necessary for the functional development of the Project. The Project is being designed in accordance with current government regulatory requirements. The Project will serve its intended function provided the construction is in substantial compliance with the design. Items of construction for the Project are based upon current development plans.

ENGINEER'S CERTIFICATION

It is our professional opinion that the public infrastructure costs for the CIP provided in this report are reasonable to complete the construction of the public infrastructure improvements. Furthermore, the public infrastructure improvements will benefit and add value to lands within the District and the value is at least the same as the costs for said improvements.

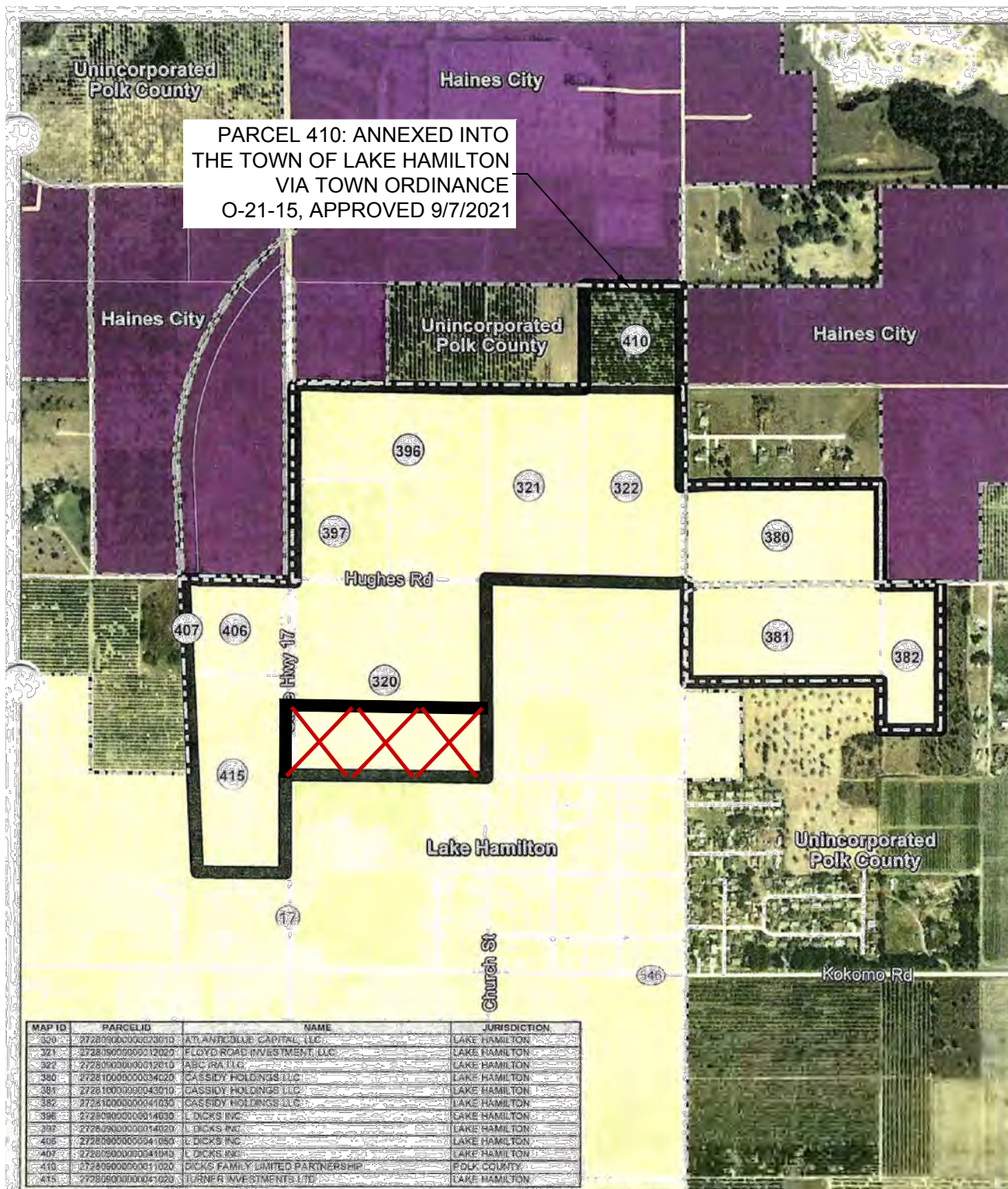
The Opinion of Probable Costs for the public infrastructure improvements is only an estimate and is not a guaranteed maximum price. The estimated costs are based upon current unit prices and on our experience with ongoing and similar projects and basis in the county and the Town. However; labor market, future costs of equipment; materials, changes to the regulatory permitting agencies' activities, and the actual construction processes employed by the chosen site contractor are beyond the engineer's control. Due to this inherent opportunity for changes (upward or downward) in the construction costs, the total, final construction cost may be more or less than this estimate.

Based upon the presumption that the CIP construction continues in a timely manner, it is our opinion that the costs of the CIP proposed represent a system of improvements benefitting all developable property located within the District, are fair and reasonable, and that the District-funded improvements are assessable improvements within the meaning of Chapter 190, F.S. We have no reason to believe that the CIP improvements cannot be constructed at the cost described in this report. We expect the improvements to be constructed or acquired by the District with bond proceeds, as indicated within this report. We believe that the District will be well served by the improvements discussed in this report.

I hereby certify that the foregoing is a true and correct copy of the engineer's report for the Scenic Terrace South Community Development District.



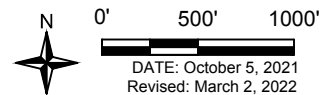
Reinardo Malavé, P.E.
Florida License No. 31588



SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 1 - LOCATION MAP SCENIC TERRACE SOUTH CDD



**SCENIC TERRACE SOUTH CDD
EXHIBIT 2 - LEGAL DESCRIPTION**

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS **DESCRIPTION:** A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

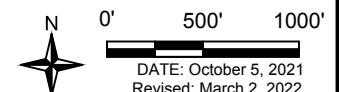
BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

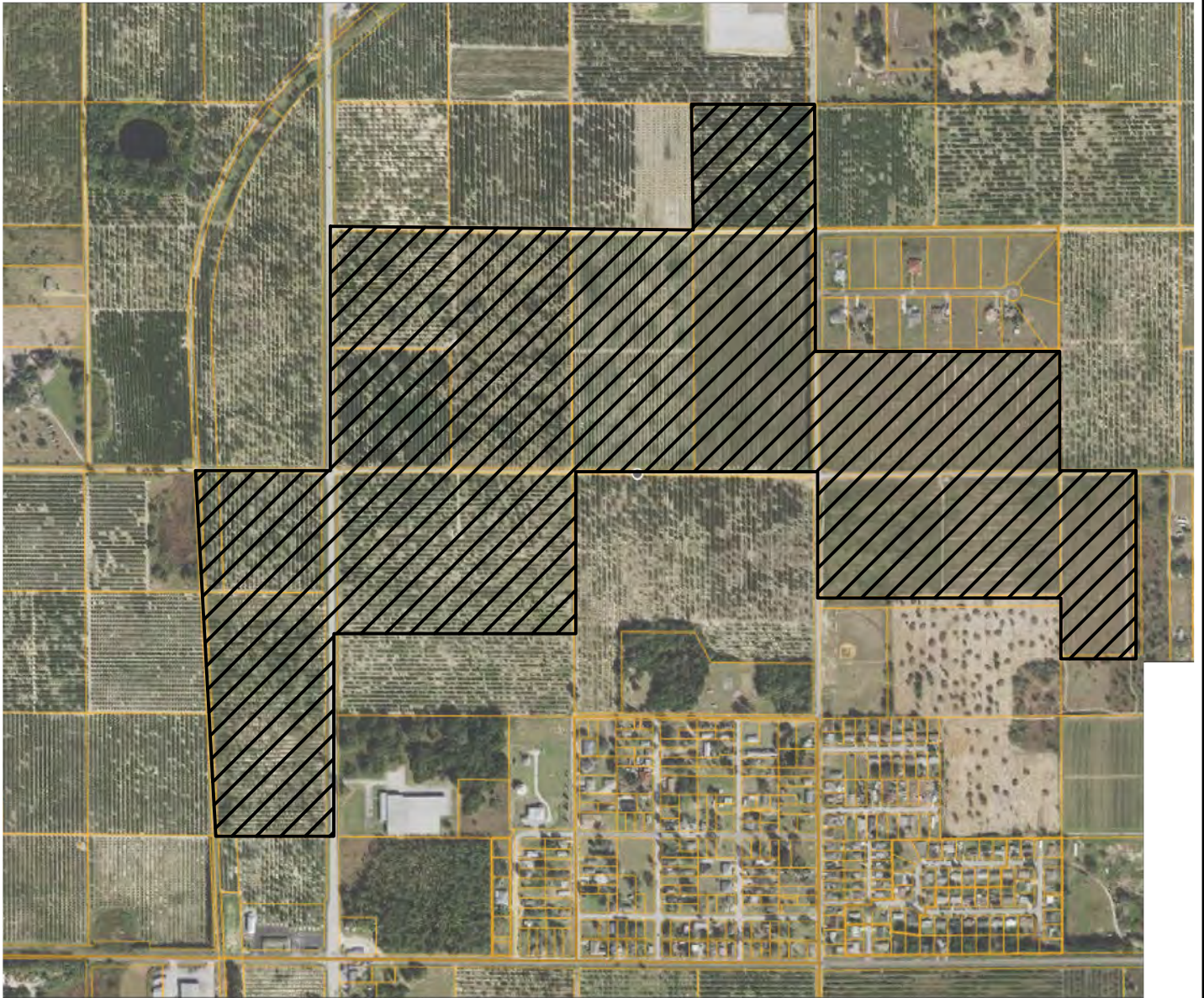
CONTAINING 188.33 ACRES, MORE OR LESS.

SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

**EXHIBIT 2 - LEGAL DESCRIPTION
SCENIC TERRACE SOUTH CDD**





SECTS 9 & 10, T27S, R28E

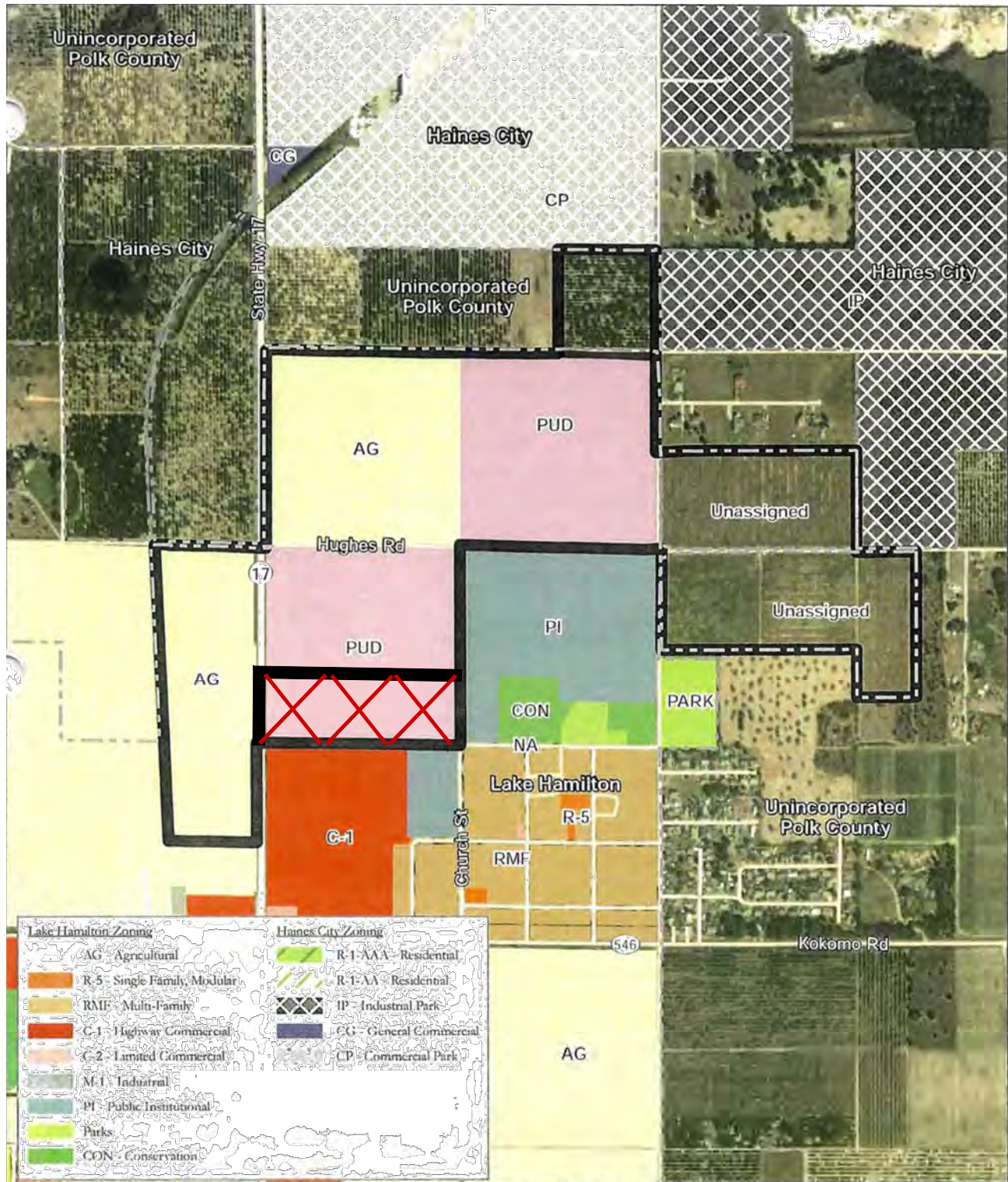
APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 3 - BOUNDARY MAP SCENIC TERRACE SOUTH CDD



0' 500' 1000'

DATE: October 5, 2021
Revised: March 2, 2022



SECTS 9 & 10, T27S, R28E

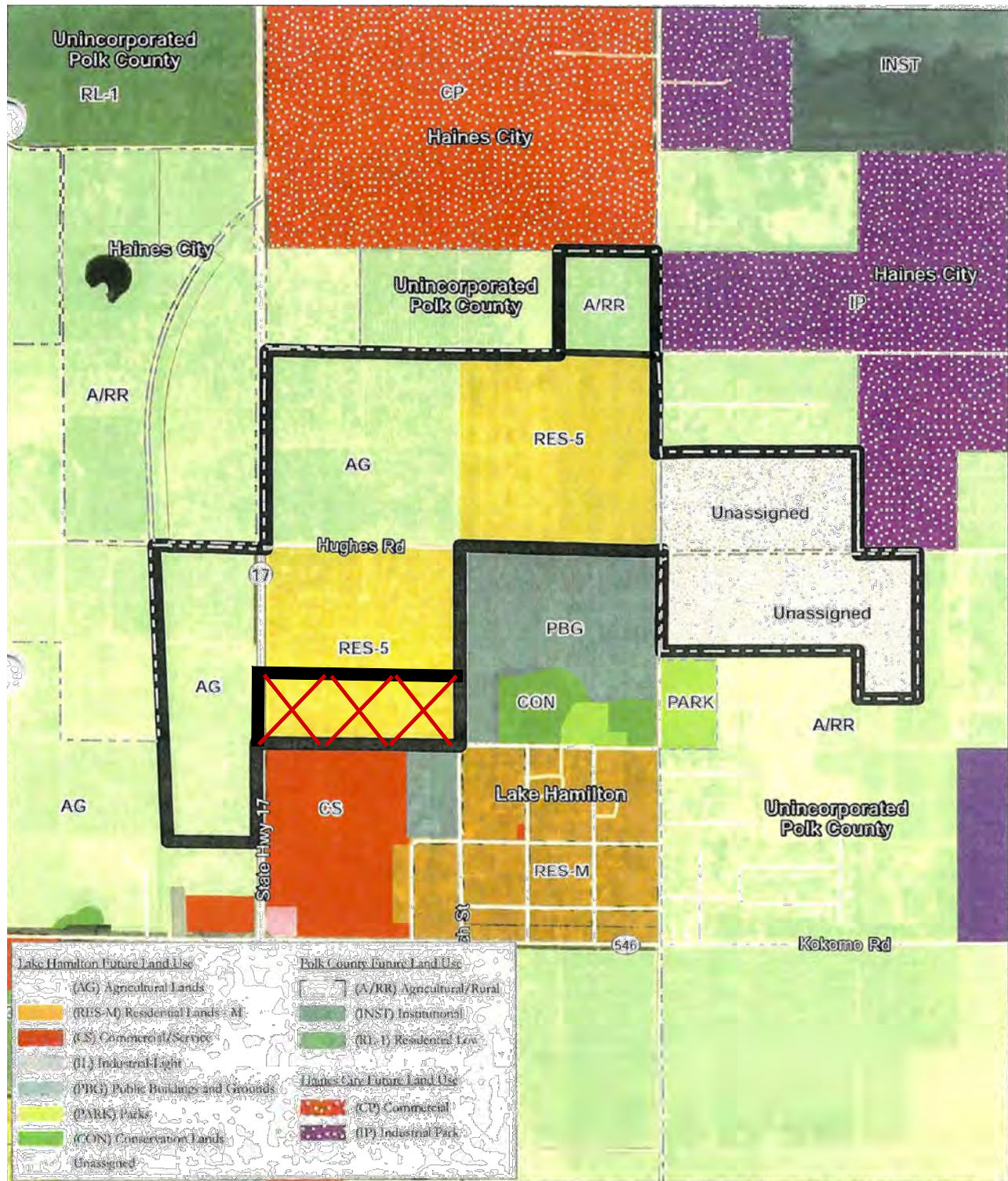
APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 4 - EXISTING LAND USE MAP SCENIC TERRACE SOUTH CDD



0' 500' 1000'

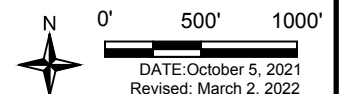
DATE: October 5, 2021
Revised: March 2, 2022

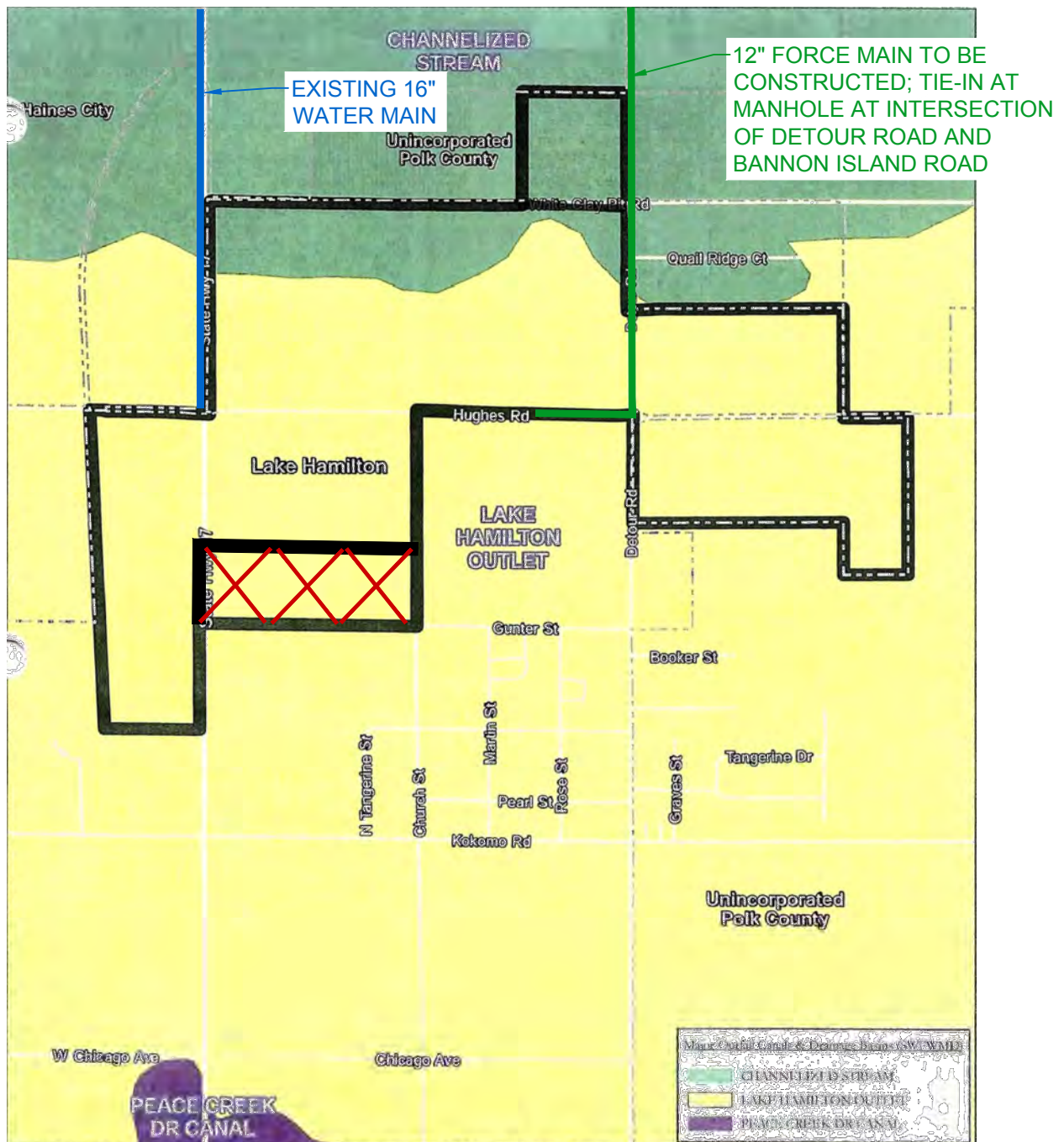


SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 5 - EXISTING FUTURE LAND USE MAP **SCENIC TERRACE SOUTH CDD**





SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 6 - DRAINAGE AND UTILITIES SCENIC TERRACE SOUTH CDD



0' 500' 1000'

DATE: October 5, 2021
Revised: March 2, 2022

Exhibit 7A - Cost Estimate
Scenic Terrace South CDD

Facility	Phase 1 2021-2023	Phase 2 2023-2024	Total Lots (744 Lots)
Earthwork	\$ 1,454,030	\$ 891,179	\$ 2,345,209
Roadway	\$ 2,797,550	\$ 1,714,627	\$ 4,512,177
Stormwater System	\$ 2,147,198	\$ 1,316,025	\$ 3,463,223
Wastewater System	\$ 2,213,168	\$ 1,356,458	\$ 3,569,626
Potable Water Distribution System	\$ 1,253,457	\$ 768,248	\$ 2,021,705
Reclaimed Water Distribution System	\$ 801,396	\$ 491,178	\$ 1,292,574
Electrical Undergrounding	\$ 1,095,850	\$ 671,650	\$ 1,767,500
Landscape & Hardscape	\$ 1,342,223	\$ 822,653	\$ 2,164,876
Amenities (Cabana, Tot Lots, and Recreation Areas)	\$ 930,000	\$ 570,000	\$ 1,500,000
Offsite Improvements	\$ 4,491,589	\$ -	\$ 4,491,589
Subtotal	\$ 18,526,461	\$ 8,602,018	\$ 27,128,479
Professional Fees (10%)			\$ 2,712,848
Subtotal			\$ 29,841,327
Contingency (10%)			\$ 2,984,133
Total			\$ 32,825,460

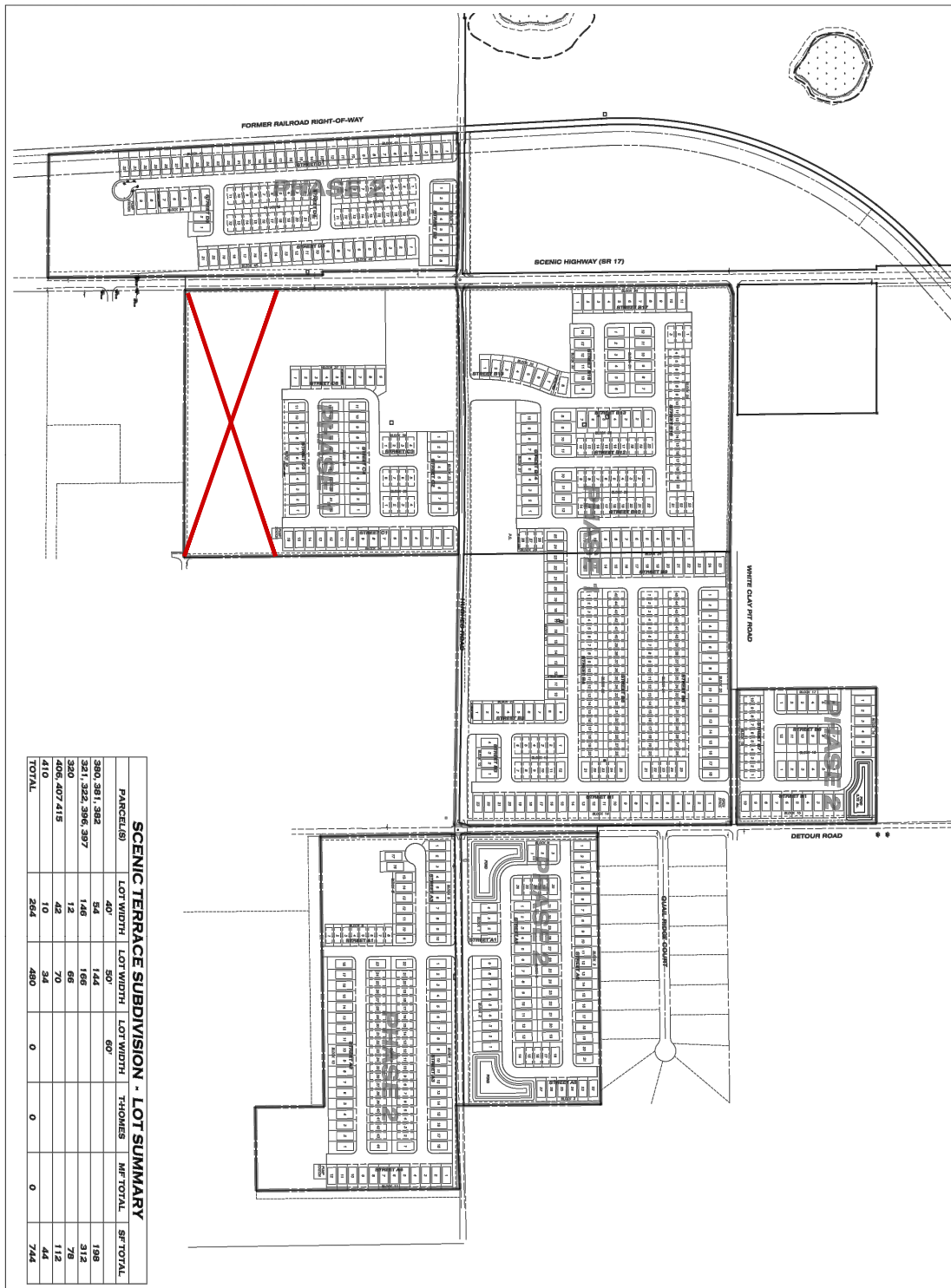
Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, master sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another governmental entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2020 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the street light poles and lighting service. Includes only the cost of undergrounding.
10. Estimates based on 744 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

Scenic Terrace South CDD
Exhibit 7B - Summary of Proposed District Facilities

District Infrastructure	Construction	Ownership	Capital Financing*	Operation and Maintenance
Stormwater Facilities	District	District	District Bonds	District
Lift Stations/Water/Sewer	District	Lake Hamilton	District Bonds	Lake Hamilton/Haines City
Street Lighting	District	District	District Bonds	District/Duke Energy
Onsite Road Construction	District	District	District Bonds	District
Offsite Road Construction	District	Lake Hamilton	District Bonds	Lake Hamilton/Polk County
Entry Feature & Signage	District	District	District Bonds	District
Recreation Facilities/Amenities	District	District	District Bonds	District

*Costs not funded by bonds will be funded by the developer.

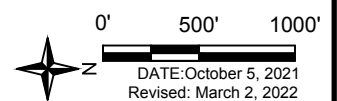


SCENIC TERRACE SUBDIVISION - LOT SUMMARY						
PARCELS	LOT WIDTH	LOT WIDTH	LOT WIDTH	THROKES	MF TOTAL	SF TOTAL
380, 381, 382	54	144	60			198
321, 322, 396, 397	146	166				312
320	12	66				78
406, 407, 415	42	70				112
410	10	34				44
TOTAL	264	480	0	0	0	744

SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 8 - SITE PLAN SCENIC TERRACE SOUTH CDD



SECTION D

**AGREEMENT BY AND BETWEEN THE SCENIC TERRACE SOUTH COMMUNITY
DEVELOPMENT DISTRICT AND ATLANTIC BLUE COMMUNITIES II, LLC
REGARDING THE ACQUISITION OF WORK PRODUCT,
IMPROVEMENTS, AND REAL PROPERTY**

THIS AGREEMENT (“Agreement”) is made and entered into this 6th day of April 2022, by and between (together, the “Parties”):

SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in the Town of Lake Hamilton, Polk County, Florida, with a mailing address of 219 East Livingston Street, Orlando, Florida 32801 (the “District”); and

ATLANTIC BLUE COMMUNITIES II, LLC, a Florida limited liability company, the Developer and owner of certain lands within the District, with a mailing address of 212 E Stuart Avenue, Lake Wales, Florida 33853, and its successors and assigns (“Developer” or “Landowner”).

RECITALS

WHEREAS, the District was established for the purposes of planning, financing, constructing, acquiring, operating and/or maintaining certain public infrastructure, as authorized by Chapter 190, *Florida Statutes*; and

WHEREAS, the District has adopted an improvement plan for the planning, design, acquisition, construction, and installation of various infrastructure improvements, facilities, and services (the “Improvements”) within the District, and the anticipated cost thereof, as described in that certain *Scenic Terrace South Community Development District Engineer’s Report-Revised and Amended*, dated March 2, 2022 (together, the “Engineer’s Report”), attached hereto as **Exhibit A** and incorporated herein by reference; and

WHEREAS, the Landowner is the owner and/or primary Developer of certain lands located within the boundaries of the District known as the “Series 2022 Assessment Area” within which a portion of the District Improvements will be located (the “Series 2022 Project”); and

WHEREAS, the District intends to finance all or a portion of the Improvements through the anticipated issuance of its Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022 (Series 2022 Project), (the “Series 2022 Bonds”); and

WHEREAS, because the Series 2022 Bonds have not yet been issued, the District has not had sufficient monies on hand to allow the District to fund the cost of preparation of the necessary surveys, reports, drawings, plans, permits, specifications, and related documents which would allow the timely commencement and completion of construction of the Improvements (the “Work Product”); and

WHEREAS, the District acknowledges the Landowner's need to have the Improvements constructed in an expeditious and timely manner in order to develop the Series 2022 Project; and

WHEREAS, the District agrees that it will not have sufficient monies to proceed with either the preparation of the Work Product or the commencement of construction of the Improvements described in **Exhibit A** until such time as the District has closed on the sale of the Series 2022 Bonds; and

WHEREAS, to avoid a delay in the commencement of the construction of the Improvements, the Landowner has advanced, funded, commenced, and completed and/or will complete certain work to enable the District to expeditiously provide the Improvements; and

WHEREAS, the District desires to commence the acquisition of certain Work Product and the Improvements, and accept assignment of certain agreements regarding the same; and

WHEREAS, in conjunction with the acquisition of the Work Product and/or Improvements, the Landowner desires to convey to the District interests in real property sufficient to allow the District to own, operate, maintain, construct, or install the Improvements, if any such conveyances are appropriate, and such conveyances shall be in fee simple, perpetual easement, or other interest as may be in the best interests of the District (the "Real Property"); and

WHEREAS, the Landowner and the District desire to enter into this Agreement to set forth the process by which the District may acquire the Work Product, Improvements, and/or Real Property.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the Parties, the receipt and sufficiency of which are hereby acknowledged, the District and the Landowner agree as follows:

SECTION 1. INCORPORATION OF RECITALS. The recitals stated above are true and correct and by this reference are incorporated herein and form a material part of this Agreement.

SECTION 2. WORK PRODUCT. The District agrees to pay the lesser of actual cost incurred by the Landowner or fair market value, for preparation of the Work Product in accordance with the provisions of this Agreement. The Landowner shall provide copies of any and all invoices, bills, receipts, or other evidence of costs incurred by the Landowner for the Work Product. The Parties agree to cooperate and use good faith and best efforts to undertake and complete the acquisition process contemplated by this Agreement on such date as the Parties may jointly agree upon (the "Acquisition Date"). The Parties agree that separate or multiple Acquisition Dates may be established for any portion of the acquisitions contemplated by this Agreement. The District Engineer shall review all evidence of cost and shall certify to the District's Board of Supervisors (the "Board") the total actual amount of cost, which, in the District Engineer's sole opinion, is reasonable for the Work Product. The District Engineer's opinion as to cost shall be set forth in an Engineer's Certificate which shall accompany the requisition for the funds from the trustee ("Trustee") for the Series 2022 Bonds. In the event that the Landowner disputes the District Engineer's opinion as to cost, the District and the Landowner agree to use good faith efforts to

resolve such dispute. If the Parties are unable to resolve any such dispute, the Parties agree to jointly select a third-party engineer whose decision as to any such dispute shall be binding upon the Parties. Such decision by a third-party engineer shall be set forth in an Engineer's Affidavit which shall accompany the requisition for the funds from the Trustee. The Parties acknowledge that the Work Product is being acquired for use by the District in connection with the construction of the Improvements.

A. The Landowner agrees to convey to the District, and solely to the extent permitted by the terms of the Work Product, the Work Product upon payment of the sums determined to be acceptable by the District Engineer and approved by the District's Board pursuant to and as set forth in this Agreement.

B. The Landowner agrees to release to the District all right, title, and interest which the Landowner may have in and to the above described Work Product, as well as all common law, statutory, and other reserved rights, including all copyrights in the Work Product and extensions and renewals thereof under United States law and throughout the world, and all publication rights and all subsidiary rights and other rights in and to the Work Product in all forms, mediums, and media, now known or hereinafter devised; provided, however, that the District agrees and acknowledges that the Landowner shall retain the right, title and interest to use the Work Product, and the District shall grant the Landowner a license to use the Work Product to the extent reasonably required by the Landowner in connection with the ownership, construction, development, and management of the Series 2022 Project or other lands owned by Landowner to which such Work Product pertains. To the extent determined necessary by the District, the Landowner shall use commercially reasonable efforts to obtain all releases from any professional providing services in connection with the Work Product to enable the District to use and rely upon the Work Product. Such releases may include, but are not limited to, any architectural, engineering, or other professional services.

C. Except as otherwise separately agreed by the Parties with respect to any particular acquisition of Work Product, and without intending to modify any of the other terms of this Agreement, any conveyance of Work Product shall be on an "AS-IS" basis, and without any representation or warranty from the Landowner to the District in respect thereto.

D. The Landowner agrees to make reasonable good faith efforts, but without imposing any requirement on Landowner to pay for additional warranty rights on behalf of the District, to provide or cause to be provided to the District, either by assignment or directly from such third parties as may be necessary and desirable to the mutual satisfaction of the Parties hereto, a warranty that the Work Product is fit for the purposes to which it will be put by the District, as contemplated by the Engineer's Report.

E. The District agrees to allow the Landowner access to and use of the Work Product without the payment of any fee by the Landowner. However, to the extent the Landowner's access to and use of the Work Product causes the District to incur any cost or expense, such as copying costs, the Landowner agrees to pay such cost or expense.

SECTION 3. IMPROVEMENTS. The Landowner has expended certain funds on behalf of the District relating to the Improvements. The District agrees to acquire or otherwise reimburse the Landowner for those portions of the Improvements which have been commenced or completed prior to the issuance of the Series 2022 Bonds. When a portion of the Improvements is ready for conveyance by the Landowner to the District, the Landowner shall notify the District in writing, describing the nature of the improvement, its general location, and its estimated cost. Landowner agrees to provide, at or prior to the Acquisition Date, the following: (i) documentation of actual costs paid; (ii) instruments of conveyance such as special warranty bills of sale or such other instruments as may be reasonably requested by the District; and (iii) any other releases, indemnifications, or documentation as may be reasonably requested by the District. Any real property interests necessary for the functioning of the Improvements to be acquired under this paragraph shall be reviewed and conveyed in accordance with the provisions of Section 5 herein. The District Engineer in consultation with District Counsel shall determine in writing whether the infrastructure to be conveyed is a part of the Improvements contemplated by the Engineer's Report, and if so, shall provide Landowner with a list of items necessary to complete the acquisition. Each such acquisition shall also be subject to the engineering review and certification process described in Section 2 above. The District Manager shall determine, in writing, whether the District has, based on the Landowner's estimate of cost, sufficient unencumbered funds to acquire the improvement.

A. All documentation of any acquisition (e.g., bills of sale, receipts, maintenance bonds, as-builts, evidence of costs, deeds or easements, etc.) shall be to the reasonable satisfaction of the District. If any item acquired is to be conveyed to a third-party governmental entity, then the Landowner agrees to cooperate and provide such certifications, warranties, representations or other items as may be required by that governmental entity, if any.

B. The District Engineer shall certify as to the actual cost of any improvement built or constructed by or at the direction of the Landowner, and the District shall pay no more than the actual cost incurred, or the fair market value of the improvement, whichever is less, as determined by the District Engineer.

C. The Landowner agrees to cooperate in the transfer of any permits to the District or another governmental entity with maintenance obligations for any Improvements conveyed pursuant to this Agreement.

D. Nothing herein shall require the District to accept any Work Product and/or Improvements unless the District Engineer, in his or her professional opinion, is able to certify that, in addition to any other requirements of law: (i) the Work Product and/or Improvements are as set forth in the Engineer's Report; (ii) the price for such Work Product and/or Improvements is equal to or less than each of (a) the cost actually paid to develop and/or install the Work Product and/or Improvements by the Landowner and (b) the reasonable fair market value of the Work Product and/or Improvements; (iii) as to Work Product, the Work Product is capable of being used for the purposes intended by the District, and, as to any Improvements, the Improvements were installed in accordance with their

specifications, and are capable of performing the functions for which they were intended; and (iv) as to any Improvements, all known plans, permits and specifications necessary for the operation and maintenance of the Improvements are complete and on file with the District, and have been transferred, or are capable of being transferred, to the District for operations and maintenance responsibilities.

SECTION 4. ASSIGNMENT OF CONTRACTS. The District may accept the assignment of certain contracts. Such acceptance is predicated upon: (i) each contractor providing a bond in the form and manner required by Section 255.05, *Florida Statutes*, or the Landowner providing adequate alternative security in compliance with Section 255.05, *Florida Statutes*, if required; and (ii) receipt by the District of a release from each general contractor acknowledging each assignment and the validity thereof, acknowledging the furnishing of the bond or other security required by Section 255.05, *Florida Statutes*, if any, and waiving any and all claims against the District arising as a result of or connected with such assignment. Until such time as the Series 2020 Bonds are actually issued, the Landowner agrees to provide such funds as are needed by the District to make all payments for any such assigned contracts when and as needed by the District.

SECTION 5. CONVEYANCE OF REAL PROPERTY.

A. Conveyance. In the event that real property interests are to be conveyed by the Landowner and acquired by the District in connection with the acquisition of the Improvements, and as mutually agreed upon by the District and the Landowner, then in such event, the Landowner agrees that it will convey to the District at or prior to the Acquisition Date by a special warranty deed, or non-exclusive easement, as reasonably acceptable to the District together with a metes and bounds or other legal description, the Real Property upon which the Improvements are constructed or which are necessary for the operation and maintenance of, and access to the Improvements. The Parties agree that in no event shall the purchase price for the Real Property exceed the lesser of the actual cost to the Landowner or the value of an appraisal obtained by the District for this purpose. The Parties agree that the purchase price shall not include amounts attributable to the value of improvements on the Real Property and other improvements serving the Real Property that have been, or will be, funded by the District. The District may determine in its reasonable discretion that fee title is not necessary and in such cases shall accept such other interest in the lands upon which the Improvements are constructed as the District deems reasonably acceptable. Such special warranty deed or other instrument shall be subject to a reservation by Landowner of its right and privilege to use the area conveyed to construct any Improvements and any future improvements to such area for any related purposes (including, but not limited to, construction traffic relating to the construction of the development) not inconsistent with the District's use, occupation or enjoyment thereof. The Landowner shall pay the cost for recording fees and documentary stamps required, if any, for the conveyance of the lands upon which the Improvements are constructed. The Landowner shall be responsible for all taxes and assessments levied on the lands upon which the Improvements are constructed until such time as the Landowner conveys said lands to the District. At the time of conveyance, the District may require, at Landowner's expense, an owner's title insurance policy in a form satisfactory to the District. In the event the title search reveals exceptions to title which render title unmarketable or which, in the District's reasonable discretion,

would materially interfere with the District's use of such lands, the District shall not be required to accept such conveyance of Real Property and/or any related Improvements or Work Product.

B. *Boundary or Other Adjustments.* Landowner and the District agree that reasonable future boundary adjustments may be made as deemed necessary and approved by both Parties in order to accurately describe lands conveyed to the District and lands which remain in Landowner's ownership; provided, however, that such future boundary adjustments shall not affect the ability of the Landowner to have the lots developed. The Parties agree that any land transfers made to accommodate such adjustments shall be accomplished by donation. However, the party requesting such adjustment shall pay any transaction costs resulting from the adjustment, including but not limited to taxes, title insurance, recording fees or other costs.

SECTION 6. TAXES, ASSESSMENTS, AND COSTS.

A. *Taxes and Assessments on Property Being Acquired.* The District is an exempt governmental unit acquiring property pursuant to this Agreement for use exclusively for public purposes. Accordingly, in accordance with Florida law, the Landowner agrees to place in escrow with the Polk County Tax Collector an amount equal to the current ad valorem taxes and non-ad valorem assessments prorated to the date of transfer of title, based upon the expected assessment and millage rates giving effect to the greatest discount available for early payment.

1. If and only to the extent the property acquired by the District is subject to ad valorem taxes or non-ad valorem assessments, the Landowner agrees to reimburse the District for payment, or pay on its behalf, any and all ad valorem taxes and non-ad valorem assessments imposed during the calendar year in which each parcel of property is conveyed.

2. Nothing in this Agreement shall prevent the District from asserting any rights to challenge any taxes or assessments imposed, if any, on any property of the District.

B. *Notice.* The Parties agree to provide notice to the other within ten (10) calendar days of receipt of any notice of potential or actual taxes, assessments, or costs, as a result of any transaction pursuant to this Agreement, or notice of any other taxes assessments or costs imposed on the property acquired by the District as described in Subsection A above. The Landowner covenants to make any payments due hereunder in a timely manner in accordance with Florida law. In the event that the Landowner fails to make timely payment of any such taxes or costs, the Landowner acknowledges the District's right to make such payment. If the District makes such payment, the Landowner agrees to reimburse the District within thirty (30) calendar days of receiving notice of such payment, and to include in such reimbursement any fees, costs, penalties, or other expenses which accrued to the District as a result of making such a payment, including interest at the maximum rate allowed by law from the date of the payment made by the District.

C. *Tax liability not created.* Nothing herein is intended to create or shall create any new or additional tax liability on behalf of the Landowner or the District. Furthermore, the Parties reserve all respective rights to challenge, pay under protest, contest or litigate the imposition of any tax, assessment, or cost in good faith they believe is unlawfully or inequitably imposed and agree to cooperate in good faith in the challenge of any such imposition.

SECTION 7. ACQUISITION IN ADVANCE OF RECEIPT OF PROCEEDS. The District and Landowner hereby agree that an acquisition by the District may be completed prior to the District obtaining proceeds from the Series 2022 Bonds (“Prior Acquisitions”). The District agrees to pursue the issuance of the Series 2022 Bonds in good faith and, within thirty (30) days from the issuance of such Series 2022 Bonds, to make payment for any Prior Acquisitions completed pursuant to the terms of this Agreement; provided, however, that in the event Bond Counsel determines that any such Prior Acquisitions are not properly compensable for any reason, including, but not limited to, federal tax restrictions imposed on tax-exempt financing, the District shall not be obligated to make payment for such Prior Acquisitions. Interest shall not accrue on the amounts owed for any Prior Acquisitions. In the event the District does not or cannot issue the Series 2020 Bonds within five (5) years from the date of this Agreement, and, thus does not make payment to the Landowner for the Prior Acquisitions, the Parties agree that the District shall have no reimbursement obligation whatsoever. The Landowner acknowledges that the District intends to convey some or all of the Improvements to the Town of Winter Haven and consents to the District’s conveyance of such improvements prior to payment for any Prior Acquisitions.

SECTION 8. DEFAULT. A default by either Party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages and/or specific performance, but excluding special, consequential or punitive damages.

SECTION 9. INDEMNIFICATION. For all actions or activities which occur prior to the date of the acquisition of the relevant Real Property, Improvement or Work Product hereunder, the Landowner agrees to indemnify and hold harmless the District and its officers, staff, agents and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or claims of any nature arising out of, or in connection with, the use by the Landowner, its officers, agents, employees, invitees or affiliates, of the Real Property, Improvement, or Work Product, including litigation or any appellate proceedings with respect thereto, irrespective of the date of the initiation or notice of the claim, suit, etc.; provided, however, that the Landowner shall not indemnify the District for a default by the District under this Agreement or the use of such Real Property, Improvement or Work Product by the District, its engineers, employees, contractors, or such persons’ or entities’ negligence.

SECTION 10. ENFORCEMENT OF AGREEMENT. In the event that any Party is required to enforce this Agreement by court proceedings or otherwise, then the Parties agree that the substantially prevailing party shall be entitled to recover from the other(s) all fees and costs incurred, including reasonable attorneys’ fees, paralegal fees and expert witness fees, and costs for trial, alternative dispute resolution, or appellate proceedings.

SECTION 11. ENTIRE AGREEMENT. This instrument shall constitute the final and complete expression of the agreement between the District and the Landowner relating to the subject matter of this Agreement.

SECTION 12. AMENDMENTS. This Agreement shall constitute the entire agreement between the Parties regarding the subject matter hereof and may be modified in writing only by the mutual agreement of all Parties, and with regards to amendments having a material effect on the payment of debt service on the Series 2022 Bonds, with the prior written consent of the trustee for the Series 2022 Bonds (the “Trustee”) acting at the direction of the holders owning a majority of the aggregate principal amount of the Series 2022 Bonds then outstanding.

SECTION 13. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Landowner. The District and the Landowner have complied with all the requirements of law. The District and the Landowner have full power and authority to comply with the terms and provisions of this Agreement.

SECTION 14. NOTICES. All notices, requests, consents and other communications under this Agreement (“Notices”) shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the Parties, as follows:

A. If to the District: Scenic Terrace South Community Development District
219 East Livingston Street
Orlando, Florida 32801
Attn: District Manager

With a copy to: KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303
Attn: Roy Van Wyk

B. If to Landowner: Atlantic Blue Communities II, LLC
212 E Stuart Avenue
Lake Wales, Florida 33853
Attn: John D. Alexander

With a copy to: Straughn & Turner, P.A.
255 Magnolia Avenue
Winter Haven, Florida 33800
Attn: Richard Straughn

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and

legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Landowner may deliver Notice on behalf of the District and the Landowner. Any Party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the Parties and addressees set forth in this Agreement.

SECTION 15. ARM’S LENGTH TRANSACTION. This Agreement has been negotiated fully between the District and the Landowner as an arm’s length transaction. All Parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, all Parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against any Party hereto.

SECTION 16. THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of the District and the Landowner and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or entity other than the District and the Landowner any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Landowner and their respective representatives, successors, and assigns. Notwithstanding the foregoing, nothing in this paragraph shall be construed as impairing or modifying the rights of any holders of Series 2022 Bonds issued by the District for the purpose of acquiring any Work Product, Improvements and/or Real Property. Also, notwithstanding anything herein to the contrary, the Trustee for the Series 2022 Bonds, on behalf of the owners of the Series 2022 Bonds, shall be a direct third-party beneficiary of the terms and conditions of this Agreement and shall, acting at the direction of the bondholders owning more than 50% of an aggregate principal amount of the applicable Series 2022 Bonds then outstanding, be entitled to cause the District to enforce the Landowner’s obligations hereunder.

SECTION 17. ASSIGNMENT. This Agreement may be assigned, in whole or in part, by either Party only upon the written consent of the other, which consent shall not be unreasonably withheld, and the Trustee acting on behalf of the Bondholders owning a majority of the aggregate principal amount of the Series 2022 Bonds then outstanding. Such consent shall not be required in the event of a sale of the majority of the Series 2022 Project then-owned by the Landowner pursuant to which the unaffiliated purchaser agrees to assume any remaining obligations of the Landowner under this Agreement. Upon the merger, amendment, or name change of the District, the Agreement will be assumed by operation of law by the District’s successor in interest and no consent to such assumption shall be required.

SECTION 18. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each Party consents that the exclusive venue for any litigation arising out of or related to this Agreement shall be in a court of appropriate jurisdiction, in and for Polk County, Florida.

SECTION 19. EFFECTIVE DATE. This Agreement shall be effective upon its execution by the District and the Landowner.

SECTION 20. TERMINATION. This Agreement may be terminated by the District without penalty in the event that the District does not issue its proposed Series 2022 Bonds within five (5) years from the date of this Agreement.

SECTION 21. PUBLIC RECORDS. The Landowner understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and will be treated as such in accordance with Florida law.

SECTION 22. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

SECTION 23. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

SECTION 24. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

SECTION 25. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Parties execute this Agreement the day and year first written above.

ATTEST:

**SCENIC TERRACE SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

Secretary/Assistant Secretary

Lauren O. Schwenk
Chairperson, Board of Supervisors

WITNESSES:

Atlantic Blue Communities II, LLC.,
a Florida Limited Liability Company

By: Atlanticblue Capital, LLC
Its: Manager

[Print Name]

By: John D. Alexander
Its: Manager

Exhibit A: *Scenic Terrace South Engineer's Report-Revised and Amended*, dated March 2, 2022

Composite Exhibit A
Engineer's Report

A horizontal bar composed of three colored segments: green, orange, and blue.

Scenic Terrace South Community Development District

Town of Hamilton

Engineer's Report - Revised and Amended

**October 13, 2021
Revised March 2, 2022**

SUBMITTED BY:

Dewberry Engineers Inc.
800 North Magnolia Avenue
Suite 1000
Orlando, Florida 32803
407-843-5120

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COMPANY CONFIDENTIAL AND PROPRIETARY: Use or disclosure of data contained on this sheet is subject to restriction on the title page of this proposal.

Scenic Terrace South Community Development District

INTRODUCTION

The Scenic Terrace South Community Development District (the "District" or "CDD") is located at Scenic Highway (SR 17) and Hughes Road and within the Town of Lake Hamilton (the "Town"). The District currently contains approximately 188.33 acres and is expected to consist of 744 residential lots of various sizes for single-family dwellings with recreation/amenity areas, parks, and associated infrastructure for the development.

The CDD was established under Town Ordinance No. O-21-19, which was approved by the Town of Lake Hamilton Commission on October 5, 2021. The District will own and operate the public roadways, utility systems, and stormwater management facilities, as well as the landscape, irrigation, signage, and recreational facilities within the development.

The Master Developer ("Developer") Atlantic Blue Communities II, LLC is based in Lake Wales, Florida. The Development is approved as a Planned Unit Development (PUD) for residential units and is divided into two phases. A land use summary is presented in Table 1.

Public improvements and facilities financed, acquired, and/or constructed by the District will be designed and constructed to conform to regulatory criteria from the Town, county, Southwest Florida Water Management District (SWFWMD), and other applicable agencies with regulatory jurisdiction over the development, an overall estimate of the probable cost of the public improvements are provided in Exhibit 7 of this report.

The Capital Improvement Plan (CIP) or this Engineer's Report reflects the present intentions of the District and the landowners. It should be noted that the location of the proposed facilities and improvements may be adjusted during the final design, permitting, and implementation phases. It should also be noted that these modifications are not expected to diminish the benefits to the property within the District. The District reserves the right to make reasonable adjustments to the development plan to meet applicable regulatory requirements of agencies with jurisdiction over the development while maintaining a comparable level of benefits to the lands served by the improvements. Changes and modifications are expected as changes in regulatory criteria are implemented.

TABLE 1	AREA
Master Stormwater System	40.94 ac
Residential Land (Single-Family 40-ft and 50-ft Lots)	73.95 ac
Roadways Infrastructure & Public Facilities	60.18 ac
Open Space/Conservation Areas/Parks	13.26 ac
TOTAL	188.33 ac

TABLE 3 LOT TYPES		
LOT TYPE	UNITS	AREA (AC)
40-ft Lots	264	22.01 ac
50-ft Lots	480	51.94 ac
TOTAL LOTS IN THE DISTRICT	744	73.95 ac

Implementation of any proposed facilities or improvements outlined in this report requires written approval from the District's Board of Supervisors. Estimated costs outlined in this report are based on the best available information, which includes but is not limited to previous experience with similar projects. Actual costs could be different than estimates as final engineering and specific field conditions may affect construction costs.

All roadway improvements including sidewalks in the right-of-way and storm drainage collection systems (from the curb inlets to their connection to the stormwater ponds) within the development will be maintained by the District. Water distribution and wastewater collection systems (gravity lines, force mains, and lift stations) will be dedicated to the Town of Lake Hamilton and Haines City for ownership and maintenance upon completion.

PURPOSE AND SCOPE

The purpose of this report is to provide engineering support for the funding of the proposed improvements within the District. This report will identify the proposed public infrastructure to be constructed or acquired by the District along with an Opinion of Probable Construction Costs. The District will finance, construct, acquire, operate, and maintain all or specific portions of the proposed public infrastructure.

The predominant portion of this report provides descriptions of the proposed public infrastructure improvements, determination of estimated probable construction costs, and the corresponding benefits associated with the implementation of the described improvements. Detailed site construction plans and specifications have not yet been completed and permitted for the improvements described herein. The engineer has considered and, in specific instances, has relied upon the information and documentation prepared or supplied by others to prepare this Engineer's Report.

THE DEVELOPMENT

The development will consist of a total of 744 residential units and associated infrastructure. The development is a planned residential community consisting of 188.33 acres on the east and west sides of SR 17 Scenic Highway and the north and south sides of Hughes Road. The District is located within the Town of Lake Hamilton in Polk County. The future land use is Residential Lands – 5 (RL-5) and zoning is Planned Unit Development (PUD). The development will be constructed in two phases.

CAPITAL IMPROVEMENTS

The CIP consists of public infrastructure in the development. The primary portions of the CIP will provide for stormwater pond construction, roadways built to an urban roadway typical section, water, and sewer facilities including a lift station, and off-site improvements (including turn lanes and extension of water and sewer mains to serve the development).

There will also be stormwater structures and conveyance culverts within the CIP, which will outfall into the various on-site stormwater ponds. These structures and pond areas comprise the overall stormwater facilities of the CIP. Installation of the water distribution and wastewater collection system will also occur at this time as well as the lift

station serving the project. Below-ground installation of telecommunications and cable television will occur but will not be funded by the District. Installation of streetlights and undergrounding of power within the public rights-of-way or easements will be funded by the District.

As a part of the recreational component of the CIP, there are conservation areas that can serve as passive parks within the development that are available to the public for utilization of the facilities. The recreational areas will have connectivity via sidewalks to the other portions of the District. The recreational areas will be accessed by the public roadways and sidewalks.

CAPITAL IMPROVEMENT PLAN COMPONENTS

The CIP for the District includes the following:

Stormwater Management Facilities

Stormwater management facilities consisting of storm conveyance systems and retention/detention ponds are contained within the District boundaries. Stormwater will be discharged via roadway curb and gutter and storm inlets. Storm culverts convey the runoff into the proposed retention ponds for water quality treatment and attenuation. The proposed stormwater systems will utilize dry retention and wet retention for biological pollutant assimilation to achieve water quality treatment. The design criteria for the District's stormwater treatment systems are regulated by the Town, the county, and SWFWMD. There are very few conservation areas throughout the District, which will be preserved in the existing condition and will accept stormwater discharges from our ponds as shown in Exhibit 6.

Federal Emergency Management Agency Flood Insurance Rate Map (FEMA FIRM) Panel Numbers 12105C0380G and 12105C0390G demonstrates that the property is located within Flood Zones AE and X. Based on this information and the site topography, it appears that 100-year compensation will be done in areas where we will impact existing depressions throughout the development and the 100-year flood volumes will be compensated as it is required the county and FEMA.

During the construction of stormwater management facilities, utilities, and roadway improvements the contractor will be required to adhere to a Stormwater Pollution Prevention Plan (SWPPP) as required by the FDEP as delegated by the Environmental Protection Agency (EPA). The SWPPP will be prepared to depict the proposed recommended locations of required erosion control measures and staked turbidity barriers specifically along the downgradient side of any proposed construction activity. The site contractor will be required to provide the necessary reporting as required by the National Pollutant Discharge Elimination System (NPDES) General Permit with erosion control, its maintenance, and any rainfall events that occur during construction activity.

Public Roadways

The proposed public roadway sections include a 24-foot roadway consisting of asphalt and with Miami curbs or Type F curb and gutter on both sides along with a 50-foot right-of-way. The proposed roadway section will consist of stabilized subgrade, a lime rock, crushed concrete, or cement-treated base and asphalt type roadway wearing surface. The proposed curb is to be 2-feet wide and placed along the edge of the proposed roadway section for purposes of protecting the integrity of the pavement, and also to provide stormwater runoff conveyance to the proposed stormwater inlets.

The proposed roadways will also require signing and pavement markings within the public rights-of-way, as well as street signs depicting street name identifications, and addressing, which will be utilized by the residents and public. As stated above, the District's funding of roadway construction will occur for all public roadways.

Water and Wastewater Facilities

A potable drinking water system inclusive of a water main, gate valves, fire hydrants, and appurtenances will be installed for the District. The water service provider will be the Town of Lake Hamilton or Haines City Public Utilities. The water system will be designed to provide an equally distributed system that provides redundancy to the system. These facilities will be installed within the proposed public rights-of-way and will provide potable drinking water (domestic) and fire protection services to serve the entire District.

A domestic wastewater collection system inclusive of gravity sanitary sewer mains and sewer laterals will be installed. The gravity sanitary sewer mains will be a minimum of eight (8)-inch diameter PVC pipe systems. The gravity sanitary sewer lines will be placed inside of the proposed public rights-of-way, under the proposed paved roadways. Sewer laterals will branch off from these sewer lines to serve the development. Lift stations are anticipated for this CIP. Flow from the lift station shall be connected to a proposed force main that will pump to an existing force main that will connect to the Town's or Haines City's wastewater treatment facility.

The Town of Lake Hamilton Public Utilities and/or Haines City will provide the reclaimed water to be used for all irrigation within the CDD. The reclaimed water will be funded by the District and installed onsite within the roadways to provide for irrigation within the public right-of-way or any areas needing irrigation. Any water, sewer, or reclaim water pipes or facilities placed on private property will not be publicly funded.

Off-Site Improvements

The District will provide funding for the anticipated turn lanes at the development entrances. The site construction activities associated with the CIP are anticipated to be completed in the next two (2) to three (3) years. Upon completion of each phase, the improvements will be through the required inspections as well as final certifications of completions will be obtained from SWFWMD, Polk County Health Department (water distribution system), FDEP (wastewater collection), Town of Lake Hamilton Public Utilities, and the county.

Amenities and Parks

The District will provide funding for an amenity center to include the following: parking areas, pavilion with restroom facilities, pool, all-purpose playfields, and walking trails between the phases and villages to provide connectivity to the various amenity centers within the CDD. In addition, there will be passive parks throughout the development, which will include benches and walking trails.

Electric Utilities and Lighting

The electric distribution system thru the District is currently planned to be underground. The District presently intends to fund and construct the undergrounding of the electric conduits, transformer/cabinet pads, and electric manholes required by Duke Energy (Duke). Electric facilities will be maintained by Duke after the dedication, with Duke providing underground electrical service to the Development. The CDD presently intends to fund the cost to purchase and install the street lighting along the internal roadways within the CDD.

Entry Feature

Landscaping, irrigation, entry features, and walls at the entrances and along the outside boundary of the Development will be provided by the District. The irrigation system will use an irrigation well. The well and irrigation water mains to the various phases of the development will be constructed and acquired by the CDD with District funds and operated and maintained by the CDD. Landscaping for the roadways will consist of sod, annual flowers, shrubs, ground cover, and trees for the internal roadways within the CDD. Perimeter fencing will be provided at the site entrances and perimeters. These items will be funded, owned, and maintained by the CDD.

Miscellaneous

The stormwater improvements, landscaping and irrigation, recreational improvements, street lighting, and certain permits and professional fees as described in this report are being financed by the District to benefit all of the developable real property within the District. The construction and maintenance of the proposed public improvements will benefit the development for the intended use as a single-family/residential planned development.

Permitting

Construction permits for all phases are required and include the SWFWMD ERP, Polk County Health Department, FDEP, and Town of Lake Hamilton construction plan approval.

Following is a summary of required permits obtained or pending approval for the construction of the public infrastructure improvements for the District:

Phase 1	
Permits/Approvals	Approval/Expected Date
Zoning Approval	Residential Planned Unit Development (RPUD) – Approved June 1, 2021
Preliminary Plat	To be obtained
SWFWMD ERP	To be obtained
Construction Permits	To be obtained
Town of Lake Hamilton Public Utilities and/or Haines City- Water/Sewer	To be obtained
FDEP Sanitary Sewer General Permit	To be obtained
FDEP Water Distribution General Permit	To be obtained
FDEP NOI	To be obtained

RECOMMENDATION

As previously explained within this report, the public infrastructure, as described, is necessary for the development and functional operation as required by the Town. The site planning, engineering design, and construction plans for the infrastructure are in accordance with the applicable requirements of the Town of Lake Hamilton, Polk County, and the SWFWMD. It should be noted that the infrastructure will provide its intended use and function so long as the construction and installation are in substantial conformance with the design construction plans and regulatory permits.

Items utilized in the Opinion of Probable Costs for this report are based upon the proposed plan infrastructure as shown on construction drawings incorporating specifications in the most current SWFWMD, Polk County, and the Town regulations.

REPORT MODIFICATION

During the development and implementation of the designed public infrastructure improvements, it may be necessary to make modifications and/or deviations to the plans. However, if such deviations and/or revisions do not change the overall primary objective of the plan for such improvements, then the cost differences would not materially affect the proposed construction cost estimates.

SUMMARY AND CONCLUSION

The improvements as outlined are necessary for the functional development of the Project. The Project is being designed in accordance with current government regulatory requirements. The Project will serve its intended function provided the construction is in substantial compliance with the design. Items of construction for the Project are based upon current development plans.

ENGINEER'S CERTIFICATION

It is our professional opinion that the public infrastructure costs for the CIP provided in this report are reasonable to complete the construction of the public infrastructure improvements. Furthermore, the public infrastructure improvements will benefit and add value to lands within the District and the value is at least the same as the costs for said improvements.

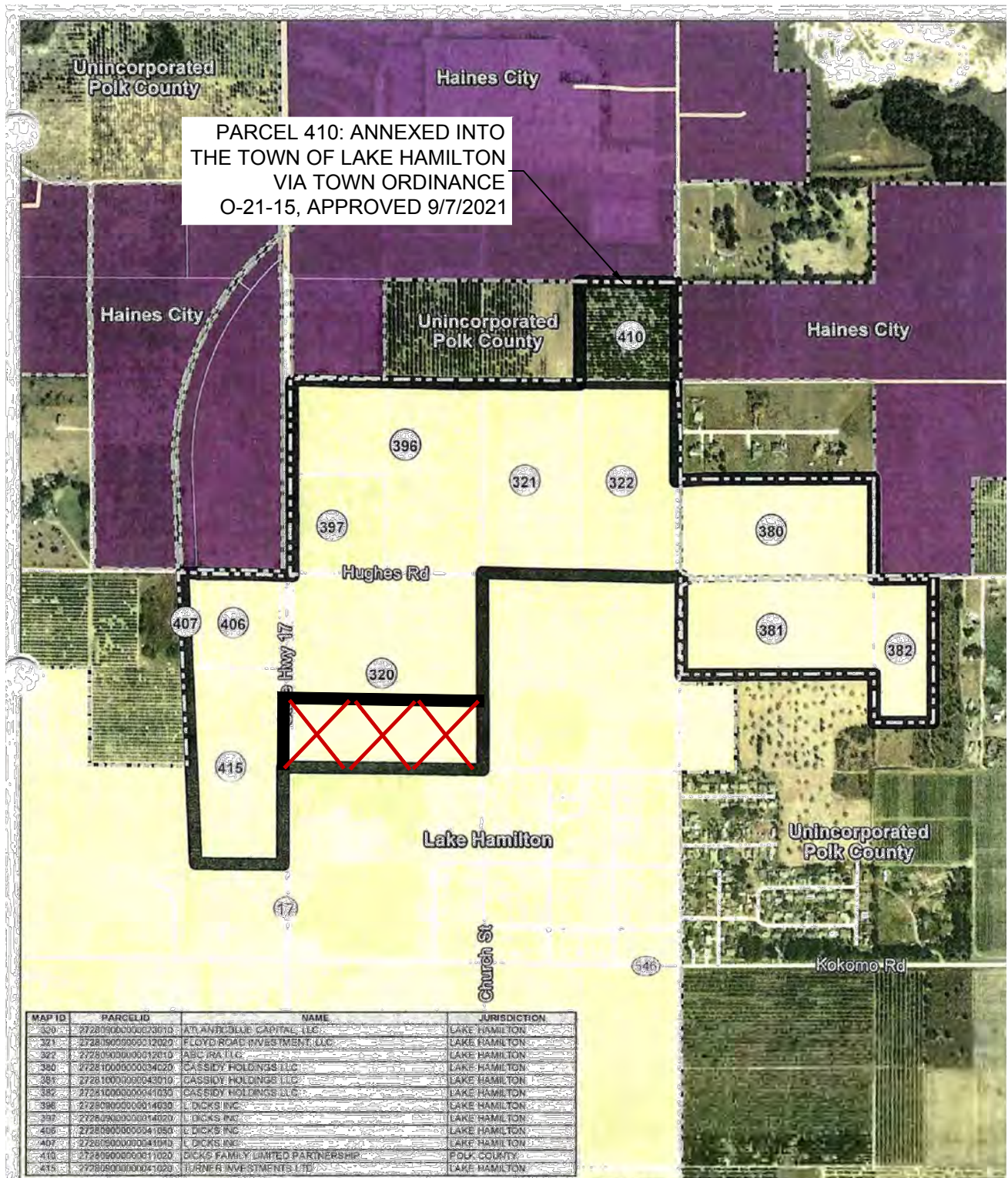
The Opinion of Probable Costs for the public infrastructure improvements is only an estimate and is not a guaranteed maximum price. The estimated costs are based upon current unit prices and on our experience with ongoing and similar projects and basis in the county and the Town. However; labor market, future costs of equipment; materials, changes to the regulatory permitting agencies' activities, and the actual construction processes employed by the chosen site contractor are beyond the engineer's control. Due to this inherent opportunity for changes (upward or downward) in the construction costs, the total, final construction cost may be more or less than this estimate.

Based upon the presumption that the CIP construction continues in a timely manner, it is our opinion that the costs of the CIP proposed represent a system of improvements benefitting all developable property located within the District, are fair and reasonable, and that the District-funded improvements are assessable improvements within the meaning of Chapter 190, F.S. We have no reason to believe that the CIP improvements cannot be constructed at the cost described in this report. We expect the improvements to be constructed or acquired by the District with bond proceeds, as indicated within this report. We believe that the District will be well served by the improvements discussed in this report.

I hereby certify that the foregoing is a true and correct copy of the engineer's report for the Scenic Terrace South Community Development District.



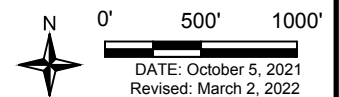
Reinardo Malavé, P.E.
Florida License No. 31588



SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 1 - LOCATION MAP SCENIC TERRACE SOUTH CDD



**SCENIC TERRACE SOUTH CDD
EXHIBIT 2 - LEGAL DESCRIPTION**

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS **DESCRIPTION:** A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

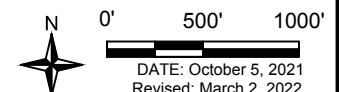
BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

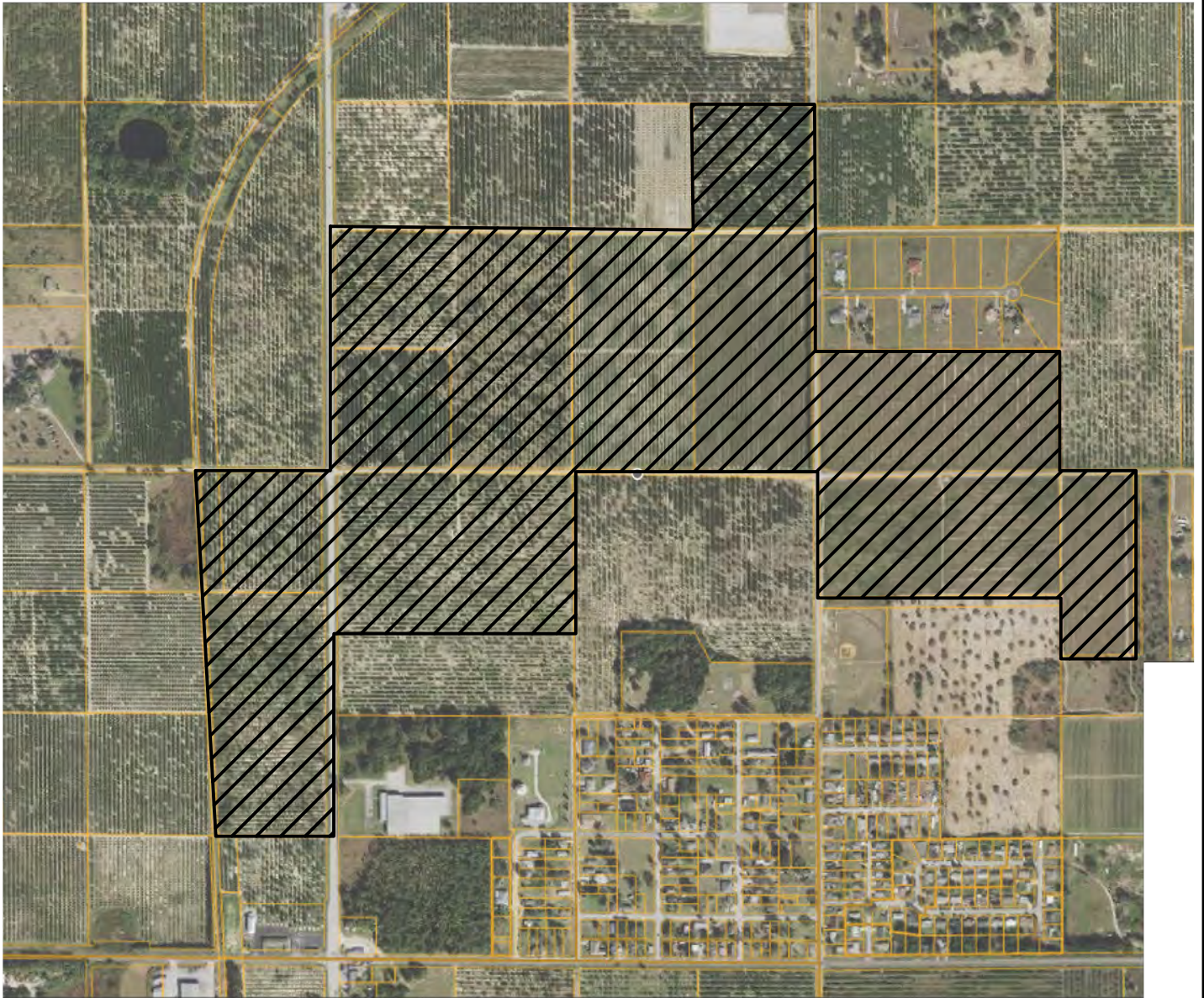
CONTAINING 188.33 ACRES, MORE OR LESS.

SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

**EXHIBIT 2 - LEGAL DESCRIPTION
SCENIC TERRACE SOUTH CDD**

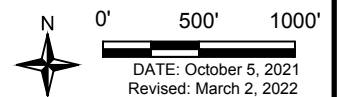


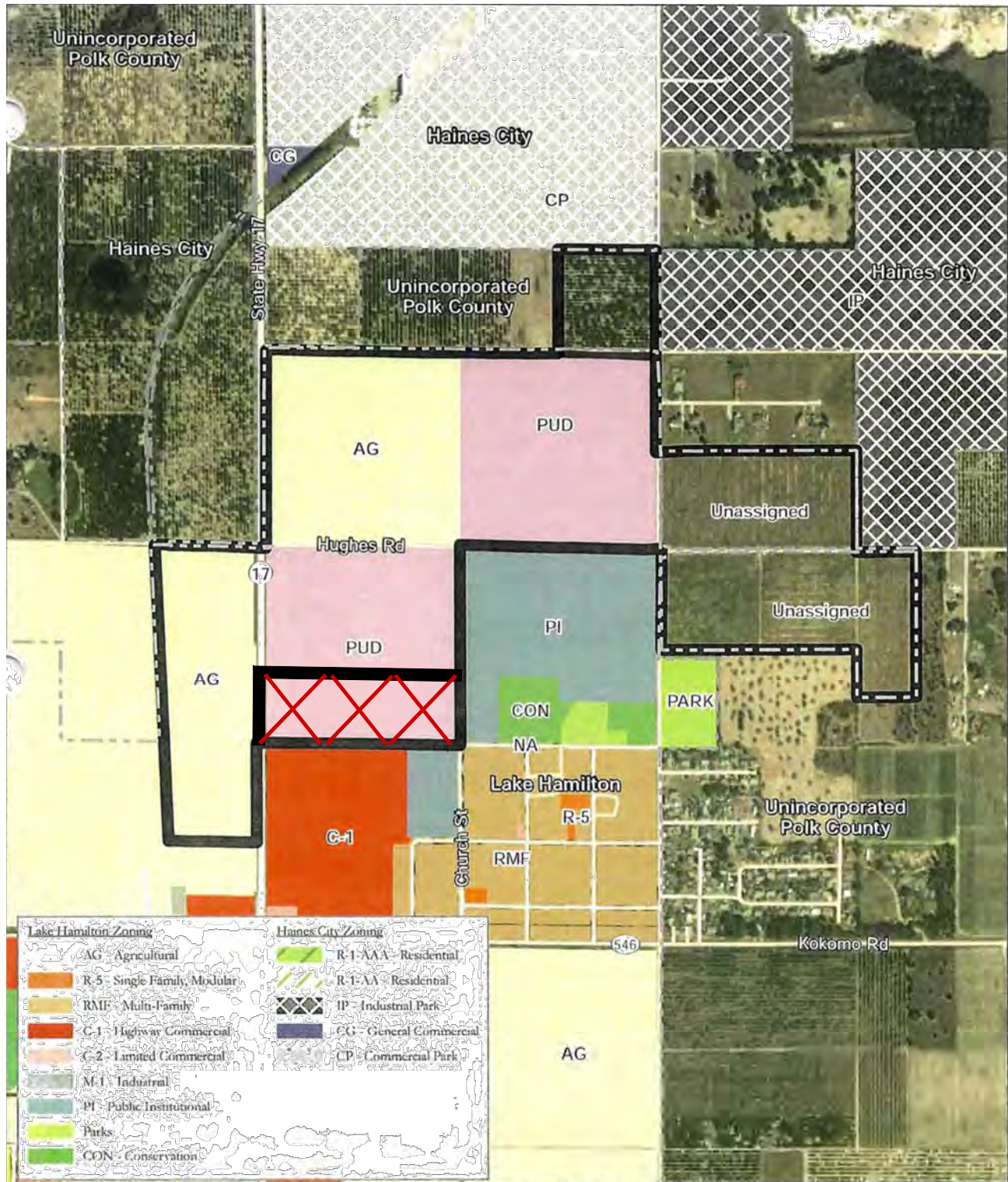


SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 3 - BOUNDARY MAP SCENIC TERRACE SOUTH CDD





SECTS 9 & 10, T27S, R28E

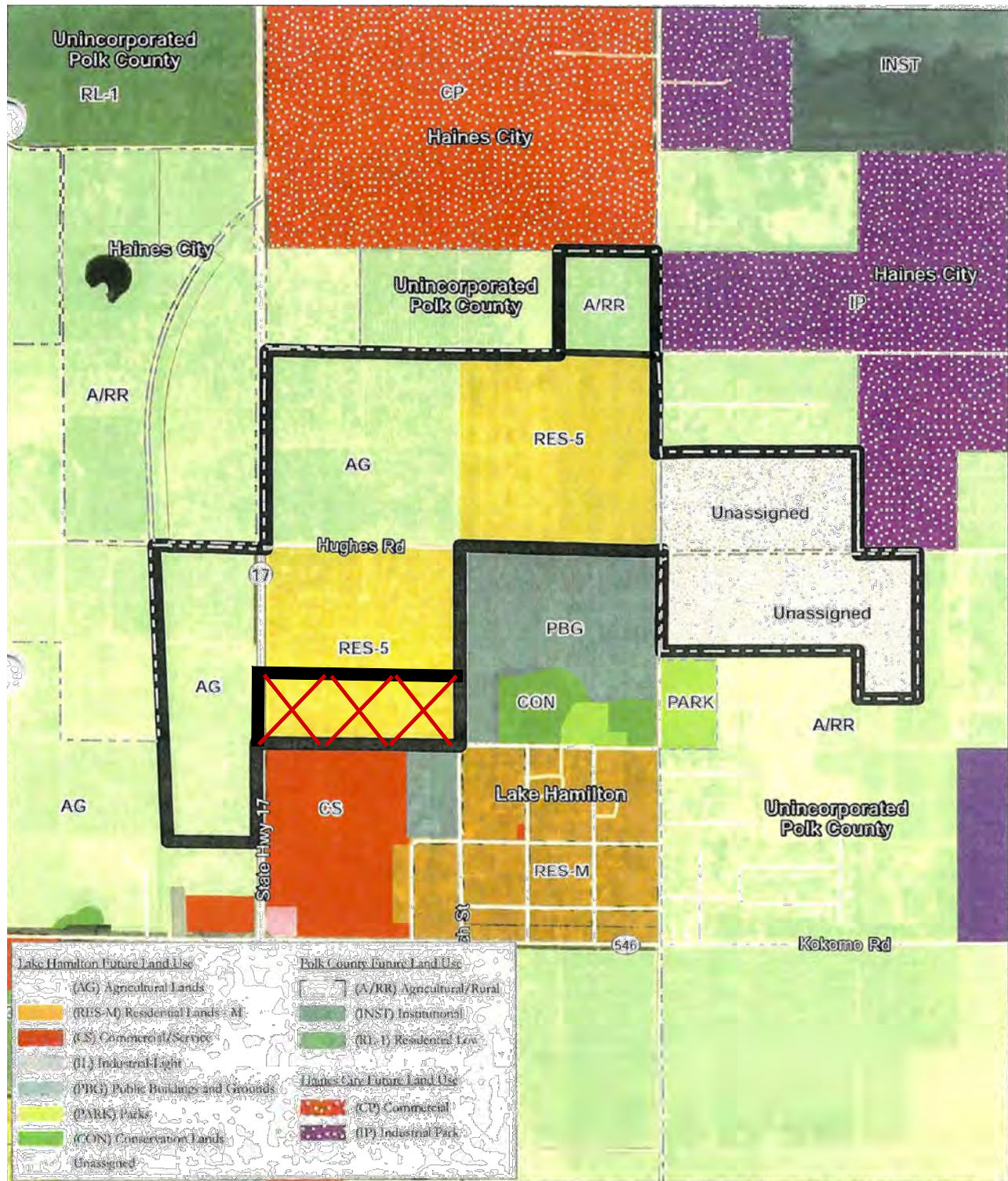
APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 4 - EXISTING LAND USE MAP SCENIC TERRACE SOUTH CDD



0' 500' 1000'

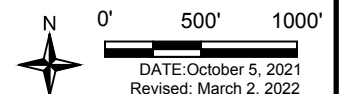
DATE: October 5, 2021
Revised: March 2, 2022

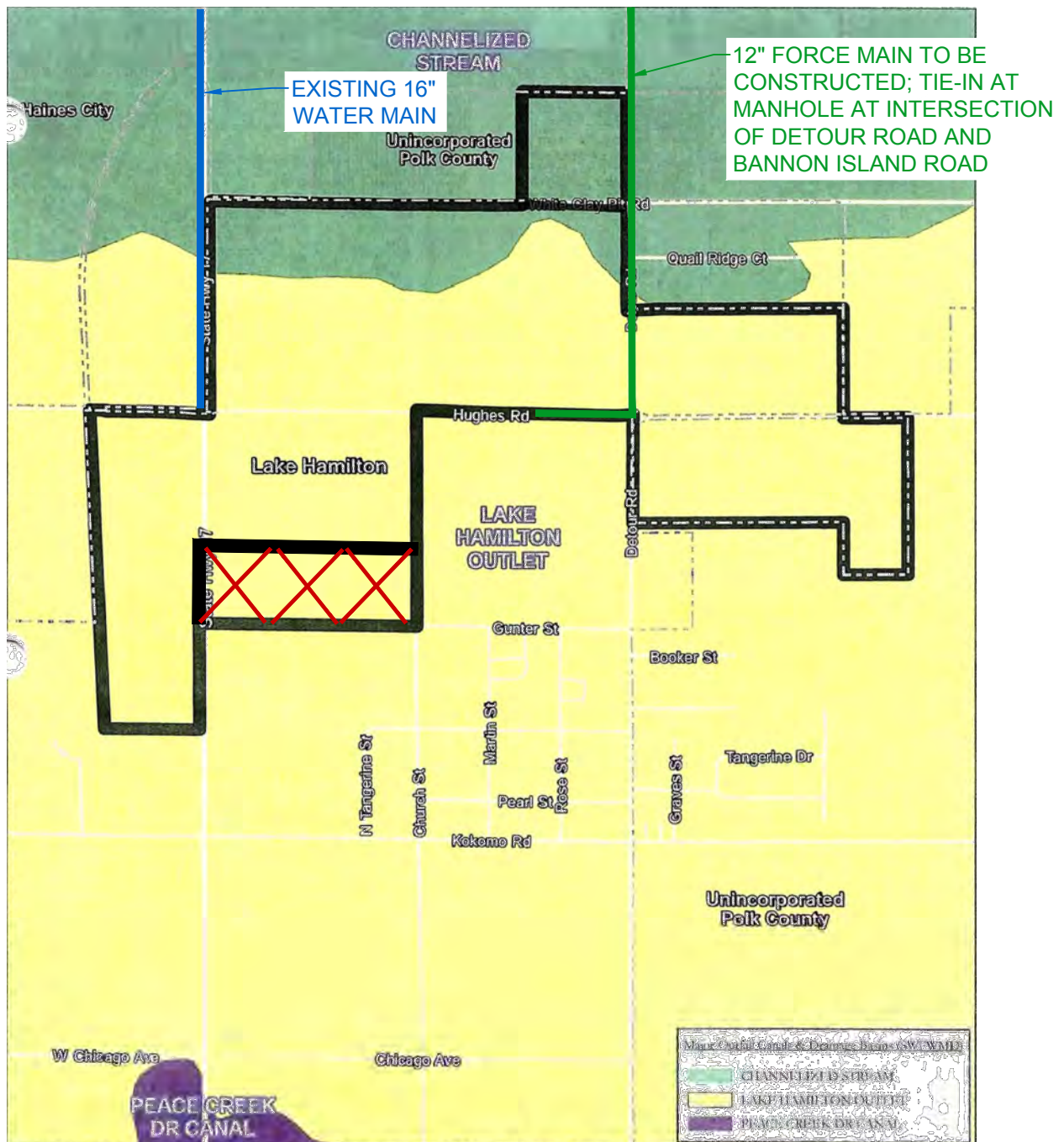


SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 5 - EXISTING FUTURE LAND USE MAP **SCENIC TERRACE SOUTH CDD**





SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 6 - DRAINAGE AND UTILITIES SCENIC TERRACE SOUTH CDD



0' 500' 1000'

DATE: October 5, 2021
Revised: March 2, 2022

Exhibit 7A - Cost Estimate
Scenic Terrace South CDD

Facility	Phase 1 2021-2023	Phase 2 2023-2024	Total Lots (744 Lots)
Earthwork	\$ 1,454,030	\$ 891,179	\$ 2,345,209
Roadway	\$ 2,797,550	\$ 1,714,627	\$ 4,512,177
Stormwater System	\$ 2,147,198	\$ 1,316,025	\$ 3,463,223
Wastewater System	\$ 2,213,168	\$ 1,356,458	\$ 3,569,626
Potable Water Distribution System	\$ 1,253,457	\$ 768,248	\$ 2,021,705
Reclaimed Water Distribution System	\$ 801,396	\$ 491,178	\$ 1,292,574
Electrical Undergrounding	\$ 1,095,850	\$ 671,650	\$ 1,767,500
Landscape & Hardscape	\$ 1,342,223	\$ 822,653	\$ 2,164,876
Amenities (Cabana, Tot Lots, and Recreation Areas)	\$ 930,000	\$ 570,000	\$ 1,500,000
Offsite Improvements	\$ 4,491,589	\$ -	\$ 4,491,589
Subtotal	\$ 18,526,461	\$ 8,602,018	\$ 27,128,479
Professional Fees (10%)			\$ 2,712,848
Subtotal			\$ 29,841,327
Contingency (10%)			\$ 2,984,133
Total			\$ 32,825,460

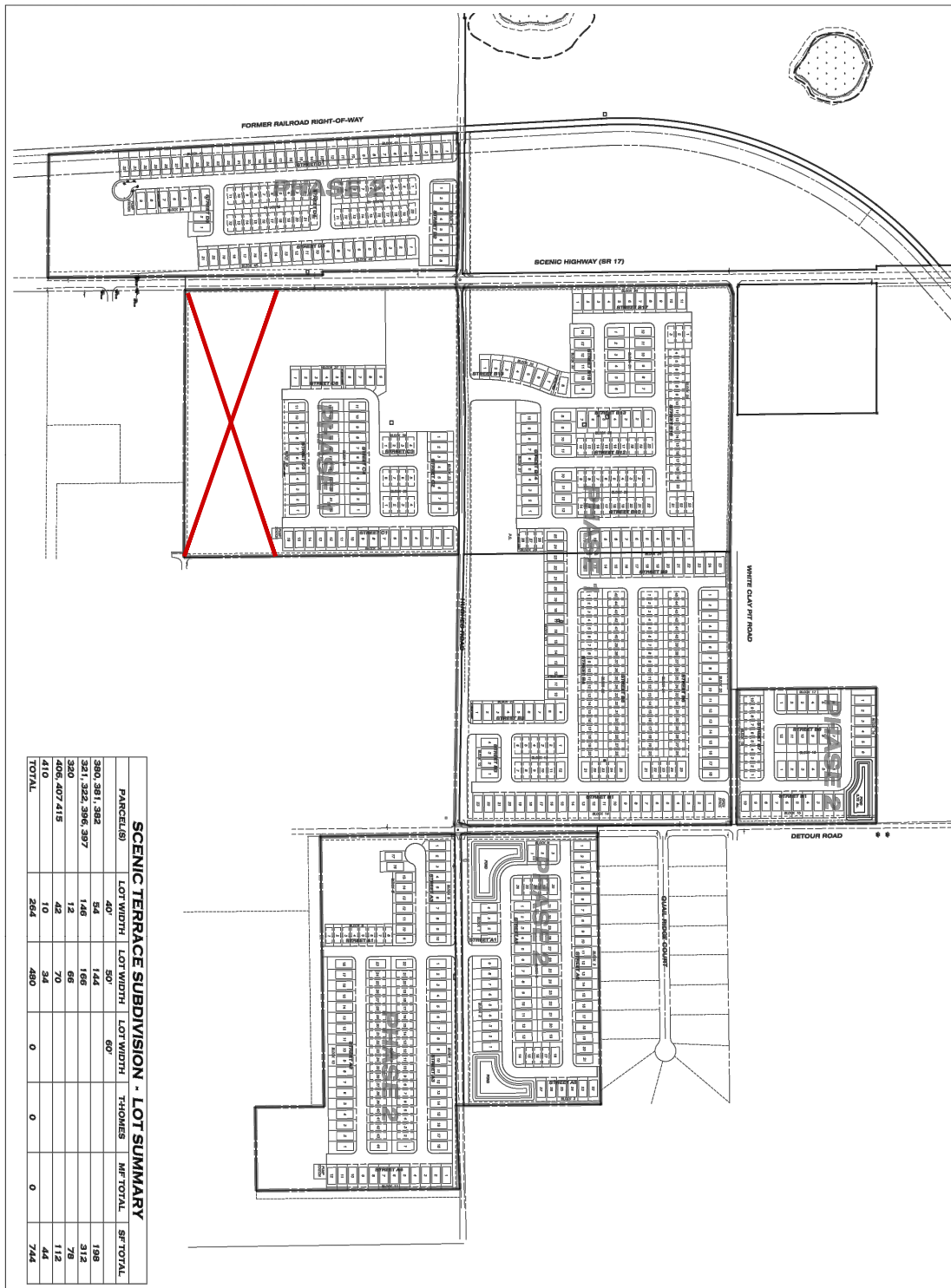
Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, master sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another governmental entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2020 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the street light poles and lighting service. Includes only the cost of undergrounding.
10. Estimates based on 744 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

Scenic Terrace South CDD
Exhibit 7B - Summary of Proposed District Facilities

District Infrastructure	Construction	Ownership	Capital Financing*	Operation and Maintenance
Stormwater Facilities	District	District	District Bonds	District
Lift Stations/Water/Sewer	District	Lake Hamilton	District Bonds	Lake Hamilton/Haines City
Street Lighting	District	District	District Bonds	District/Duke Energy
Onsite Road Construction	District	District	District Bonds	District
Offsite Road Construction	District	Lake Hamilton	District Bonds	Lake Hamilton/Polk County
Entry Feature & Signage	District	District	District Bonds	District
Recreation Facilities/Amenities	District	District	District Bonds	District

*Costs not funded by bonds will be funded by the developer.

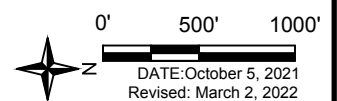


SCENIC TERRACE SUBDIVISION - LOT SUMMARY						
PARCELS	LOT WIDTH	LOT WIDTH	LOT WIDTH	THONES	MF TOTAL	SF TOTAL
380, 381, 382	54	144	60			198
321, 322, 396, 397	146	166				312
320	12	66				78
406, 407, 415	42	70				112
410	10	34				44
TOTAL	264	480	0	0	0	744

SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 8 - SITE PLAN SCENIC TERRACE SOUTH CDD



SECTION E

This instrument was prepared by and
upon recording should be returned to:

Roy Van Wyk, Esq.
KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303

**DECLARATION OF CONSENT TO JURISDICTION OF
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT AND TO
IMPOSITION OF SPECIAL ASSESSMENTS**

(SERIES 2022 SPECIAL ASSESSMENTS)

ATLANTIC BLUE COMMUNITIES II, LLC, (the “Series 2022 Landowner” or “Landowner”), is the owner of those lands as more particularly described in **Exhibit A** attached hereto (the “Series 2022 Assessment Area” or “Property”), located within the boundaries of the VillaMar Community Development District (the “District”). The Landowner, intending that it and its successors in interest and assigns shall be legally bound by this Declaration, hereby declares, acknowledges and agrees as follows:

1. The District is, and has been at all times, on and after October 5, 2021, a legally created, duly organized, and validly existing community development district under the provisions of Chapter 190, *Florida Statutes*, as amended (the “Act”). Without limiting the generality of the foregoing, the Landowner acknowledges that: (a) the petition filed with the Town Commission of the Town of Lake Hamilton, Florida (“Town”), relating to the creation of the District contained all matters required by the Act to be contained therein and was filed in the manner and by the persons required by the Act; (b) Ordinance No. O-21-19, effective as of October 5, 2021, (the “Ordinance”), was duly and properly adopted by the Town in compliance with all applicable requirements of law; (c) the members of the Board of Supervisors of the District were and are duly and properly designated and/or elected pursuant to the Act to serve in their official capacities and had the authority and right to authorize, approve and undertake all actions of the District approved and undertaken from October 5, 2021, to and including the date of this Declaration.

2. The Landowner, for itself and its heirs, successors and assigns, hereby confirms and agrees, that the special assessments (“Special Assessments”) imposed by, but not limited to, Resolutions Nos. 2022-27, 2022-28, 2022-34 and 2022-41 (collectively, the “Assessment Resolutions”), duly adopted by the Board of Supervisors of the District (the “Board”), and all proceedings undertaken by the District with respect thereto have been in accordance with applicable Florida law, that the District has taken all action necessary to levy and impose the Special Assessments, and the Special Assessments are legal, valid and binding first liens upon the Property co-equal with the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid.

3. The Landowner, for itself and its heirs, successors and assigns, hereby waives the right granted in Chapter 170.09, *Florida Statutes*, to prepay the Special Assessments without interest within thirty (30) days after the improvements are completed, in consideration of the rights granted by the District to prepay the Special Assessments in full or in part at any time, but with interest, under the circumstances set forth in the Assessment Resolutions of the District levying the Special Assessments.

4. The Landowner hereby expressly acknowledges, represents and agrees that (i) the Special Assessments, the Assessment Resolutions, and the terms of the financing documents related to the District's issuance of the Scenic Terrace South Community Development District Special Assessment Bonds, Series 2022, (Series 2022 Project) in the principal amount of \$22,350,000 (the "Series 2022 Bonds") or securing payment thereof and all other documents and certifications relating to the issuance of the Special Assessment Bonds (the "Financing Documents"), are valid and binding obligations enforceable in accordance with their terms; (ii) there are no claims or offsets whatsoever against, or defenses or counterclaims whatsoever to, payments of the Special Assessments or claims of invalidity, deficiency or unenforceability of the Special Assessments and Financing Documents (and the Landowner hereby expressly waives any such claims, offsets, defenses or counterclaims); (iii) the Landowner expressly waives and relinquishes any argument, claim or defense that foreclosure proceedings cannot be commenced until one (1) year after the date of the Landowner's default and agrees that, immediate use of remedies in Chapter 170, *Florida Statutes*, is an appropriate and available remedy, notwithstanding the provisions of Section 190.026, *Florida Statutes*; (iv) to the extent Landowner fails to timely pay any Special Assessments collected by mailed notice of the District, such unpaid Special Assessments and future Special Assessments may be placed on the tax roll by the District for collection by the Tax Collector pursuant to Section 197.3632, *Florida Statutes*, in any subsequent year; and (v) any and all rights to challenge the validity of any argument, claim or defense resulting from any defect or omission of any and all District notices, meetings, workshops, public hearings and other proceedings in relation to the Series 2022 Special Assessments or the Series 2022 Bonds that were conducted on or prior to the date hereof whether pursuant to Florida law or any waiver of Florida law granted in said Executive Order, including any extensions thereof.

5. This Declaration shall represent a lien of record for purposes of Chapter 197, *Florida Statutes*, including, without limitation, Section 197.573, *Florida Statutes*. Other information regarding the Special Assessments is available from the District Manager (Governmental Management Services – Central Florida, LLC), 219 Livingston Street, Orlando, Florida 32801.

THE DECLARATIONS, ACKNOWLEDGEMENTS AND AGREEMENTS CONTAINED HEREIN SHALL BE BINDING ON THE LANDOWNER AND ON ALL PERSONS (INCLUDING CORPORATIONS, ASSOCIATIONS, TRUSTS AND OTHER LEGAL ENTITIES) TAKING TITLE TO ALL OR ANY PART OF THE PROPERTY, AND THEIR SUCCESSORS IN INTEREST, WHETHER OR NOT THE PROPERTY IS PLATTED AT SUCH TIME. BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE DEEMED TO HAVE CONSENTED AND AGREED TO THE PROVISIONS OF THIS DECLARATION TO THE SAME EXTENT AS IF THEY HAD EXECUTED IT AND BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE ESTOPPED FROM CONTESTING, IN COURT OR

OTHERWISE, THE VALIDITY, LEGALITY AND ENFORCEABILITY OF THIS DECLARATION.

EFFECTIVE THIS 6th day of April 2022.

IN WITNESS WHEREOF, Developer and the District have caused this Assignment to be executed and delivered on the day and year first written above.

WITNESSES:

Atlantic Blue Communities II, LLC.,
a Florida Limited Liability Company

By: Atlanticblue Capital, LLC
Its: Manager

[Print Name]

By: John D. Alexander
Its: Manager

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of April, 2022, by John D. Alexander as Manager of Atlanticblue Capital, LLC, Manager of Atlantic Blue Communities II, LLC on behalf of the company.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

EXHIBIT A

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN

SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS DESCRIPTION: A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

CONTAINING 188.33 ACRES, MORE OR LESS.

SECTION VII



Dewberry Engineers Inc.
800 N. Magnolia Ave, Suite 1000
Orlando, FL 32803

407.843.5120
407.649.8664 fax
www.dewberry.com

Sent Via Email: jburns@gmscfl.com

February 23, 2022

Ms. Jill Burns, District Manager
Scenic Terrace South Community Development District
c/o Governmental Management Services Central Florida, LLC
219 E. Livingston Street
Orlando, Florida 32801

**Subject: Work Order to Provide Professional Consulting Services
Scenic Terrace South Community Development District (CDD)
General Engineering Services
Town of Lake Hamilton, Florida**

Dear Ms. Burns:

Dewberry Engineers Inc. is pleased to submit this Work Order to general engineering services for the Scenic Terrace South Community Development District (CDD). We will provide these services pursuant to our current agreement ("District Engineer Agreement").

With this information in mind, we propose the following tasks and corresponding fees:

General Engineering Services

- I.** The CDD will engage the services of Dewberry Engineers Inc. as District Engineer to perform those services as necessary, pursuant to the Professional Engineering Services Agreement, including attendance at Board of Supervisors meetings, preparation of reports and applications, review and approval of requisitions, or other activities as directed by the District's Board of Supervisors.

Our fee for this task will be based on time and materials, in accordance with the Professional Engineering Services Agreement. We estimate a budget of \$10,000, plus other direct costs.

II. Other Direct Costs

Other direct costs include items such as printing, drawings, travel, deliveries, et cetera. This does not include any of the application fees for the various agencies, which are the owner's responsibility and have not been accounted for in this proposal. We estimate a budget of \$500.

This Work Order, together with the referenced Engineering Agreement, represents the entire understanding between the District and the Engineer with regard to the referenced work authorization. If you wish to accept this work authorization, please sign where indicated and return one complete copy to Aimee Powell, Administrative Assistant in our Orlando office at 800 N. Magnolia Avenue, Suite 1000, Orlando, Florida 32803 (or via email at apowell@dewberry.com). Upon receipt, we will promptly schedule our services.

Ms. Jill Burns
Scenic Terrace South Community Development District
General Engineering Services
February 23, 2022

Thank you for choosing Dewberry Engineers Inc. We look forward to helping you create a quality project.

Sincerely,



Reinardo Malavé, P.E.
Associate Vice President

RM:ap

M: \Work Orders - Public\Municipal\Scenic Terrace South CDD\Scenic Terrace South CDD General Engineering_02-23-2022

APPROVED AND ACCEPTED

By: _____
Authorized Representative of
Scenic Terrace South Community Development District

Date: _____

SECTION VIII

RESOLUTION 2022-42

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT PROVIDING FOR AND AUTHORIZING THE USE OF ELECTRONIC DOCUMENTS AND SIGNATURES; ADOPTING AND IMPLEMENTING ELECTRONIC DOCUMENT CONTROL PROCESSES AND PROCEDURES; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Scenic Terrace South Community Development District (the “District”) is a local unit of special purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, and situated within the Town of Lake Hamilton, Florida; and

WHEREAS, Chapter 190, *Florida Statutes*, authorizes the District to construct, install, operate, and/or maintain systems and facilities for certain basic infrastructure; and

WHEREAS, Chapter 190, *Florida Statutes* authorizes the District Board of Supervisors, to enter into various contracts for the purposes set forth therein; and

WHEREAS, the District Board of Supervisors finds that it is the interest of the District and its residents to reduce waste, costs, and to enhance services; and

WHEREAS, the District Board of Supervisors recognizes that the Florida Legislature, through the passage of The Electronic Signature Act of 1996, intended to, among other goals, facilitate economic development and efficient delivery of government services by means of reliable electronic messages and foster the development of electronic commerce through the use of electronic signatures to lend authenticity and integrity to writings in any electronic medium; and

WHEREAS, the District Board of Supervisors wishes to further these goals through the use of electronic documents and signatures.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. INCORPORATION OF RECITALS. The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Resolution.

SECTION 2. FORCE AND EFFECT OF ELECTRONIC DOCUMENTS AND SIGNATURES. Unless otherwise provided by law, electronic documents and signatures submitted to and on behalf of the District may be used for all purposes and shall have the same force and effect as printed documents and manual signatures.

SECTION 3. AUTHORIZING UTILIZATION OF ELECTRONIC SIGNATURES AND DOCUMENTS. All contractors and personnel associated with the District are hereby authorized and encouraged to utilize electronic documents and signatures when reasonably practicable and as permitted by law. The District Manager is authorized and directed to obtain the provision of electronic document services or platforms offered by nationally recognized third party vendors that increase the efficiency of the District's operations.

SECTION 4. CONTROLS PROCESSES AND PROCEDURES. The District Board of Supervisors hereby authorizes and directs the District Manager to create control processes and procedures consistent with Florida Law to ensure adequate integrity, security, confidentiality, and auditability of all transactions conducted using electronic commerce.

SECTION 5. SEVERABILITY. If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

SECTION 6. EFFECTIVE DATE. This Resolution shall take effect upon its passage and shall remain in effect unless rescinded or repealed.

PASSED AND ADOPTED this 16th day of March, 2022.

ATTEST:

**SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Chair/Vice Chair

SECTION IX

**CONSTRUCTION FUNDING AGREEMENT BETWEEN
SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT
DISTRICT AND ATLANTIC BLUE COMMUNITIES II, LLC
(PHASE 1, PHASE 2, AND PHASE 3)**

THIS AGREEMENT ("Agreement") is made and entered into and effective as of ____ day of _____ 2022, by and between:

SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and located within the Town of Lake Hamilton, Florida, with a mailing address of 219 East Livingston Street, Orlando, Florida 32801 (the "District"), and

ATLANTIC BLUE COMMUNITIES II, LLC, a Florida limited liability company, an owner of certain lands within the District, with a mailing address of 212 E Stuart Avenue, Lake Wales, Florida 33853, and its successors and assigns ("Developer")

RECITALS

WHEREAS, the District was established by an ordinance, as amended from time to time, adopted by the Town Council of the Town of Lake Hamilton, Florida ("Town"). pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (the "Act"), and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the Developer is the owner and/or developer of certain undeveloped lands located within the boundaries of the District described as Phase 1 and Phase 2 in the Engineers Report (defined below) (hereinafter, the "Development") upon which the District's improvements have been or will be made; and

WHEREAS, the District, pursuant to Chapter 190, *Florida Statutes*, is authorized to levy such taxes, special assessments, fees, and other charges as may be necessary in furtherance of the District's activities and services; and

WHEREAS, the District is anticipated to be without sufficient funds available to provide for the construction of anticipated master improvements and facilities within the Development, which are described in the *Scenic Terrace South Community Development District Engineer's Report-Revised and Amended*, dated March 2, 2022, attached hereto as **Exhibit A** (together, the "Engineer's Report") including construction and any design, engineering, legal, or other construction, professional, or administrative costs (collectively, the "Improvements"); and

WHEREAS, in order to induce the District to proceed at this time with the construction of the necessary or desired improvements, the Developer desires to provide the funds necessary to enable the District to proceed with such improvements if and when the District exhausts the funds on deposit in the construction account; and

WHEREAS, the District anticipates accessing the public bond market in the future to obtain financing for the construction of the Improvements as described in **Exhibit A**, and the parties agree that, in the event that bonds are issued, the funds provided under this Agreement will be reimbursable from those bonds.

NOW, THEREFORE, in consideration of the recitals, agreements, and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

1. RECITALS. The recitals stated above are true and correct and by this reference are incorporated herein and form a material part of this Agreement.

2. FUNDING. Developer agrees to make available to the District such monies as are necessary to enable the District to proceed with the design, engineering, and construction of the Improvements. Developer will make such funds available on a monthly basis, within fifteen (15) days of a written request by the District. The funds shall be placed in the District's construction account with such depository as determined by the District.

3. REPAYMENT. The parties agree that the funds provided by Developer pursuant to this Agreement may be properly reimbursable from proceeds of the District's issuance of tax-exempt bonds provide those funds are expended to further the Series 2022 Project. Within forty-five (45) days of receipt from time to time of sufficient funds by the District for the financing of some or all of the Improvements, the District shall reimburse Developer until full reimbursement is made or until all funds generated by the anticipated financing are exhausted, exclusive of interest, for the funds advanced under Section 2 above; provided, however, that in the event bond counsel engaged in connection with the District's issuance of bonds providing such financing determines that any such monies advanced or expenses incurred are not properly reimbursable for any reason, including, but not limited to federal tax restrictions imposed on tax-exempt financing, the District shall not be obligated to reimburse such monies advanced or expenses incurred. If the District does not or cannot issue bonds to provide the funds for the Improvements within five (5) years of the date of this Agreement, and, thus does not reimburse the Developer for the funds advanced, then the parties agree that such funds shall be deemed paid in lieu of taxes, fees, or assessments which might be levied or imposed by the District.

4. DEFAULT. A default by either party to this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of actual damages, injunctive relief and/or specific performance, but shall exclude, in any event, consequential, incidental, special or punitive damages.

5. ENFORCEMENT OF AGREEMENT. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the substantially prevailing party shall be entitled to recover all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

6. AGREEMENT. This Agreement shall constitute the final and complete expression of the agreement between the parties relating to the specific subject matter of this Agreement.

7. **AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

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

9. **NOTICES.** All notices, requests, consents and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, as follows:

A. If to District: Scenic Terrace South Community Development District
219 East Livingston Street
Orlando, Florida 32801
Attn: District Manager

With a copy to: KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303
Attn: District Counsel

B. If to Developer: Atlantic Blue Communities II, LLC
212 E Stuart Avenue
Lake Wales, Florida 33853
Attn: John D. Alexander

With a copy to: Straughn & Turner P.A.
255 Magnolia Avenue, S.W.
Winter Haven, Florida 33883
Attn: Richard Straughn

Except as otherwise provided herein, any Notice shall be deemed received only upon actual delivery at the address set forth herein. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the parties may deliver Notice on behalf of the party he/she represents. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

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

11. ASSIGNMENT. Neither party may assign this Agreement or any monies to become due hereunder without the prior written approval of the other party.

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

13. EFFECTIVE DATE. The Agreement shall be effective after execution by all parties hereto and shall remain in effect unless terminated by any of the parties hereto.

14. PUBLIC RECORDS. Developer understands and agrees that all documents of any kind provided to the District or to District staff in connection with the work contemplated under this Agreement are public records and are treated as such in accordance with Florida law and the District's Record Retention Schedule.

15. COUNTERPARTS. This Agreement may be executed in one or more counterparts which, when taken together, shall constitute one and the same instrument.

[Signatures on next page]

IN WITNESS WHEREOF, the parties execute this Agreement to be effective the day and year first written above.

ATTEST:

**SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT
DISTRICT**

Secretary/Assistant Secretary

Lauren Schwenk
Chairperson, Board of Supervisors

WITNESS:

**ATLANTIC BLUE COMMUNITIES II,
LLC**, a Florida limited liability company

By: Atlanticblue Capital, LLC
Its: Manager

Print Name: _____

By: John D. Alexander
Its: Manager

Exhibit A: *Scenic Terrace South Community Development District Engineer's Report-Revised and Amended*, dated March 2, 2022

EXHIBIT A

A horizontal bar composed of three colored segments: green, orange, and blue.

Scenic Terrace South Community Development District

Town of Hamilton

Engineer's Report - Revised and Amended

**October 13, 2021
Revised March 2, 2022**

SUBMITTED BY:

Dewberry Engineers Inc.
800 North Magnolia Avenue
Suite 1000
Orlando, Florida 32803
407-843-5120

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COMPANY CONFIDENTIAL AND PROPRIETARY: Use or disclosure of data contained on this sheet is subject to restriction on the title page of this proposal.

Scenic Terrace South Community Development District

INTRODUCTION

The Scenic Terrace South Community Development District (the "District" or "CDD") is located at Scenic Highway (SR 17) and Hughes Road and within the Town of Lake Hamilton (the "Town"). The District currently contains approximately 188.33 acres and is expected to consist of 744 residential lots of various sizes for single-family dwellings with recreation/amenity areas, parks, and associated infrastructure for the development.

The CDD was established under Town Ordinance No. O-21-19, which was approved by the Town of Lake Hamilton Commission on October 5, 2021. The District will own and operate the public roadways, utility systems, and stormwater management facilities, as well as the landscape, irrigation, signage, and recreational facilities within the development.

The Master Developer ("Developer") Atlantic Blue Communities II, LLC is based in Lake Wales, Florida. The Development is approved as a Planned Unit Development (PUD) for residential units and is divided into two phases. A land use summary is presented in Table 1.

Public improvements and facilities financed, acquired, and/or constructed by the District will be designed and constructed to conform to regulatory criteria from the Town, county, Southwest Florida Water Management District (SWFWMD), and other applicable agencies with regulatory jurisdiction over the development, an overall estimate of the probable cost of the public improvements are provided in Exhibit 7 of this report.

The Capital Improvement Plan (CIP) or this Engineer's Report reflects the present intentions of the District and the landowners. It should be noted that the location of the proposed facilities and improvements may be adjusted during the final design, permitting, and implementation phases. It should also be noted that these modifications are not expected to diminish the benefits to the property within the District. The District reserves the right to make reasonable adjustments to the development plan to meet applicable regulatory requirements of agencies with jurisdiction over the development while maintaining a comparable level of benefits to the lands served by the improvements. Changes and modifications are expected as changes in regulatory criteria are implemented.

TABLE 1	AREA
Master Stormwater System	40.94 ac
Residential Land (Single-Family 40-ft and 50-ft Lots)	73.95 ac
Roadways Infrastructure & Public Facilities	60.18 ac
Open Space/Conservation Areas/Parks	13.26 ac
TOTAL	188.33 ac

TABLE 3 LOT TYPES		
LOT TYPE	UNITS	AREA (AC)
40-ft Lots	264	22.01 ac
50-ft Lots	480	51.94 ac
TOTAL LOTS IN THE DISTRICT	744	73.95 ac

Implementation of any proposed facilities or improvements outlined in this report requires written approval from the District's Board of Supervisors. Estimated costs outlined in this report are based on the best available information, which includes but is not limited to previous experience with similar projects. Actual costs could be different than estimates as final engineering and specific field conditions may affect construction costs.

All roadway improvements including sidewalks in the right-of-way and storm drainage collection systems (from the curb inlets to their connection to the stormwater ponds) within the development will be maintained by the District. Water distribution and wastewater collection systems (gravity lines, force mains, and lift stations) will be dedicated to the Town of Lake Hamilton and Haines City for ownership and maintenance upon completion.

PURPOSE AND SCOPE

The purpose of this report is to provide engineering support for the funding of the proposed improvements within the District. This report will identify the proposed public infrastructure to be constructed or acquired by the District along with an Opinion of Probable Construction Costs. The District will finance, construct, acquire, operate, and maintain all or specific portions of the proposed public infrastructure.

The predominant portion of this report provides descriptions of the proposed public infrastructure improvements, determination of estimated probable construction costs, and the corresponding benefits associated with the implementation of the described improvements. Detailed site construction plans and specifications have not yet been completed and permitted for the improvements described herein. The engineer has considered and, in specific instances, has relied upon the information and documentation prepared or supplied by others to prepare this Engineer's Report.

THE DEVELOPMENT

The development will consist of a total of 744 residential units and associated infrastructure. The development is a planned residential community consisting of 188.33 acres on the east and west sides of SR 17 Scenic Highway and the north and south sides of Hughes Road. The District is located within the Town of Lake Hamilton in Polk County. The future land use is Residential Lands – 5 (RL-5) and zoning is Planned Unit Development (PUD). The development will be constructed in two phases.

CAPITAL IMPROVEMENTS

The CIP consists of public infrastructure in the development. The primary portions of the CIP will provide for stormwater pond construction, roadways built to an urban roadway typical section, water, and sewer facilities including a lift station, and off-site improvements (including turn lanes and extension of water and sewer mains to serve the development).

There will also be stormwater structures and conveyance culverts within the CIP, which will outfall into the various on-site stormwater ponds. These structures and pond areas comprise the overall stormwater facilities of the CIP. Installation of the water distribution and wastewater collection system will also occur at this time as well as the lift

station serving the project. Below-ground installation of telecommunications and cable television will occur but will not be funded by the District. Installation of streetlights and undergrounding of power within the public rights-of-way or easements will be funded by the District.

As a part of the recreational component of the CIP, there are conservation areas that can serve as passive parks within the development that are available to the public for utilization of the facilities. The recreational areas will have connectivity via sidewalks to the other portions of the District. The recreational areas will be accessed by the public roadways and sidewalks.

CAPITAL IMPROVEMENT PLAN COMPONENTS

The CIP for the District includes the following:

Stormwater Management Facilities

Stormwater management facilities consisting of storm conveyance systems and retention/detention ponds are contained within the District boundaries. Stormwater will be discharged via roadway curb and gutter and storm inlets. Storm culverts convey the runoff into the proposed retention ponds for water quality treatment and attenuation. The proposed stormwater systems will utilize dry retention and wet retention for biological pollutant assimilation to achieve water quality treatment. The design criteria for the District's stormwater treatment systems are regulated by the Town, the county, and SWFWMD. There are very few conservation areas throughout the District, which will be preserved in the existing condition and will accept stormwater discharges from our ponds as shown in Exhibit 6.

Federal Emergency Management Agency Flood Insurance Rate Map (FEMA FIRM) Panel Numbers 12105C0380G and 12105C0390G demonstrates that the property is located within Flood Zones AE and X. Based on this information and the site topography, it appears that 100-year compensation will be done in areas where we will impact existing depressions throughout the development and the 100-year flood volumes will be compensated as it is required the county and FEMA.

During the construction of stormwater management facilities, utilities, and roadway improvements the contractor will be required to adhere to a Stormwater Pollution Prevention Plan (SWPPP) as required by the FDEP as delegated by the Environmental Protection Agency (EPA). The SWPPP will be prepared to depict the proposed recommended locations of required erosion control measures and staked turbidity barriers specifically along the downgradient side of any proposed construction activity. The site contractor will be required to provide the necessary reporting as required by the National Pollutant Discharge Elimination System (NPDES) General Permit with erosion control, its maintenance, and any rainfall events that occur during construction activity.

Public Roadways

The proposed public roadway sections include a 24-foot roadway consisting of asphalt and with Miami curbs or Type F curb and gutter on both sides along with a 50-foot right-of-way. The proposed roadway section will consist of stabilized subgrade, a lime rock, crushed concrete, or cement-treated base and asphalt type roadway wearing surface. The proposed curb is to be 2-feet wide and placed along the edge of the proposed roadway section for purposes of protecting the integrity of the pavement, and also to provide stormwater runoff conveyance to the proposed stormwater inlets.

The proposed roadways will also require signing and pavement markings within the public rights-of-way, as well as street signs depicting street name identifications, and addressing, which will be utilized by the residents and public. As stated above, the District's funding of roadway construction will occur for all public roadways.

Water and Wastewater Facilities

A potable drinking water system inclusive of a water main, gate valves, fire hydrants, and appurtenances will be installed for the District. The water service provider will be the Town of Lake Hamilton or Haines City Public Utilities. The water system will be designed to provide an equally distributed system that provides redundancy to the system. These facilities will be installed within the proposed public rights-of-way and will provide potable drinking water (domestic) and fire protection services to serve the entire District.

A domestic wastewater collection system inclusive of gravity sanitary sewer mains and sewer laterals will be installed. The gravity sanitary sewer mains will be a minimum of eight (8)-inch diameter PVC pipe systems. The gravity sanitary sewer lines will be placed inside of the proposed public rights-of-way, under the proposed paved roadways. Sewer laterals will branch off from these sewer lines to serve the development. Lift stations are anticipated for this CIP. Flow from the lift station shall be connected to a proposed force main that will pump to an existing force main that will connect to the Town's or Haines City's wastewater treatment facility.

The Town of Lake Hamilton Public Utilities and/or Haines City will provide the reclaimed water to be used for all irrigation within the CDD. The reclaimed water will be funded by the District and installed onsite within the roadways to provide for irrigation within the public right-of-way or any areas needing irrigation. Any water, sewer, or reclaim water pipes or facilities placed on private property will not be publicly funded.

Off-Site Improvements

The District will provide funding for the anticipated turn lanes at the development entrances. The site construction activities associated with the CIP are anticipated to be completed in the next two (2) to three (3) years. Upon completion of each phase, the improvements will be through the required inspections as well as final certifications of completions will be obtained from SWFWMD, Polk County Health Department (water distribution system), FDEP (wastewater collection), Town of Lake Hamilton Public Utilities, and the county.

Amenities and Parks

The District will provide funding for an amenity center to include the following: parking areas, pavilion with restroom facilities, pool, all-purpose playfields, and walking trails between the phases and villages to provide connectivity to the various amenity centers within the CDD. In addition, there will be passive parks throughout the development, which will include benches and walking trails.

Electric Utilities and Lighting

The electric distribution system thru the District is currently planned to be underground. The District presently intends to fund and construct the undergrounding of the electric conduits, transformer/cabinet pads, and electric manholes required by Duke Energy (Duke). Electric facilities will be maintained by Duke after the dedication, with Duke providing underground electrical service to the Development. The CDD presently intends to fund the cost to purchase and install the street lighting along the internal roadways within the CDD.

Entry Feature

Landscaping, irrigation, entry features, and walls at the entrances and along the outside boundary of the Development will be provided by the District. The irrigation system will use an irrigation well. The well and irrigation water mains to the various phases of the development will be constructed and acquired by the CDD with District funds and operated and maintained by the CDD. Landscaping for the roadways will consist of sod, annual flowers, shrubs, ground cover, and trees for the internal roadways within the CDD. Perimeter fencing will be provided at the site entrances and perimeters. These items will be funded, owned, and maintained by the CDD.

Miscellaneous

The stormwater improvements, landscaping and irrigation, recreational improvements, street lighting, and certain permits and professional fees as described in this report are being financed by the District to benefit all of the developable real property within the District. The construction and maintenance of the proposed public improvements will benefit the development for the intended use as a single-family/residential planned development.

Permitting

Construction permits for all phases are required and include the SWFWMD ERP, Polk County Health Department, FDEP, and Town of Lake Hamilton construction plan approval.

Following is a summary of required permits obtained or pending approval for the construction of the public infrastructure improvements for the District:

Phase 1	
Permits/Approvals	Approval/Expected Date
Zoning Approval	Residential Planned Unit Development (RPUD) – Approved June 1, 2021
Preliminary Plat	To be obtained
SWFWMD ERP	To be obtained
Construction Permits	To be obtained
Town of Lake Hamilton Public Utilities and/or Haines City- Water/Sewer	To be obtained
FDEP Sanitary Sewer General Permit	To be obtained
FDEP Water Distribution General Permit	To be obtained
FDEP NOI	To be obtained

RECOMMENDATION

As previously explained within this report, the public infrastructure, as described, is necessary for the development and functional operation as required by the Town. The site planning, engineering design, and construction plans for the infrastructure are in accordance with the applicable requirements of the Town of Lake Hamilton, Polk County, and the SWFWMD. It should be noted that the infrastructure will provide its intended use and function so long as the construction and installation are in substantial conformance with the design construction plans and regulatory permits.

Items utilized in the Opinion of Probable Costs for this report are based upon the proposed plan infrastructure as shown on construction drawings incorporating specifications in the most current SWFWMD, Polk County, and the Town regulations.

REPORT MODIFICATION

During the development and implementation of the designed public infrastructure improvements, it may be necessary to make modifications and/or deviations to the plans. However, if such deviations and/or revisions do not change the overall primary objective of the plan for such improvements, then the cost differences would not materially affect the proposed construction cost estimates.

SUMMARY AND CONCLUSION

The improvements as outlined are necessary for the functional development of the Project. The Project is being designed in accordance with current government regulatory requirements. The Project will serve its intended function provided the construction is in substantial compliance with the design. Items of construction for the Project are based upon current development plans.

ENGINEER'S CERTIFICATION

It is our professional opinion that the public infrastructure costs for the CIP provided in this report are reasonable to complete the construction of the public infrastructure improvements. Furthermore, the public infrastructure improvements will benefit and add value to lands within the District and the value is at least the same as the costs for said improvements.

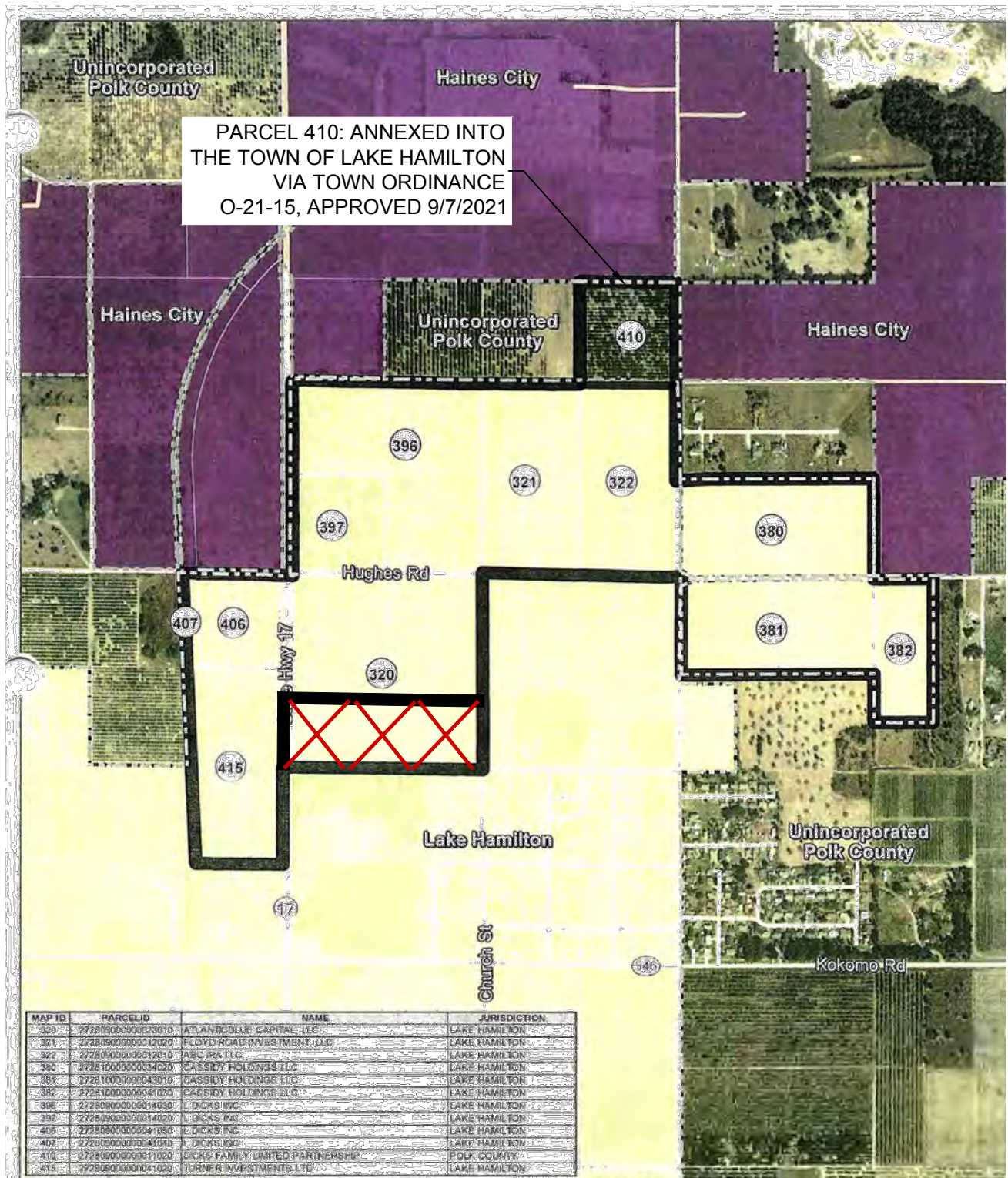
The Opinion of Probable Costs for the public infrastructure improvements is only an estimate and is not a guaranteed maximum price. The estimated costs are based upon current unit prices and on our experience with ongoing and similar projects and basis in the county and the Town. However; labor market, future costs of equipment; materials, changes to the regulatory permitting agencies' activities, and the actual construction processes employed by the chosen site contractor are beyond the engineer's control. Due to this inherent opportunity for changes (upward or downward) in the construction costs, the total, final construction cost may be more or less than this estimate.

Based upon the presumption that the CIP construction continues in a timely manner, it is our opinion that the costs of the CIP proposed represent a system of improvements benefitting all developable property located within the District, are fair and reasonable, and that the District-funded improvements are assessable improvements within the meaning of Chapter 190, F.S. We have no reason to believe that the CIP improvements cannot be constructed at the cost described in this report. We expect the improvements to be constructed or acquired by the District with bond proceeds, as indicated within this report. We believe that the District will be well served by the improvements discussed in this report.

I hereby certify that the foregoing is a true and correct copy of the engineer's report for the Scenic Terrace South Community Development District.



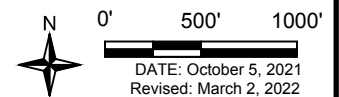
Reinardo Malavé, P.E.
Florida License No. 31588



SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 1 - LOCATION MAP SCENIC TERRACE SOUTH CDD



**SCENIC TERRACE SOUTH CDD
EXHIBIT 2 - LEGAL DESCRIPTION**

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS **DESCRIPTION:** A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

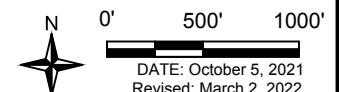
BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

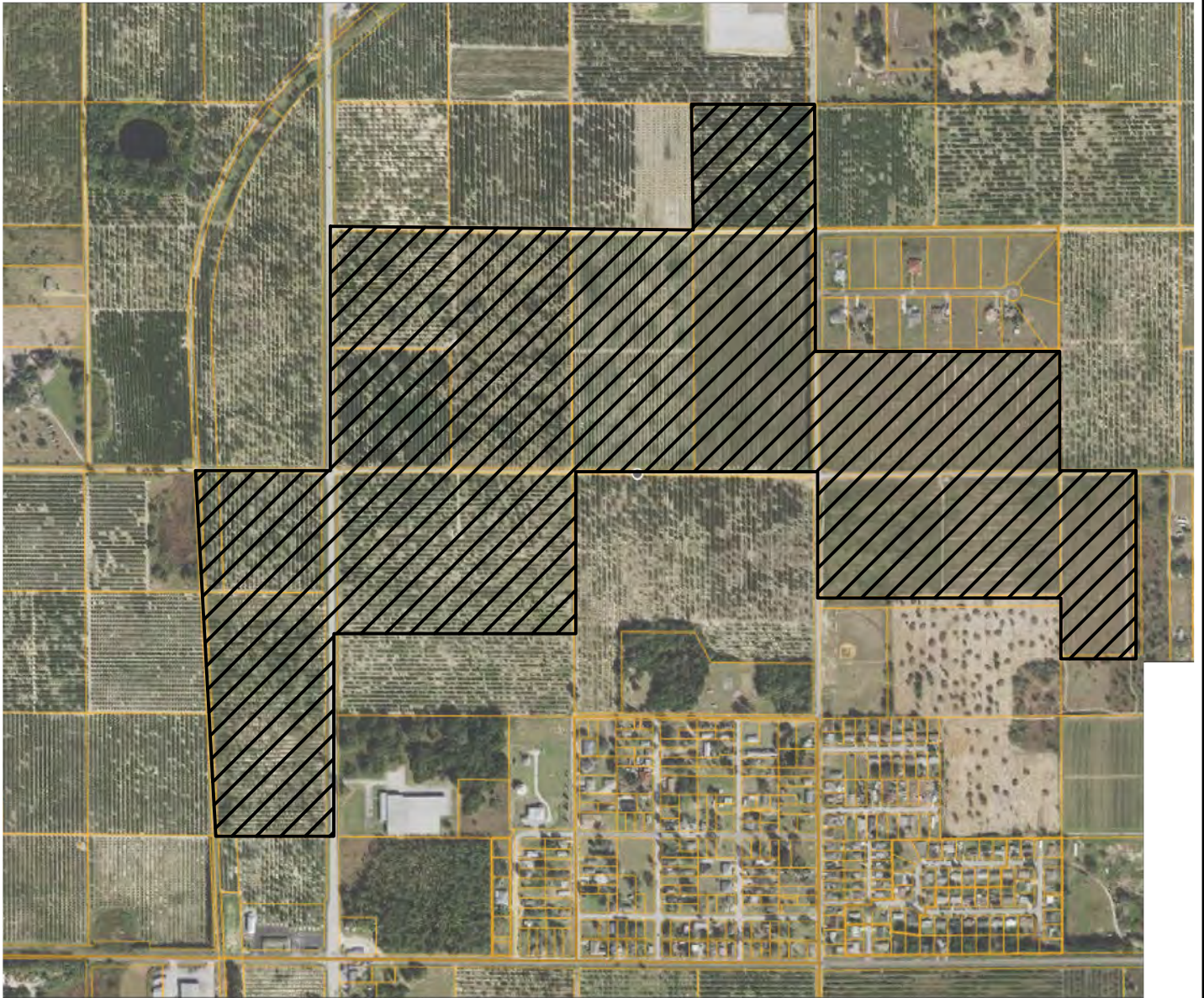
CONTAINING 188.33 ACRES, MORE OR LESS.

SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

**EXHIBIT 2 - LEGAL DESCRIPTION
SCENIC TERRACE SOUTH CDD**

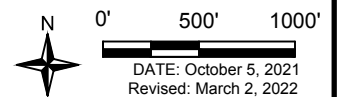




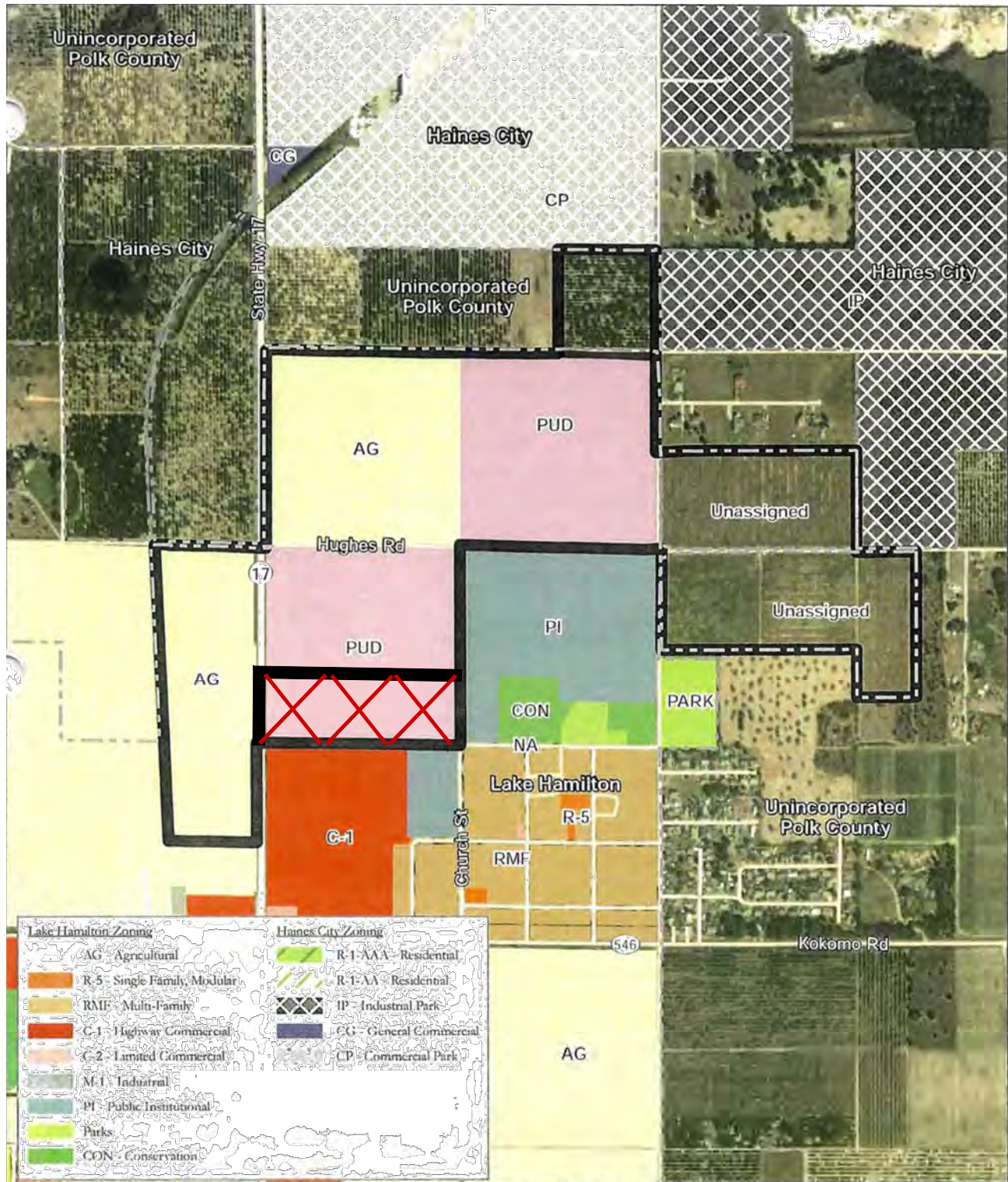
SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 3 - BOUNDARY MAP SCENIC TERRACE SOUTH CDD



DATE: October 5, 2021
Revised: March 2, 2022



SECTS 9 & 10, T27S, R28E

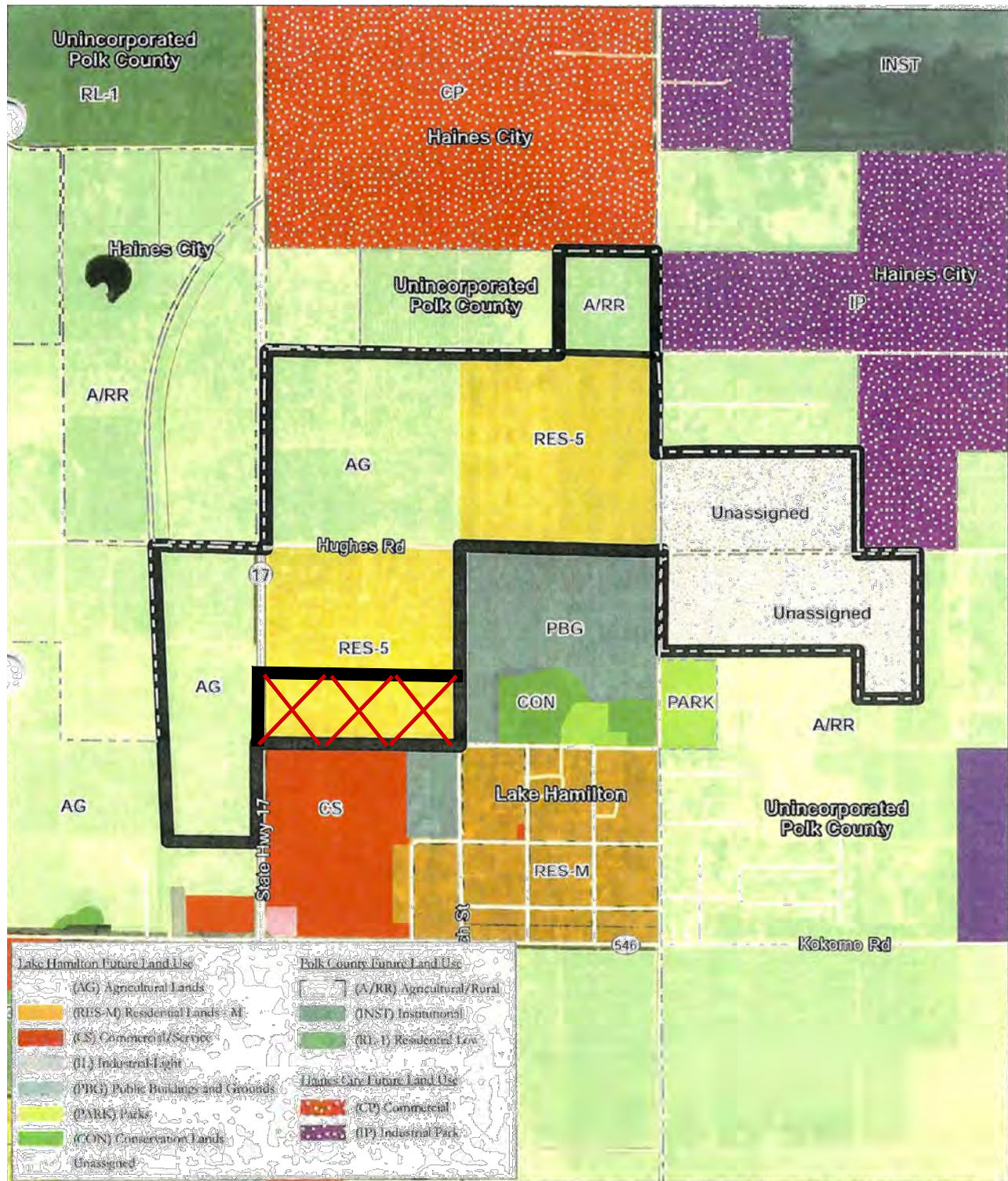
APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 4 - EXISTING LAND USE MAP SCENIC TERRACE SOUTH CDD



0' 500' 1000'

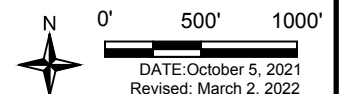
DATE: October 5, 2021
Revised: March 2, 2022

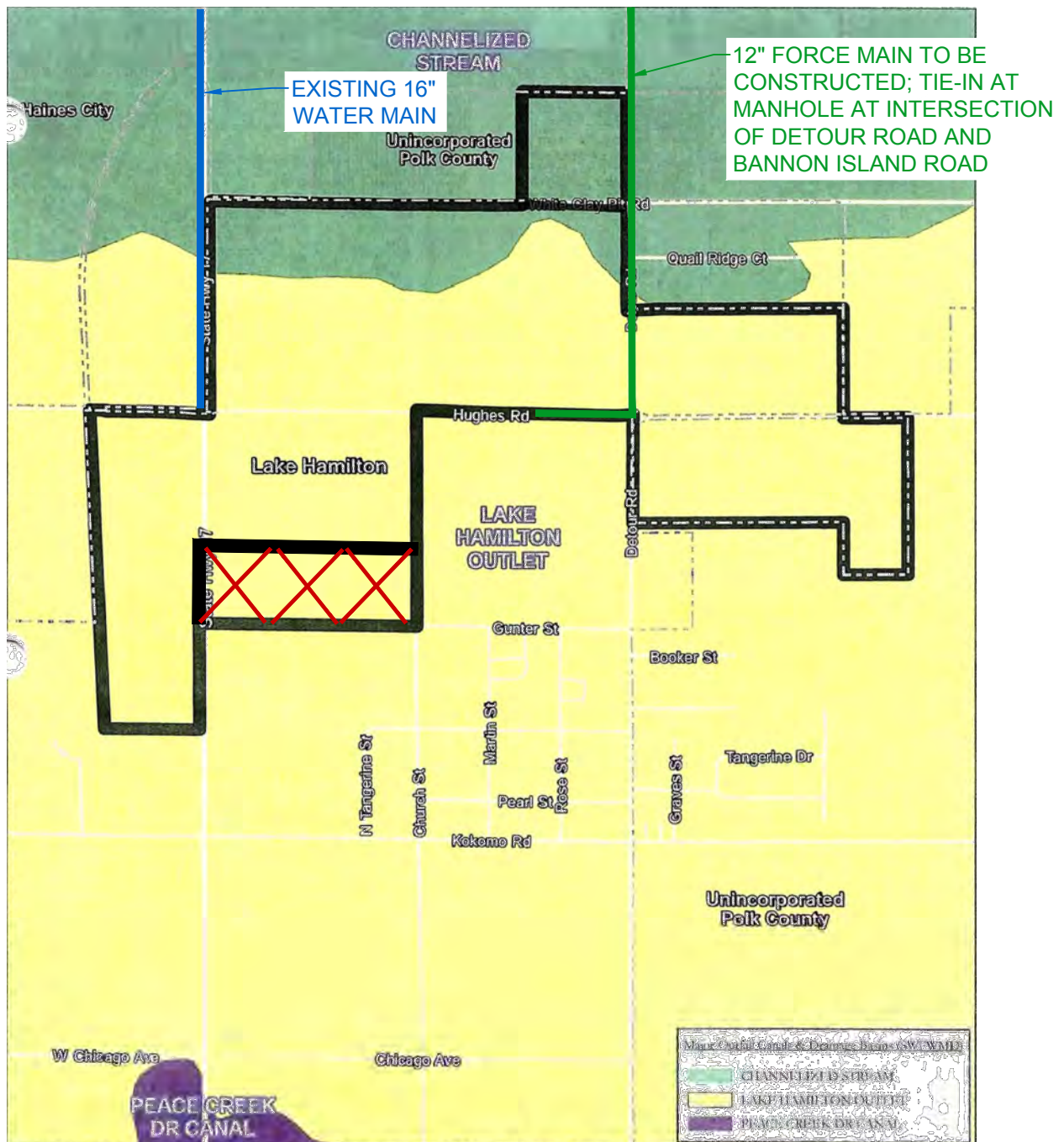


SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 5 - EXISTING FUTURE LAND USE MAP **SCENIC TERRACE SOUTH CDD**





SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 6 - DRAINAGE AND UTILITIES SCENIC TERRACE SOUTH CDD



0' 500' 1000'

DATE: October 5, 2021
Revised: March 2, 2022

Exhibit 7A - Cost Estimate
Scenic Terrace South CDD

Facility	Phase 1 2021-2023	Phase 2 2023-2024	Total Lots (744 Lots)
Earthwork	\$ 1,454,030	\$ 891,179	\$ 2,345,209
Roadway	\$ 2,797,550	\$ 1,714,627	\$ 4,512,177
Stormwater System	\$ 2,147,198	\$ 1,316,025	\$ 3,463,223
Wastewater System	\$ 2,213,168	\$ 1,356,458	\$ 3,569,626
Potable Water Distribution System	\$ 1,253,457	\$ 768,248	\$ 2,021,705
Reclaimed Water Distribution System	\$ 801,396	\$ 491,178	\$ 1,292,574
Electrical Undergrounding	\$ 1,095,850	\$ 671,650	\$ 1,767,500
Landscape & Hardscape	\$ 1,342,223	\$ 822,653	\$ 2,164,876
Amenities (Cabana, Tot Lots, and Recreation Areas)	\$ 930,000	\$ 570,000	\$ 1,500,000
Offsite Improvements	\$ 4,491,589	\$ -	\$ 4,491,589
Subtotal	\$ 18,526,461	\$ 8,602,018	\$ 27,128,479
Professional Fees (10%)			\$ 2,712,848
Subtotal			\$ 29,841,327
Contingency (10%)			\$ 2,984,133
Total			\$ 32,825,460

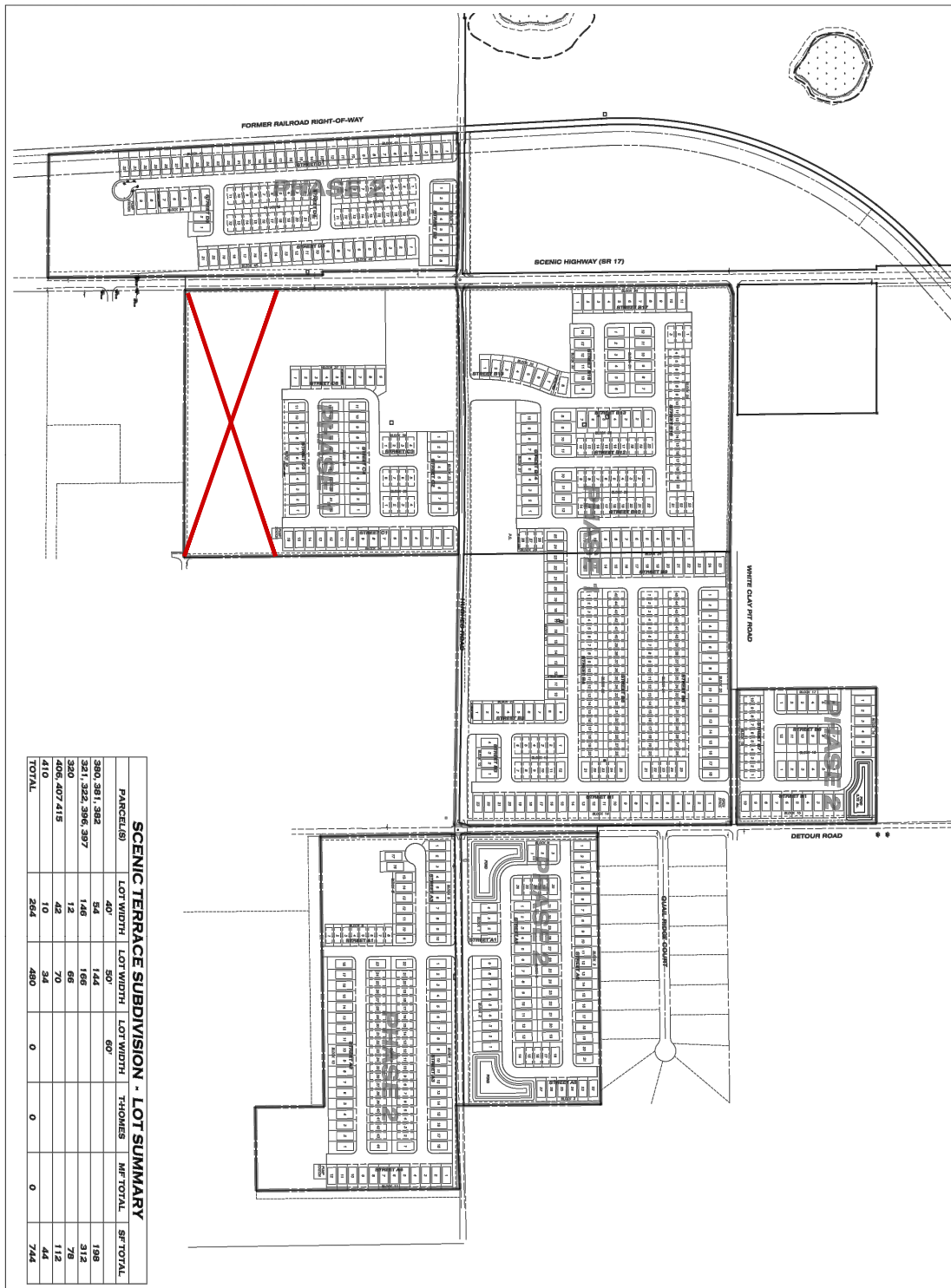
Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, master sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another governmental entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2020 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the street light poles and lighting service. Includes only the cost of undergrounding.
10. Estimates based on 744 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

Scenic Terrace South CDD
Exhibit 7B - Summary of Proposed District Facilities

District Infrastructure	Construction	Ownership	Capital Financing*	Operation and Maintenance
Stormwater Facilities	District	District	District Bonds	District
Lift Stations/Water/Sewer	District	Lake Hamilton	District Bonds	Lake Hamilton/Haines City
Street Lighting	District	District	District Bonds	District/Duke Energy
Onsite Road Construction	District	District	District Bonds	District
Offsite Road Construction	District	Lake Hamilton	District Bonds	Lake Hamilton/Polk County
Entry Feature & Signage	District	District	District Bonds	District
Recreation Facilities/Amenities	District	District	District Bonds	District

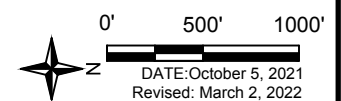
*Costs not funded by bonds will be funded by the developer.



SECTS 9 & 10, T27S, R28E

APPROX. CDD BOUNDARY
AREA - 188.33 ± AC.

EXHIBIT 8 - SITE PLAN SCENIC TERRACE SOUTH CDD



SECTION X

Prepared By and Return To

Roy Van Wyk, Esq.
KE Law Group, PLLC
2016 Delta Boulevard, Suite 101
Tallahassee, Florida 32303

**TEMPORARY CONSTRUCTION AND
ACCESS EASEMENT AGREEMENT
(PHASE 1, PHASE 2 AND PHASE 3)**

THIS TEMPORARY CONSTRUCTION AND ACCESS EASEMENT AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2022, by and between **ATLANTIC BLUE COMMUNITIES II, LLC**, a Florida limited liability company, whose mailing address is 212 E Stuart Avenue, Lake Wales, Florida 33853 (**“Grantor”**) in favor of **SCENIC TERRACE SOUTH COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, whose address is c/o Governmental Management Services – Central Florida, LLC, 219 East Livingston Street, Orlando, Florida 32801 (**“Grantee”** or the **“District”**) (Grantor and Grantee are sometimes together referred to herein as the **“Parties”**, and separately as the **“Party”**).

WITNESSETH:

WHEREAS, Grantor is the owner in fee simple of that certain parcel of real property located in the Town of Lake Hamilton, Florida, being more particularly described in **Exhibit “A”** attached hereto, and by this reference incorporated herein (the **“Easement Area”**); and

WHEREAS, Grantee intends to complete within the Easement Area, the design, installation and construction of roadway improvements, water, stormwater management facilities, sanitary sewer utilities, signage, neighborhood parks, recreational facilities and other improvements as authorized by law, (collectively, the **“Improvements”**); and

WHEREAS, Grantor desires to grant to Grantee a temporary, non-exclusive construction and access easement on, upon, over, under, across, and through the Easement Area for the sole purpose of constructing the Improvements, until either construction of the Improvements is completed or the Grantee acquires the Easement Area, whichever occurs first.

NOW, THEREFORE, for and in consideration of Ten and No/100 Dollars (\$10.00) in hand paid by the Grantee to the Grantor, the mutual covenants and agreements herein set forth and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby expressly acknowledged by the Parties, the Parties do hereby agree as follows:

1. **RECITALS.** The foregoing recitals are true and correct and are incorporated herein by this reference.

2. **TEMPORARY CONSTRUCTION EASEMENT.** Grantor does hereby grant, bargain, sell and convey to Grantee a temporary, non-exclusive easement on, upon, over, under, across and through the Easement Area for access, ingress, egress and to allow Grantee to complete the design, construction and installation of the Improvements (collectively, the “**Easement**”).

3. **TERM OF EASEMENT.** Upon the earlier of (i) the completion of all Improvements and the acceptance of such by the District’s Board of Supervisors, or (ii) recordation of a release of the Easement in the Public Records of Polk County, Florida, then this Agreement shall automatically terminate and be extinguished and all rights in the Easement granted by this Agreement shall immediately revert to the Grantor, its successors, transferees and assigns, without further action of the Grantor or Grantee being required with respect to such Easement Area. Alternatively, (iii) upon recordation of a plat, this Agreement shall partially and automatically terminate and be extinguished over the platted residential lots (“Lots”), and all rights in the Easement upon such Lots granted by this Agreement shall immediately revert to the Grantor, its successors, transferees and assigns, without further action of the Grantor or Grantee being required with respect to such Lots in the Easement Area. Upon termination of this Agreement, as provided herein, and upon request by Grantor, Grantee shall promptly execute and deliver to Grantor a document in recordable form confirming termination of this Agreement and the Easement granted herein. Should the Grantee acquire the Easement Area from the Grantor prior to the occurrence of events (i), (ii) and (iii) enumerated herein, this Agreement shall automatically terminate and be extinguished and all rights in the Easement granted by this Agreement shall immediately vest in the Grantee, its successors, transferees and assigns, without further action of the Grantor or Grantee being required with respect to such Easement Area.

4. **INSURANCE AND INDEMNITY.** Grantee and/or any contractors performing work for Grantee on the Easement Area, shall at all times maintain general public liability insurance to afford protection against any and all claims for personal injury, death or property damage arising directly or indirectly out of the exercise of the rights and privileges granted. Said insurance maintained by any contractors performing work for Grantee on the Easement Area shall be issued by solvent, reputable insurance companies authorized to do business in the State of Florida, naming Grantee and Grantor as insured, as their interests may appear, in a combined-single limit of not less than \$1,000,000.00 with respect to bodily injury or death and property damage. Said insurance shall also be primary, and not contributory, as to any insurance coverage maintained by Grantor. To the extent permitted by law and without waiving any of the protections afforded by Section 768.28, *Florida Statutes*, Grantee hereby agrees to indemnify and hold harmless Grantor from and against any and all liability arising out of Grantee’s construction activities within the Easement Area.

5. **OBLIGATIONS OF GRANTOR AND GRANTEE.** The Parties acknowledge and agree that any rights granted hereunder shall be exercised by the Parties only in accordance and compliance with any and all applicable laws, ordinances, rules, regulations, permits and approvals, and any future modifications or amendments thereto. The Parties covenant and agree that neither Party shall discharge into or within the Easement Area, any hazardous or toxic materials or substances, any pollutants, or any other substances or materials prohibited or regulated under any federal, state or local law, ordinance, rule, regulations or permit, except in accordance with such laws, ordinances, rules, regulations and permits. To the extent permitted by law and without waiving any of the protections afforded by Section 768.28, *Florida Statutes*, each Party hereby

agrees to indemnify and hold harmless the other Party from and against any and all liability arising out of such Party's breach of any provision of this Agreement, including, without limitation, the matters set forth in this paragraph.

6. **BENEFICIARIES OF EASEMENT RIGHTS.** The Easement set forth in this Agreement shall be for the sole benefit and use of Grantee, its successors and assigns, and Grantee's agents, employees, consultants, representatives, contractors and providers of emergency services and utility services.

7. **AMENDMENTS AND WAIVERS.** This Agreement may not be terminated or amended, modified, altered, or changed in any respect whatsoever, except by a further agreement in writing duly executed by the Parties and recorded in the Public Records of Polk County, Florida, except as provided in Section 3 of this Agreement. No delay or omission of any Party in the exercise of any right accruing upon any default of any Party shall impair such right or be construed to be a waiver thereof, and every such right may be exercised at any time during the continuance of such default. A waiver by any Party of a breach of, or a default in, any of the terms and conditions of this Agreement by any other Party shall not be construed to be a waiver of any subsequent breach of or default in the same or any other provision of this Agreement. No breach of the provisions of this Agreement shall entitle any Party to cancel, rescind or otherwise terminate this Agreement, but such limitation shall not affect, in any manner, any other rights or remedies which any Party may have by reason of any breach of the provisions of this Agreement.

8. **NOTICES.** Any notices which may be permitted or required hereunder shall be in writing and shall be deemed to have been duly given (i) three (3) days after depositing with the United States Postal Service, postage prepaid, (ii) one day after depositing with a nationally recognized overnight courier service, or (iii) on the day of hand delivery (provided such delivery occurs prior to 5:00 pm, E.S.T. or E.D.T., as applicable), to the address listed above or to such other address as either Party may from time to time designate by written notice in accordance with this paragraph.

9. **USE OF EASEMENT AREA.** It is acknowledged and agreed that the Easement granted under this Agreement is not an exclusive easement and that Grantor shall have the right to use and enjoy the Easement Area in any manner not inconsistent with the easement rights created herein, and grant others the right to do so.

10. **LIENS.** Grantee shall not permit (and shall promptly satisfy or bond) any construction, mechanic's lien or encumbrance against the Easement Area in connection with the exercise of rights hereunder.

11. **EFFECTIVE DATE.** The Effective Date of the Agreement shall be the last day that this Agreement is signed by either Party.

12. **MISCELLANEOUS.** This Agreement contains the entire understanding of the Parties with respect to the matters set forth herein and no other agreement, oral or written, not set forth herein, nor any course of dealings of the Parties, shall be deemed to alter or affect the terms and conditions set forth herein. If any provision of this Agreement, or portion thereof, or the application thereof to any person or circumstances, shall, to the extent be held invalid, inoperative

or unenforceable, the remainder of this Agreement, or the application of such provision or portion thereof to any other persons or circumstances, shall not be affected thereby; it shall not be deemed that any such invalid provision affects the consideration for this Agreement; and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. This Agreement shall be construed in accordance with the laws of the State of Florida. Venue for any proceeding brought hereunder shall be Polk County, Florida. In the event of any dispute hereunder or of any action to interpret or enforce this Agreement, any provision hereof or any matter arising herefrom, the predominantly prevailing party shall be entitled to recover its reasonable attorneys' fees, costs and expenses, whether suit be brought or not, and whether in settlement, in any declaratory action, at trial or on appeal. The section headings in this Agreement are for convenience only, shall in no way define or limit the scope or content of this Agreement, and shall not be considered in any construction or interpretation of this Agreement or any part hereof. Where the sense of this Agreement requires, any reference to a term in the singular shall be deemed to include the plural of said term, and any reference to a term in the plural shall be deemed to include the singular of said term. Nothing in this Agreement shall be construed to make the Parties hereto partners or joint venturers or render either of said Parties liable for the debts or obligations of the other. This Agreement may be executed in counterparts, each of which shall constitute an original, but all taken together shall constitute one and the same Agreement. Time is of the essence of this Agreement. This Agreement shall be binding upon and inure to the benefit of Grantor and Grantee and their respective successors and assigns. The rights, privileges and Easement granted and conveyed hereunder shall be a burden upon the Easement Area and shall exist for the benefit of and run with title to the Easement Area.

[Signatures contained on following pages]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year first written above.

“GRANTOR”

WITNESSES:

**ATLANTIC BLUE COMMUNITIES II,
LLC**, a Florida limited liability company

By: Atlanticblue Capital, LLC
Its: Manager

[Print Name]

By: John D. Alexander
Its: Manager

[Print Name]

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of _____, 2022, by John D. Alexander as Manager of Atlanticblue Capital, LLC, Manager of Atlantic Blue Communities II, LLC, on behalf of the Company.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

“GRANTEE”

**SCENIC TERRACE SOUTH
COMMUNITY DEVELOPMENT
DISTRICT**, a local unit of special-purpose
government established
pursuant to Chapter 190, *Florida Statutes*

Signed, sealed and delivered
in the presence of:

Print Name: _____

Lauren Schwenk
Chairperson, Board of Supervisors

Print Name: _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me ☐ physical presence or ☐ online
notarization this ____ day of _____, 2022, by Lauren Schwenk, as Chairperson of the Board
of Supervisors of the Scenic Terrace South Community Development District.

[notary seal]

(Official Notary Signature)
Name: _____
Personally Known _____
OR Produced Identification _____
Type of Identification _____

[Continue onto next page]

EXHIBIT A
EASEMENT AREA

SCENIC TERRACE SOUTH CDD
EXHIBIT 2 – LEGAL DESCRIPTION

A PORTION OF LAND LYING IN SECTION 9 AND 10, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTH 1/4 CORNER OF SAID SECTION 9, THENCE RUN SOUTH 00°36'52" EAST ALONG THE WEST LINE OF THE NORTHEAST 1/4 FOR A DISTANCE OF 1371.46 FEET; THENCE DEPARTING SAID WEST LINE RUN NORTH 89°23'08" EAST FOR A DISTANCE OF 37.81 FEET TO THE POINT OF BEGINNING; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG THE SOUTH RIGHT OF WAY LINE OF WHITE CLAY PIT ROAD, AS RECORDED IN MAP BOOK 2, PAGES 146 THROUGH 156, PUBLIC RECORDS OF POLK COUNTY FLORIDA: NORTH 69°21'25" EAST, 47.30 FEET; SOUTH 89°17'17" EAST, 1240.44 FEET; NORTH 89°45'07" EAST, 1310.06 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF DETOUR ROAD, AS RECORDED IN MAP BOOK 1, PAGES 14 THROUGH 17, AFORESAID PUBLIC RECORDS OF POLK COUNTY FLORIDA; THENCE RUN SOUTH 00°40'51" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 641.71 FEET TO THE INTERSECTION OF SAID WEST LINE AND THE WESTERLY EXTENSION OF THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF AFORESAID SECTION 10; THENCE RUN NORTH 89°18'18" EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTH LINE OF QUAIL RIDGE POINTE, AS RECORDED IN PLAT BOOK 107, PAGE 44, SAID PUBLIC RECORDS FOR A DISTANCE OF 1336.30 FEET TO THE NORTHEAST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, ALSO BEING THE SOUTHEAST CORNER OF SAID QUAIL RIDGE POINTE; THENCE RUN SOUTH 00°31'31" EAST ALONG THE EAST LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 10 FOR A DISTANCE OF 692.63 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF HUGHES ROAD, RECORDED IN MAP BOOK 9, PAGES 12 THROUGH 30, SAID PUBLIC RECORDS; THENCE RUN NORTH 87°44' 17" EAST ALONG SAID SOUTH RIGHT OF WAY LINE FOR A DISTANCE OF 400.19 FEET TO A POINT ON THE EAST LINE OF THE WEST 400 FEET OF THE NORTH 990 FEET OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10, AS RECORDED IN OFFICIAL RECORDS BOOK 10582, PAGE 184, SAID PUBLIC RECORDS; THENCE DEPARTING SAID SOUTH RIGHT OF WAY LINE RUN SOUTH 00°30'19" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 975.04 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET; THENCE RUN SOUTH 89°13' 41" WEST ALONG THE SOUTH LINE OF SAID WEST 400 FEET OF THE NORTH 990 FEET FOR A DISTANCE OF 400.00 FEET TO THE SOUTHEAST CORNER OF SAID WEST 400 FEET OF THE NORTH 990 FEET ALSO BEING A POINT ON THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 00°30'19" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 330.07 FEET TO THE SOUTHEAST CORNER OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 10; THENCE RUN SOUTH 89°13'27" WEST ALONG THE SOUTH LINE OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 FOR A DISTANCE OF 1299.58 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID DETOUR ROAD; THENCE RUN NORTH 00°57'39" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 645.08 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF AFORESAID HUGHES ROAD; THENCE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°17'27" WEST, 54.09 FEET; NORTH 88°08'19" WEST, 78.74 FEET; SOUTH 89°27'54" WEST, 100.02 FEET; NORTH 88°48'59" WEST, 300.01 FEET; NORTH 89°57'44" WEST, 100.00 FEET; NORTH 88°48'59" WEST, 100.00 FEET; NORTH 89°23'21" WEST, 300.00 FEET; NORTH 88°48'59" WEST, 200.01 FEET; NORTH 88°51'54" WEST, 109.31 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 9; THENCE RUN SOUTH 00°34'36" EAST ALONG SAID EAST LINE FOR A DISTANCE OF 1318.27 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4; THENCE RUN NORTH 89°44'40" WEST ALONG THE

SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 FOR A DISTANCE OF 1351.96 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF STATE ROAD 17 AS SHOWN ON FDOT RIGHT OF WAY MAP SECTION NO. 5029-RD (8), AFORESAID PUBLIC RECORDS; THENCE RUN SOUTH 00°33'34" EAST ALONG SAID WEST RIGHT OF WAY LINE FOR A DISTANCE OF 658.71 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE RUN NORTH 89°39'18" WEST ALONG SAID SOUTH LINE FOR A DISTANCE OF 589.98 FEET TO A POINT ON THE EAST LINE OF THE DUKE ENERGY PROPERTY, AS RECORDED IN OFFICIAL RECORDS BOOK 2209, PAGE 0597, SAID PUBLIC RECORDS; THENCE RUN NORTH 03°05'06" WEST ALONG SAID EAST LINE FOR A DISTANCE OF 1963.50 FEET TO A POINT ON THE AFORESAID SOUTH RIGHT OF WAY LINE OF HUGHES ROAD; THENCE DEPARTING SAID EAST LINE RUN THE FOLLOWING COURSES AND DISTANCES ALONG SAID SOUTH RIGHT OF WAY LINE: SOUTH 89°30'32" EAST, 49.40 FEET; NORTH 00°39'47" EAST, 6.80 FEET; SOUTH 89°44'17" EAST, 100.00 FEET; SOUTH 89°30'32" EAST, 100.00 FEET; SOUTH 89°37'24" EAST, 100.00 FEET; SOUTH 89°03'02" EAST, 100.00 FEET; SOUTH 89°54'36" EAST, 100.00 FEET; SOUTH 86°11'47" EAST, 110.29 FEET; SOUTH 87°23'20" EAST, 83.13 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF AFORESAID STATE ROAD 17; THENCE RUN NORTH 00°33'34" WEST ALONG SAID EAST RIGHT OF WAY LINE FOR A DISTANCE OF 1314.71 FEET TO THE POINT OF BEGINNING.

ADDITIONALLY, FOR PARCEL 272809000000011020, SE1/4 OF NE1/4 OF NE1/4 LESS MAINT R/W.

LESS **DESCRIPTION:** A PARCEL OF LAND LYING IN SECTION 9, TOWNSHIP 28 SOUTH, RANGE 27 EAST, POLK COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 9; THENCE ALONG THE SOUTH BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, N.89°44'40"W., A DISTANCE OF 1285.95 FEET TO THE EAST RIGHT-OF-WAY OF SCENIC HIGHWAY, ALSO KNOWN AS STATE ROAD 17 PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION 5029-RD (8); THENCE ALONG SAID EAST RIGHT-OF-WAY, N.00°33'34"W., A DISTANCE OF 449.46 FEET; THENCE DEPARTING SAID EAST RIGHT-OF-WAY, N.89°25'24"E., A DISTANCE OF 530.68 FEET; THENCE N.00°34'36"W., A DISTANCE OF 10.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 555.00 FEET; THENCE S.00°34'36"E., A DISTANCE OF 85.00 FEET; THENCE N.89°25'24"E., A DISTANCE OF 200.00 FEET TO THE EAST BOUNDARY OF SAID NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9; THENCE ALONG SAID EAST BOUNDARY, S.00°34'36"E., A DISTANCE OF 393.14 FEET TO THE **POINT OF BEGINNING. CONTAINING 13.325 ACRES, MORE OR LESS.**

CONTAINING 188.33 ACRES, MORE OR LESS.

SECTION XI

SECTION C

SECTION 1

Scenic Terrace South Community Development District

Summary of Checks

October 01, 2021 through February 28, 2022

Bank	Date	Check No.'s		Amount
General Fund	1/24/22	1-7	\$	15,326.38
	2/1/22	8-11	\$	800.00
	2/14/22	12-16	\$	20,558.64
	2/18/22	17-18	\$	4,036.98
	2/25/22	19-23	\$	1,000.00
			\$	41,722.00

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
2/01/22	00007	11/17/21 JF111720	202111 310-51300-11000	SUPERVISORS FEE 11/17/21	*	200.00	
				JUSTIN FRYE			200.00 000009
2/01/22	00009	11/17/21 PH111720	202111 310-51300-11000	SUPERVISORS FEE 11/17/21	*	200.00	
				PATRICIA J HUDSON			200.00 000010
2/01/22	00006	11/17/21 PM111720	202111 310-51300-11000	SUPERVISORS FEE 11/17/21	*	200.00	
				PATRICK MARONE			200.00 000011
2/14/22	00010	12/22/21 712	202112 310-51300-35200	WEBSITE DESIGN	*	1,750.00	
				BBM AMERICA LLC DBA REALIGN WEB DES			1,750.00 000012
2/14/22	00001	1/20/22 00042843	202111 310-51300-48000	NOTICE OF BUDGET HEARING	*	680.18	
				CA FLORIDA HOLDINGS, LLC			680.18 000013
2/14/22	99999	2/14/22 VOID	202202 000-00000-00000	VOID CHECK	C	.00	
				*****INVALID VENDOR NUMBER*****			.00 000014
2/14/22	00003	10/13/21 1	202110 310-51300-34000	MANAGEMENT FEES OCT21	*	1,787.71	
		10/13/21 1	202110 310-51300-35200	WEBSITE ADMIN OCT21	*	61.37	
		10/13/21 1	202110 310-51300-35100	INFORMATION TEC OCT21	*	91.96	
		11/01/21 2	202111 310-51300-34000	MANAGEMENT FEES NOV21	*	2,916.67	
		11/01/21 2	202111 310-51300-35200	WEBSITE ADMIN NOV21	*	100.00	
		11/01/21 2	202111 310-51300-35100	INFORMATION TEC NOV21	*	150.00	
		11/01/21 2	202111 310-51300-51000	OFFICE SUPPLIES	*	5.21	
		11/01/21 2	202111 310-51300-42000	POSTAGE	*	29.00	
		11/01/21 2	202111 310-51300-42500	COPIES	*	62.85	
		12/01/21 3	202112 310-51300-34000	MANAGEMENT FEES DEC21	*	2,916.67	
		12/01/21 3	202112 310-51300-35200	WEBSITE ADMIN DEC21	*	100.00	

STS SCENIC TERRACE IARAUJO

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
		12/01/21 3	202112 310-51300-35100		*	150.00	
			INFORMATION TEC DEC21				
		12/01/21 3	202112 310-51300-51000		*	2.59	
			OFFICE SUPPLIES				
		12/01/21 3	202112 310-51300-42000		*	22.59	
			POSTAGE				
		12/01/21 3	202112 310-51300-42500		*	9.75	
			COPIES				
		2/01/22 5	202202 310-51300-34000		*	2,916.67	
			MANAGEMENT FEES - FEB 22				
		2/01/22 5	202202 310-51300-35200		*	100.00	
			WEBSITE MANAGEMENT-FEB 22				
		2/01/22 5	202202 310-51300-35100		*	150.00	
			INFORMATION TECH - FEB 22				
				GOVERNMENTAL MANAGEMENT SERVICES-			11,573.04 000015
2/14/22 00002		11/12/21 749	202110 310-51300-31500		*	4,053.25	
			GENERAL COUNSEL OCT21				
		12/06/21 772	202111 310-51300-31500		*	1,567.42	
			GENERAL COUNSEL NOV21				
		1/11/22 1134	202112 310-51300-31500		*	568.75	
			GENERAL COUNSEL DEC21				
		2/10/22 1302	202201 310-51300-31500		*	366.00	
			GENERAL COUNSEL - JAN 22				
				KE LAW GROUP, PPLC			6,555.42 000016
2/18/22 00001		1/18/22 00043465	202201 310-51300-48000		*	296.98	
			BOS MTG 1-25				
				CA FLORIDA HOLDINGS, LLC			296.98 000017
2/18/22 00011		2/15/22 15282	202201 310-51300-45000		*	3,740.00	
			FY22 GEN LIAB INSURANCE				
				EGIS INSURANCE ADVISORS, LLC			3,740.00 000018
2/25/22 00007		2/16/22 JF021620	202202 310-51300-11000		*	200.00	
			SUPERVISOR FEE 02/16/22				
				JUSTIN FRYE			200.00 000019
2/25/22 00005		2/16/22 LS021620	202202 310-51300-11000		*	200.00	
			SUPERVISOR FEE 02/16/22				
				LAUREN OAKLEY SCHWENK			200.00 000020
2/25/22 00009		2/16/22 PH021620	202202 310-51300-11000		*	200.00	
			SUPERVISOR FEE 02/16/22				
				PATRICIA J HUDSON			200.00 000021
				STS SCENIC TERRACE IARAUJO			

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
2/25/22	00006	2/16/22 PM021620	202202 310-51300-11000		*	200.00	
		SUPERVISOR FEE 02/16/22		PATRICK MARONE			200.00 000022
2/25/22	00012	2/16/22 RH021620	202202 310-51300-11000		*	200.00	
		SUPERVISOR FEE 02/16/22		RENNIE HEATH			200.00 000023
TOTAL FOR BANK A						41,722.00	
TOTAL FOR REGISTER						41,722.00	

STS SCENIC TERRACE IARAUJO

SECTION 2

Scenic Terrace South
Community Development District

Unaudited Financial Reporting
February 28, 2022



Table of Contents

1	<hr/>	Balance Sheet
2	<hr/>	General Fund
3	<hr/>	Month to Month

Scenic Terrace South
Community Development District
Combined Balance Sheet
February 28, 2022

		<i>General Fund</i>
Assets:		
<u>Cash:</u>		
Operating Account	\$	3,278
Total Assets	\$	3,278
Liabilities:		
Due to other	\$	3,213
Total Liabilities	\$	3,213
Fund Balance:		
Unassigned	\$	65
Total Fund Balances	\$	65
Total Liabilities & Fund Balance	\$	3,278

Scenic Terrace South

Community Development District

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

For The Period Ending February 28, 2022

	Adopted	Prorated Budget	Actual	
	Budget	Thru 02/28/22	Thru 02/28/22	Variance
<u>Revenues:</u>				
Developer Contributions	\$ 133,610	\$ 45,000	\$ 45,000	\$ -
Total Revenues	\$ 133,610	\$ 45,000	\$ 45,000	\$ -
<u>Expenditures:</u>				
<u>General & Administrative:</u>				
Supervisor Fees	\$ 12,000	\$ 5,000	\$ 4,000	\$ 1,000
Engineering	\$ 15,000	\$ 6,250	\$ -	\$ 6,250
Attorney	\$ 25,000	\$ 10,417	\$ 6,555	\$ 3,861
Annual Audit	\$ 4,000	\$ -	\$ -	\$ -
Assessment Administration	\$ 5,000	\$ -	\$ -	\$ -
Arbitrage	\$ 500	\$ -	\$ -	\$ -
Dissemination	\$ 5,000	\$ -	\$ -	\$ -
Trustee Fees	\$ 3,600	\$ -	\$ -	\$ -
Management Fees	\$ 35,000	\$ 14,583	\$ 13,454	\$ 1,129
Information Technology	\$ 1,800	\$ 750	\$ 692	\$ 58
Website Maintenance	\$ 2,950	\$ 1,229	\$ 2,211	\$ (982)
Telephone	\$ 300	\$ 125	\$ -	\$ 125
Postage & Delivery	\$ 1,000	\$ 417	\$ 52	\$ 365
Insurance	\$ 5,000	\$ 5,000	\$ 3,740	\$ 1,260
Printing & Binding	\$ 1,000	\$ 417	\$ 73	\$ 344
Legal Advertising	\$ 10,000	\$ 10,000	\$ 13,929	\$ (3,929)
Other Current Charges	\$ 5,000	\$ 2,083	\$ -	\$ 2,083
Office Supplies	\$ 625	\$ 260	\$ 54	\$ 206
Travel Per Diem	\$ 660	\$ 275	\$ -	\$ 275
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 175	\$ -
Total Expenditures	\$ 133,610	\$ 56,981	\$ 44,935	\$ 12,046
Excess (Deficiency) of Revenues over Expenditures	\$ -	\$ (11,981)	\$ 65	\$ (12,046)
Fund Balance - Beginning	\$ -		\$ -	
Fund Balance - Ending	\$ -		\$ 65	

Scenic Terrace South
Community Development District
Month to Month

	Oct		Nov		Dec		Jan		Feb		March		April		May		June		July		Aug		Sept		Total	
<u>Revenues:</u>																										
Developer Contributions	\$	-	\$	-	\$	-	\$	45,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	45,000
Total Revenues	\$	-	\$	-	\$	-	\$	45,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	45,000
<u>Expenditures:</u>																										
<u>General & Administrative:</u>																										
Supervisor Fees	\$	1,200	\$	800	\$	1,000	\$	-	\$	1,000	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	4,000
Engineer Fees	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Attorney Fees	\$	4,053	\$	1,567	\$	569	\$	366	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	6,555
Annual Audit	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Assessment Administration	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Dissemination	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Arbitrage	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Trustee Fees	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Management Fees	\$	1,788	\$	2,917	\$	2,917	\$	2,917	\$	2,917	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	13,454
Information Technology	\$	92	\$	150	\$	150	\$	150	\$	150	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	692
Website Maintenance	\$	61	\$	100	\$	1,850	\$	100	\$	100	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	2,211
Telephone	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Postage & Delivery	\$	-	\$	29	\$	23	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	52
Insurance	\$	-	\$	-	\$	-	\$	3,740	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	3,740
Printing & Binding	\$	-	\$	63	\$	10	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	73
Legal Advertising	\$	5,618	\$	8,013	\$	-	\$	297	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	13,929
Other Current Charges	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Office Supplies	\$	-	\$	5	\$	3	\$	46	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	54
Travel Per Diem	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Dues, Licenses & Subscriptions	\$	175	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	175
Total Expenditures	\$	12,988	\$	13,644	\$	6,520	\$	7,616	\$	4,167	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	44,935
Excess (Deficiency) of Revenues over Expenditures																										
Excess (Deficiency) of Revenues over Expenditures	\$	(12,988)	\$	(13,644)	\$	(6,520)	\$	37,384	\$	(4,167)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	65